ADVANTECH

2025 Sustainability Report



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2025 Corporate Sustainability Report Editorial Principles and Reporting Scope

Editorial Principles

Advantech Co., Ltd. (hereinafter referred to as "Advantech") has published its 2025 Corporate Sustainability Report. This publication serves to transparently and publicly communicate our strategic vision, management approaches, operational milestones, and future improvement roadmaps across the Environmental, Social, and Governance (ESG) spectrum to our stakeholders and the general public.

Published in August 2026, this report documents our key annual initiatives and has been prepared in accordance to the Global Reporting Initiative (GRI) Universal Standards 2021. It also aligns with the Sustainability Accounting Standards Board (SASB) Industry Standards for the Hardware category, satisfies the specific industry disclosure indicators designated by the Taiwan Financial Supervisory Commission (FSC) for the Computer and Peripheral Equipment Industry, and adheres to the AA1000 AccountAbility Principles.

Reporting Boundaries and Scope

The boundary of this report encompasses Advantech's core operating headquarters and primary manufacturing facilities, which consist of:

- Advantech Taiwan Headquarters (ACL): Comprising the Ruiguang, Yangguang, and Linkou campuses.
- Advantech Kunshan Manufacturing Center (AKMC)

The disclosure scope for overseas regional business units (RBUs) includes:

- Advantech Corporation (ANA) – North America
- Advantech Europe B.V. (AEU)
- Advantech Japan Co., Ltd. (AJP)
- Advantech KR Co., Ltd. (AKR)
- Beijing Advantech Technology Co., Ltd. (ACN)

For newly acquired AURES, this report only discloses human resources-related metrics. Collectively, the entities included in this report represent 100% of Advantech's total global manufacturing capacity, 94.6% of its consolidated global revenue, and 95% of its total global workforce.

While this report focuses on the ESG disclosures of the aforementioned operating locations, information regarding the Advantech Foundation is included on a voluntary disclosure basis to highlight its social contribution and ESG accomplishments during the reporting period. Any adjustments to data scope or boundary differences are explicitly detailed within the respective chapters, tables, or charts.

In contrast, Advantech's Annual Report is prepared in accordance with the International Financial Reporting Standards (IFRS) and covers Advantech Co., Ltd. and all of its subsidiaries, resulting in a structural variance from the boundary of this sustainability report. Only a subset of the entities included in the consolidated financial statements are represented in this report. Please refer to Appendix 3 for the detailed reporting boundary checklist; entities marked with an asterisk (*) fall within the scope of this sustainability report, while unmarked entities primarily function as customer service centers.

Reporting Period

This report primarily presents performance metrics and quantitative data for the fiscal year 2025 (January 1, 2025, to December 31, 2025). Relevant historical context prior to this period, as well as forward-looking strategies, targets, and action plans, are also selectively disclosed where appropriate. The reporting period of this sustainability report is fully synchronized with Advantech's financial reporting cycle.

External Assurance and Verification

To ensure the highest level of data integrity, transparency, and credibility, Advantech has engaged independent third-party institutions to perform rigorous external assurance and verification processes:

Verification / Assurance Body	Scope & Standards Applied
SGS Taiwan Ltd. (Independent Third-Party)	■ AA1000AS v3 Type 2 (High Level of Assurance) ■ GRI Universal Standards 2021 (In Accordance) ■ FSC Industry-Specific Sustainability Indicators ■ SASB Hardware Industry Standards
Pricewaterhouse Coopers (PwC) Taiwan	■ Limited Assurance in accordance with Taiwan Assurance Standards Statement No. 3000 ("Assurance Engagements Other than Audits or Reviews of Historical Financial Information") targeting selected Key Performance Indicators (KPIs).

Publication Cycle

Advantech publishes its sustainability report annually:

- Previous Edition: Published in August 2025
- Current Edition: Published in August 2026
- Next Edition: Scheduled for publication in August 2027

Contact Information

In commitment to our paperless environmental policy, this report is published in digital format and is available on our corporate website. For any inquiries, feedback, or suggestions regarding this report, please contact:

Advantech Co., Ltd. ESG Corporate Sustainability Office

Contact Person: Wan-Ning Chen

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Phone: +886-2-7732-3399 ext. 7794

Email: csr@advantech.com.tw

Website: https://esg.advantech.com/en-us

Notes:

1. To optimize readability in certain tables and charts, standard corporate abbreviations are used (e.g., ACL, AKMC, ANA, AEU, AJP, AKR, ACN) as defined under Section 2. The term 'RBU' (Regional Business Unit) collectively refers to AKMC, ANA, AEU, AJP, AKR, and ACN. The term 'Headquarters' or 'HQ' refers to Advantech's Taiwan operations (comprising Ruiguang, Yangguang, and Linkou campuses). There have been no significant changes to the company's operations or supply chain during the reporting period. Any restatements of previously reported data are highlighted in their respective sections.
2. AA1000AS (AA1000 Assurance Standard) is published by AccountAbility (UK) and represents one of the leading global standards for third-party verification of corporate sustainability reporting, ensuring adherence to core accountability principles.

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A Word from Management

Advantech made significant progress in the field of AI edge computing software and hardware in 2025. In terms of hardware, the percentage of revenue from AI computing-related products has increased from 8% in 2024 to 18% in 2025, and is expected to surpass 30% in 2026. This growth momentum has driven our revenue and profits, both of which maintained double-digit growth in 2025. This fully reflects the results of Advantech's in-depth cooperation with the world's leading AI chip partners. In particular, we are seeing AI solutions for green energy, smart manufacturing, smart healthcare, and smart cities yield fruitful results. These achievements are pushing Advantech from the global leading brand of industrial PCs (IPCs) to steadily become an international leader in edge computing and AI applications.

In terms of sustainable development, we continue to improve our governance performance and impact. Advantech was once again ranked the fourth best brand in Taiwan by Interbrand with a brand value of US$896 million in 2025. We ranked in the top 5% in the Corporate Governance Evaluation for the third consecutive year. Our score in the DJSI evaluation also increased to 89 points, we received the EcoVadis silver medal, and were selected into the top 500 in the TIME Magazine World's Most Sustainable Company and Forbes World's Best Employers, showing our international competitiveness in sustainability governance and brand value.

Facing emerging sustainability issues such as climate change, decarbonization, biodiversity, forest conservation, diversity, equity, and inclusion (DEI), and supply chain carbon reduction, we will continue to review and strengthen our efforts. Looking towards 2026, the ESG and Corporate Sustainability Office will focus on key sustainability issues and work with external experts, industry partners, and internal teams to jointly push forward our transition towards corporate sustainability.

Environmental

- RE100: Advantech is committed to using 100% renewable energy by 2040. In Taiwan, we will invest in power plants, install our own green electricity capacity, and participate in power wheeling. At overseas locations, the office buildings in the United States, Japan, and South Korea use solar power to meet 70%-80% of their electricity demand. Meanwhile, locations in China and the Netherlands continue to steadily implement their own plans. As of the end of 2025, Advantech's renewable energy use reached 16.2 % worldwide.
- Carbon pricing and decarbonization actions: In addition to subsidiaries in Japan and South Korea, Advantech has completed the greenhouse gas (GHG) inventory for locations in Europe in 2025, and will expand it to North America in 2026. At the same time, we launched the carbon pricing project and first implemented it in the Industrial IoT Group on a trial basis. We plan to gradually expand it to the entire organization. The AI product carbon footprint platform we developed is expected to be launched next year, and will help accurately calculate carbon emissions, optimize raw material procurement decisions and low-carbon designs, and consolidate Advantech's position as customers' preferred choice for sustainability.
- Biodiversity conservation: Advantech published the TC(N)FD Report in 2025 to actively respond to nature-related and climate-related impacts. We conducted a survey of the biodiversity in the Advantech Smart Technology Park, and unexpectedly discovered Chinese ladiestresses, pangolins, Formosan ferret-badgers, Formosan masked palm civets, and an abundance of birds, amphibians, and reptiles. We immediately launched plans to display the park's ecological information using Advantech products and solutions, while achieving the effect of environmental education for employees.

Social

- IoT industry-academia co-creation:Advantech continues to promote youth employment and entrepreneurship through industry-government-academia-research collaboration. We combined the ACT Dreamers platform, ESG program, and PBL education to cultivate sustainability literacy from the education side.
- Diversity, Equity, and Inclusion (DEI):As a multinational corporation with a presence in 27 countries, Advantech continues to expand diverse talent development activities to overseas subsidiaries and migrant workers' communities, strengthening cultural and intellectual training, and expanding the human capital management platform to 5 countries in Southeast Asia. Advantech has upgraded talent management through digital transformation, continues to improve employee engagement in sustainability, is working to create a happy workplace, and co-creates sustainability value with employees around the world.

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Governance

- **Information security and risk management:** The Risk Management Committee oversees the formulation of response strategies for high-risk topics, and continues to improve information security certification and protection mechanisms in line with Europe's new Cyber Resilience Act (CRA). The Board of Directors also includes members with professional backgrounds in technology and information security, enhancing the board's overall composition and expertise.
- **Sustainable intelligent solutions:** Advantech focuses on its core business and works with industry partners to promote the iEMS, smart healthcare, and smart transportation solutions, which account for 61.9% of revenue, making concrete contributions to climate adaptation and carbon reduction.
- **ESG mechanisms:** Advantech implemented an ESG performance evaluation and incentive system for executive level supervisors in 2023, and continued to optimize the link between KPIs and remuneration in 2025, implementing ESG strategies aimed at expanding the application of results at a faster pace.
- **Sustainable supply chain:** Advantech partnered with suppliers to jointly push forward low-carbon and sustainable transformation, and over 800 participants in ESG empowerment training and forums in total were from suppliers. We also require suppliers to improve their GHG inventory capabilities, set carbon reduction targets, and take actions to jointly move towards the vision of net zero emissions.
- **Alignment with IFRS sustainability disclosure:** Advantech is expected to establish Sustainability Information Disclosure Governance and Operating Procedures under the supervision of the Board of Directors in 2026, and will identify climate-related opportunities and risks in advance to ensure smooth alignment with the IFRS Sustainability Disclosure Standards, so that we can provide investors and stakeholders with consistent and comparable financial and sustainability information for them to effectively understand Advantech.

Going forward, we will continue to uphold our original intentions and work with value chain partners and stakeholders to realize the corporate vision to "**Enable an Intelligent and Sustainable Planet**" through our actions.

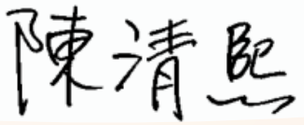


Chairman
KC Liu



August, 2026

President of General Management
Eric Chen
August,2026





01 Sustainability Vision and Goals

1.1 ESG Governance Structure

1.2 Stakeholder Engagement

1.3 Sustainability Goals and Materiality

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1.1 ESG Governance Structure

Advantech's corporate mission is to enrich the smart world through IoT technology, and its sustainability mission is to leverage its core business strengths as a driving force for a sustainable planet. As a multinational enterprise rooted in Taiwan with a global outlook, Advantech adheres to a policy of responsible business conduct aligned with international standards. The declarations and guidelines it observes include, but are not limited to, the International Labour Organization (ILO) Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy and the Universal Declaration of Human Rights. Although Taiwan is not a UN member state, Advantech also draws on the United Nations Global Compact, the United Nations Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, and the Responsible Business Alliance Code of Conduct (RBA Code of Conduct). These frameworks are embedded throughout Advantech's operational management and the implementation of its ESG policies.

Related policies and documents are available at: (Sustainability Report- ESG (advantech.com)

Advantech's highest governance body and its ESG governance unit are responsible for overseeing the organization's due diligence. The Board of Directors, as the highest governance body, has formally appointed the General Manager of the Corporate Management Division — the senior officer in charge of the ESG and Corporate Sustainability Office — as the top decision-maker for impact management. To ensure effective management, the Company drives cross-departmental sustainability initiatives through the ESG and Corporate Sustainability Office, which is responsible for approving sustainability strategies, setting management targets for material topics, and ensuring the organization has sufficient resources to address impacts on the economy, the environment, and people.

Through annual identification of material sustainability topics, progress management, and target tracking, Advantech identifies the extent of the positive and negative impact that its operating activities have on the economy, the environment, and people (society). Where no negative impact is involved, the Company continues to monitor and reinforce positive impacts and adopt preventive measures. Where a negative impact does occur, mitigation or remedial measures are taken.

With regard to reporting procedures and frequency, the Company has established a regular communication and reporting mechanism to ensure that the highest governance body remains informed of the effectiveness of impact management in a timely manner: each executing department regularly tracks KPI achievement and potential risks, and the ESG and Corporate Sustainability Office consolidates project performance data on a quarterly basis to review management progress. The Board of Directors receives a report from senior management on sustainability performance and the impact of material topics at least once a year.

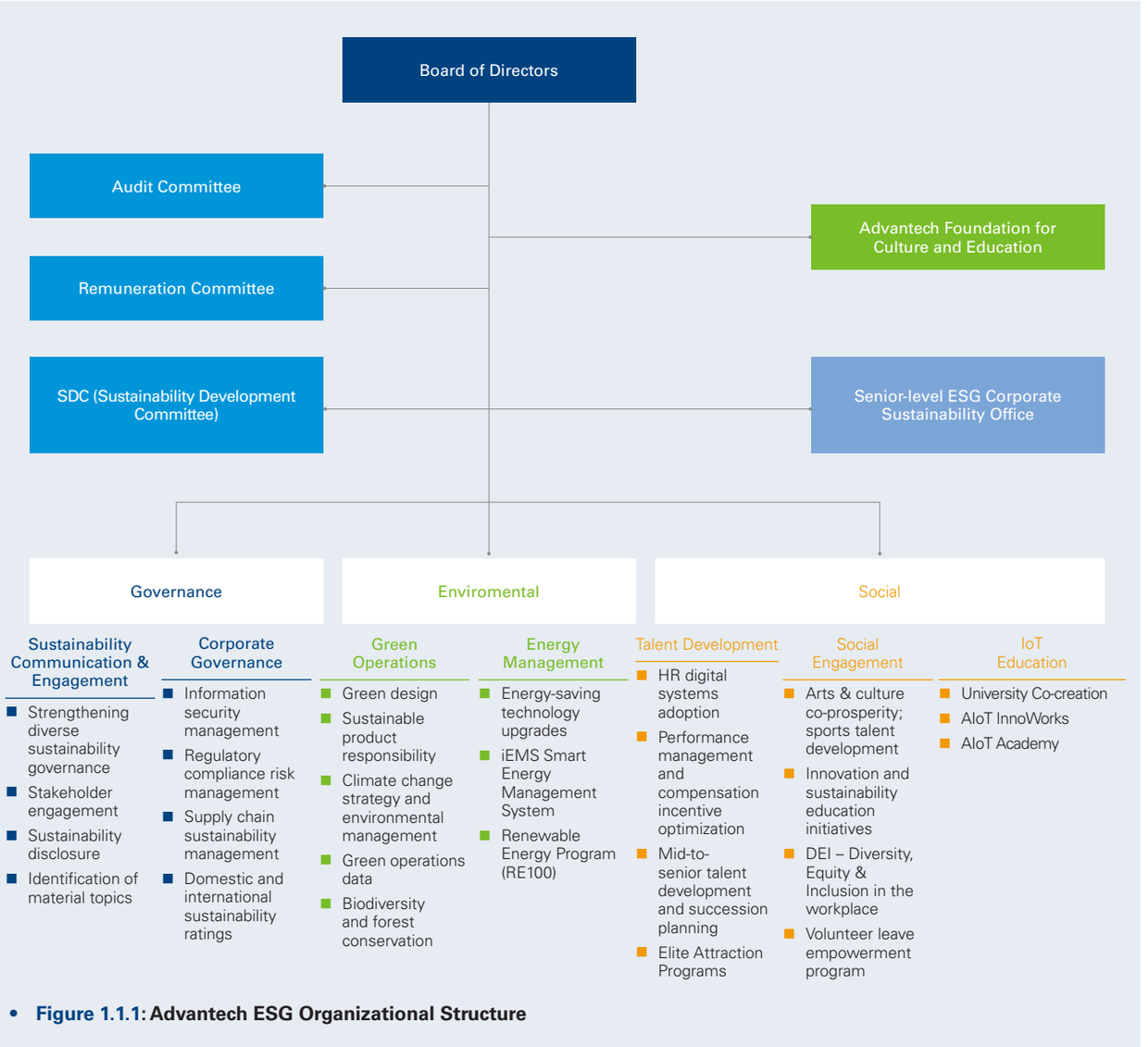
In addition, in preparing internal controls for the "management of sustainability information" and incorporating this into its audit plan, Advantech has proactively developed the "Sustainability Information Management Procedures" to govern the overall quality of sustainability information - covering environmental, social, and governance information disclosed in response to regulatory requirements or on a voluntary basis. Through internal controls and multi-level review, the Company reduces the risk of misstatement, enabling it to disclose high-quality sustainability information and engage effectively with stakeholders. This initiative also strengthens sustainability governance and continues to enhance Advantech's overall performance.

For further details, please refer to the management approach tables in each material topic chapter of this report to gain a fuller understanding of the Company's material sustainability performance.



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Advantech has published a Corporate Social Responsibility Report since 2013. In terms of its ESG governance mechanisms, the Company continuously researches domestic and international sustainability trends and benchmarks against leading companies to refine its governance mechanisms year by year.



• **Figure 1.1.1: Advantech ESG Organizational Structure**

Chairman

The highest-level leader of sustainability development, leading Advantech's global corporate sustainability strategy and development.

Board of Directors

Regularly reviews corporate sustainability performance, reviews material sustainability topics for the Sustainability Report, approves the publication of the report, and discusses major ESG proposals.

Board-level Sustainability Development Committee (SDC)

- Chairman K.C. Liu (Convener), Director Hung-Tse Chen, and Director Chi-Jen Lee — three committee members in total.
- Details of the agenda items discussed each year are available in public disclosures.
- The Board-level Sustainability Development Committee (SDC) convenes twice a year.
- Climate-related issues are included on the Board's agenda at least once a year; the unit responsible for managing climate change is the Sustainability Committee.

Senior-level ESG Corporate Sustainability Office

- Led primarily by the General Manager of the Corporate Management Division, who provides guidance and advice to the ESG Corporate Sustainability Office.
- Responsible for identifying Advantech's sustainability topics, formulating annual development goals and plans, and holding regular quarterly meetings, inviting board members, external experts, and benchmark companies to provide input as relevant. ESG projects are followed up and implemented by accountable teams, with the ESG Corporate Sustainability Office regularly tracking progress and proposing improvement plans.
- The ESG Corporate Sustainability Office reports on relevant project plans and progress to the Chairman from time to time; the Chairman personally provides direction and strategic advice, and delegates the General Manager to participate in key meetings and decisions.

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2025 Sustainability Awards and Achievements

DJBIC

S&P Global 2025 Sustainability Yearbook

Top5%

S&P Global ©S&P Global 2026.

Advantech Co., Ltd.
Computers & Peripherals and Office Electronics

Top 5%

Corporate Sustainability Assessment (CSA) 2025 Score

89/100 | Score date February 11, 2026 For terms of use, visit www.spglobal.com/yearbook

EcoVadis Assessment

Silver Medal

SILVER | Top 15%
ecovadis
Sustainability Rating
JAN 2026

Corporate Governance Evaluation

Top 5%



2025 CommonWealth Corporate Citizenship Award

Large Enterprise Category

Ranked 4th



2025 CommonWealth Parenting Family-Friendly Workplace Award

Large Enterprise Category

Selected

DJBIC

Industry Mover
Member of DJBIC World

S&P Global ©S&P Global 2026.

Advantech Co., Ltd.
Computers & Peripherals and Office Electronics

Industry Mover

Corporate Sustainability Assessment (CSA) 2025

89/100 | Score date February 11, 2026 For terms of use, visit www.spglobal.com/yearbook



Carbon Disclosure Project (CDP)

Climate Change Questionnaire

B Level

Supplier Engagemen

A Level

Interbrand Best Taiwan Global Brands

Ranked 4th

World's Best Employers 2025

Selected

World's Most Sustainable Companies 2025

Selected

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1.2 Stakeholder Engagement

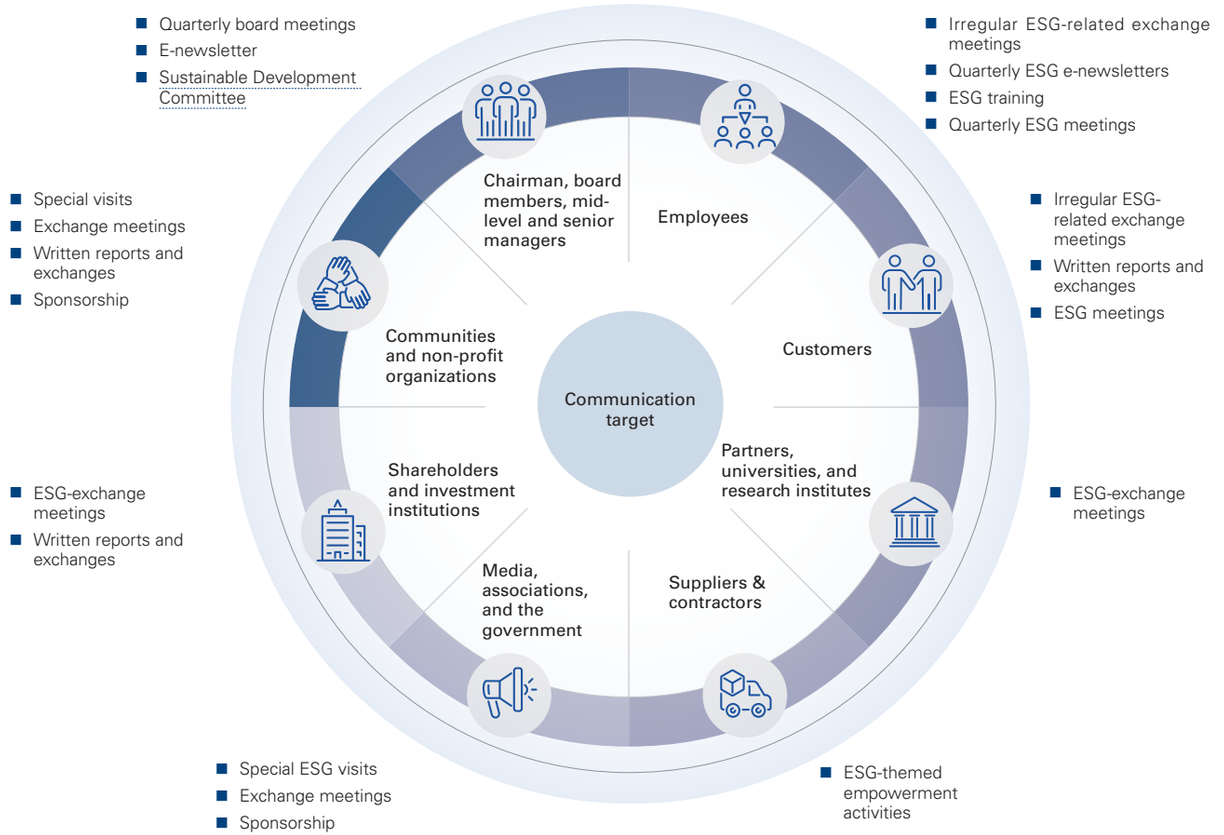
The ESG and Corporate Sustainability Office considers international sustainability trends, developments in Advantech's operations, and the sustainable development progress of peers in the industry each year, and prepares a report for the office's highest-level supervisor based on the sustainability reports in previous years. In accordance with the AA1000 Stakeholder Engagement Standard, stakeholder groups remain unchanged from previous years, and include: employees, customers, business partners, universities and research institutes, suppliers and contractors, media, associations and the government, shareholders and institutional investors, communities, and non-profit organizations. There are 8 categories of stakeholders in total.

We interact with stakeholders through various channels, including telephone communication, live chat, in-person and online meetings/forums, event satisfaction surveys, customer satisfaction surveys, customer visits, supplier audits, and participation in initiatives of associations. We disclose communication channels on our ESG and corporate sustainability official website – Contact Us (advantech.com), and corresponding units respond to the suggestions and concerns of stakeholders.

Expanding the Influence of Sustainability Topics

Advantech's ESG and Corporate Sustainability Office participated in multiple internal and external sustainability communication activities to communicate key sustainability topics with stakeholders in 2025. Advantech's ESG and Corporate Sustainability Office holds quarterly ESG meetings with important regional business units (RBUs) to deepen employee participation around the world. Advantech also issued 4 ESG quarterly e-newsletters to raise employees' awareness of sustainability issues and help internal stakeholders understand Advantech's sustainability performance and provide suggestions for improvement.

- **Table 1.2.1: Results of Advantech and Stakeholders Expanding Their Sustainability Influence in 2025**



Sustainability topic		
Environmental	**Social**	**Governance**
Climate action, energy conservation and carbon reduction, RE100 and net-zero target roadmap, internal carbon pricing (ICP), product carbon footprint, biodiversity, and sustainable raw material development progress.	Create a workplace with diversity, equity, and inclusion (DEI), sustainable product packaging, Advantech Human Rights Due Diligence Survey, and living wage survey.	Review of annual results disclosed in the EU Taxonomy sustainable economic activities, summary of results in Sustainability Reports, and Climate-related and Nature-related Financial Disclosure Report.

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Table 1.2.2: Advantech's Communication and Interactions with Stakeholders in 2025

Note: This table presents the annual routine performance related to communication, responses, and engagement highlights, and corresponds to details in respective sections. Details are as follows: For details on employees, please refer to 5.2 Employee Communication and Benefits. For details on customers, please refer to 3.4 Co-creation with Customers and Partners. For details on partners, universities, and research institutes, please refer to 3.3 IoT Application Promotion and Education. For details on suppliers and contractors, please refer to 2.3 Supply Chain Sustainability Management. For details on media, associations, and government, please refer to the Appendix: Participation and Resources Invested in Associations. For details on shareholders and institutional investors, please refer to Operational Performance and Corporate Governance Framework. For details on engagement with communities and non-profit organizations, please refer to Chapter 6 Altruism and Society Welfare.The information presented in this table is limited to the Taiwan region.

Employees	
Significance of this stakeholder to Advantech	Employees are Advantech's most important assets. Among Advantech's 4 core values, "people-oriented environment" emphasizes: ■ Creating an open stage for talents to showcase their skills in business ■ Trusting and respecting talent ■ Creating a happy and open community environment
Stakeholder communication and engagement methods	■ Advantech ABLE activity platform (Daily) ■ Employee e-newsletter (Weekly/Quarterly) ■ Employee suggestion box, GA/IT help desk, internal employee website, e-mail, and global electronic bulletin board announcements (As needed) ■ Internal employee website, e-mail, and global electronic bulletin board announcements (As needed) ■ In-person and online employee conferences (Semi-annually) ■ Labor-management meetings, Occupational Health and Safety Committee, EHS Committee meetings (Quarterly) ■ Employee Welfare Committee (Quarterly) ■ EHS training (New hires/quarterly/as needed)
Contents or topics of concern to this stakeholder (Topics of concerns are from the stakeholder questionnaire survey, and the top 3 topics of concern are listed for each type of stakeholder)	■ Information security management ■ Occupational health and safety ■ Eco design and product sustainability liability
Advantech communication, response, and engagement highlights	■ Effective communication channels led to the highest employee participation in sports activities in recent years with 17,642 participants in 2025. Occupational nurses tracked and compared the health examination results of employees, and found that their blood pressure, blood sugar, and triglycerides all decreased compared to 2024, effectively improving employee health. ■ Advantech employees actively participate in health-promoting activities, with a total of 1,176 employees participating in the Taipei Technology Run, which was the highest number among the nearly 7,000 companies in Neihu Technology Park. ■ Advantech employees actively participate in volunteer activities. A total of 12 corporate volunteer activities were held in Taiwan in 2025, and cumulative service hours reached 1,381.5 hours. This year, Advantech showed even greater love as 54 employees volunteered for a total of 450 hours in the Hualien disaster area. ■ Advantech provides a 24-hour employee assistance program (EAP) that has assisted employees in facing issues at work, in life, and preparing for retirement. The EAP hotline has been used a total of 117 times with an overall satisfaction score reaching 93 points. ■ We promoted workplace safety, strengthen employees' ability to identify hazards in the work environment, and regularly organize safety and health training, fire drills, and safety seminars for new and current employees. We also established the Group EHS Committee to implement various safety and health action plans. ■ In 2025, a total of 4 in-person and 2 online safety seminars were held with a total of 1,187 participants. In addition, the events "Earthquake experience vehicle" and "Learn how to use fire extinguishers correctly" had a total of 436 participants. Employees learn to identify potential hazards in the workplace through occupational health and safety training, lowering the risk of occupational accidents. This also enables employees to better understand the correct operating procedures and emergency response skills, reduce errors at work, and enable them to carry out operations more smoothly and confidently. ■ To protect the rights and interests of all employees, we provide diverse communication channels, accept employee opinions, and take relevant measures. We strictly abide by the grievance regulations and regulations for managing unlawful infringement in the workplace. We also hold quarterly labor-management meetings and set up employee suggestion boxes to make sure we listen to employees' voices. There were 3 grievances in 2025, and all of the cases have been closed. ■ Advantech also set up a suggestion box and received a total of 127 suggestions in 2025. All of the cases have been closed. ■ We understand feedback on various policy implementation directions through annual employee satisfaction surveys. For more information, please refer to: 5.2 Employee Communication and Benefits; 5.5 Occupational Health and Safety.

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Customers

Significance of this stakeholder to Advantech

Customers are the source of Advantech's revenue. We pay attention to customers' needs and understand industry trends, and are committed to providing customers with high-quality products and services, in hopes of engaging in high-quality cooperation with customers.

Stakeholder communication and engagement methods	Meetings with customers, online seminars, customer satisfaction surveys, online and offline media platforms, customer audit communication, key account quarterly meetings, customer hotline, and customer mailbox (Timely communication and response)
Contents or topics of concern to this stakeholder (Topics of concerns are from the stakeholder questionnaire survey, and the top 3 topics of concern are listed for each type of stakeholder)	■ GHG inventory and energy management ■ Circular economy ■ Information security management
Advantech communication, response, and engagement highlights	Advantech communicates with customers from around the world in different ways, including: e-mail communication on sustainability topics, responding to customer ESG questionnaires, and online or in-person meetings on ESG topics. Over the past year, we have seen an increase in the number of customers that attach importance to carbon footprint, organizational GHG emissions, and sustainable packaging materials. Advantech strives to develop and implement sustainable intelligent solutions, in hopes that our products will have a positive effect on climate change mitigation and climate adaptation. For more information, please refer to 2.2 Information Security Management, 3.1 Sustainable Intelligent Solutions, 3.4 Co-creation with Customers and Partners, 4.1 Eco Design and Product Sustainability Liability, 4.3 Greenhouse Gas Inventory and Energy Management, and 4.4 Environmental Management.



Partners, universities, and research institutes

Significance of this stakeholder to Advantech

Our partners, universities, and research institutes possess the expertise and R&D capabilities of various fields, and are able to assist Advantech in innovative R&D and enhance our market competitiveness.

Stakeholder communication and engagement methods	Directly communicate with partners or research institutes through the contact person for the project ■ Special topic seminars (as needed) ■ Collaboration in technology development (annually) ■ Industry-academia collaboration project meeting (monthly) ■ IoT campus promotion activities (annually)
Contents or topics of concern to this stakeholder (Topics of concerns are from the stakeholder questionnaire survey, and the top 3 topics of concern are listed for each type of stakeholder)	■ Talent cultivation and development ■ GHG inventory and energy management ■ Eco design and product sustainability liability
Advantech communication, response, and engagement highlights	■ We jointly engage in industrial technology development through technology transfer or commissioned research for the key technologies needed to upgrade Advantech products. ■ Advantech works with research institutions in building up talent pools and necessary technologies by funding research or establishing joint R&D centers. ■ Advantech sponsors competitions and courses to promote popular IoT education and cultivate industry talents. For more information, please refer to: 3.3 IoT Application Promotion and Education; 3.4 Co-creation with Customers and Partners.

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Suppliers & contractors

Significance of this stakeholder to Advantech

Suppliers play a key role in the sustainability ecosystem of Advantech's IoT supply chain. Establishing smooth communication channels ensures the stability and quality of the supply chain and strengthens operational resilience. 性

Stakeholder communication and engagement methods	■ Regularly conduct supplier ESG evaluations ■ Regularly organize supplier ESG awareness campaigns ■ Supplier conference ■ Supplier evaluation ■ Whistleblowing mailbox
Contents or topics of concern to this stakeholder **(Topics of concerns are from the stakeholder questionnaire survey, and the top 3 topics of concern are listed for each type of stakeholder)**	■ Eco design and product sustainability liability ■ Co-creation with customers and partners ■ Information security management ■ Supply chain sustainability management
Advantech communication, response, and engagement highlights	■ 100% of key suppliers have signed the Supplier Code of Conduct (CoC). ■ Expanded the survey for conducting ESG sustainability risk assessments. Of the 1,127 suppliers that were identified, we completed assessments for all 790 suppliers that we planned to assess. ■ Added 92 new suppliers and approved 70 new suppliers. ■ Our overall local procurement percentage was 67%. ■ Initiated supply chain carbon management engagement and investigated the GHG emissions of suppliers with high carbon emissions, achieving a completion rate of 100%. ■ We continued to implement the Advantech Supply Chain Empowerment Project. Over 800 participants from nearly 300 suppliers took part in the project in 2025. For more information, please refer to: 2.3 Supply Chain Sustainability Management.



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Media, government

Significance of this stakeholder to Advantech

Media:

- The media is an important channel for companies to communicate with society. Providing accurate information can improve information transparency, so that consumers, investors, and other stakeholders can fully understand our commitments and actions, allowing the public to have a correct understanding and perspective of Advantech.
- The media also has key influence on corporate image and reputation management. We maintain the attitude to provide accurate information to the media in a timely manner. Active and transparent interactions with the media can help us create a responsible image and gain the trust of society.
- The media is not only an observer, but also a supervisor, and reminds Advantech of blind spots in various aspects of business management. This drives us to improve internal management and realize greater value of corporate social responsibility.
- **Associations**:
- Jointly promote important industry perspectives and standards
- Interacting with industry peers

Government:

- Share perspectives on future industry trends
- Share perspectives in white papers

Stakeholder communication and engagement methods

As needed			Regular
■ Press releases ■ Press conferences	■ Media interviews ■ Participate in forums exhibitions	■ Official website ■ Advantech public relations contact person	■ Investors' meeting press releases: Quarterly ■ Press releases on revenue: Monthly ■ Shareholders' meeting press releases: Annually

Contents or topics of concern to this stakeholder

(Topics of concerns are from the stakeholder questionnaire survey, and the top 3 topics of concern are listed for each type of stakeholder)

- Financial position
- Future trends in operations
- Green manufacturing
- Energy management
- Promotion of AIoT applications
- Talent cultivation and development
- Co-creation with customers and partners

Advantech communication, response, and engagement highlights

Media:

Advantech's PR maintains long-term interactions with the media based on the following principles, so that the media can obtain correct information related to our operations and corporate governance, thereby improving our corporate image:

1. True and transparent
2. Quick and timely
3. Consistent and accurate
4. Respect people's expertise
5. Legal and ethical compliance

Actual measures:

In terms of finance and operations, Advantech uses investors' meetings, financial statements, press releases, and interviews with senior executives to explain that we have maintained stable operations despite global economic volatility, and also emphasize the mid- and long-term growth momentum of edge computing and AI, focusing on key fields such as industrial AI, smart cities, energy, and transportation.

In terms of sustainability topics, we systematically disclose green manufacturing and energy management results, including low-carbon product design, intelligent energy management solutions, and the practices of our own factories, elevating ESG from compliance requirements to replicable industrial value. We continue to output the edge AI architectures, actual applications, and industry perspectives during COMPUTEX, international forums, and technology white papers, thereby strengthening our position as an opinion leader.

At the same time, we demonstrate that we are not merely a hardware and platform provider, but also a long-term ecosystem partner driving industry upgrades through talent cultivation, industry-academia collaboration, and story-based communication with global partners and customers.

Actual results:

- Press releases: 46 press releases and 540 media reports throughout the year.
- Media interviews: 30 interviews throughout the year.
- Speeches during forums: 11 sessions throughout the year.
- Investors' meetings: 4 sessions (2 sessions in Chinese and English each)
- Top 5% in the Corporate Governance Evaluation
- Annual media evaluation: Of the 27 questionnaires distributed, 24 valid questionnaires were collected with a satisfaction score of 90%.

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Associations			
Significance of this stakeholder to Advantech	■ Jointly promote important industry perspectives and standards	■ Interacting with industry peers	
Stakeholder communication and engagement methods	■ Communication through quarterly or monthly meetings	■ Annual Board of Directors meeting	■ Annual exhibitions, forums, and meetings
Contents or topics of concern to this stakeholder (Topics of concerns are from the stakeholder questionnaire survey, and the top 3 topics of concern are listed for each type of stakeholder)	■ Energy management	■ Promotion of AIoT applications	■ Co-creation with customers and partners
Advantech communication, response, and engagement highlights	**Energy management:** Advantech not only provides energy management solutions, but also uses the organization as a demonstration site for replicable industry solutions. We have implemented real-time energy monitoring, equipment energy efficiency analysis, and carbon data management in our plants and offices through WISE-Edge and an energy management platform, accumulating actual data on energy saving and carbon reduction results, and further transforming them into standardized solutions for the manufacturing industry, technology parks, and public facilities. In terms of external communication, we often share our energy data governance and application experience "from factory to city" during forums held by associations and smart energy-related seminars, responding to the industry's practical needs for energy transition and energy efficiency.	**Promotion of AIoT applications:** Advantech has co-organized technology forums, industry workshops, and discussions on standards with associations for years, transforming AI from a concept to concrete applications. The communication focuses on the edge AI architecture, real-time data processing, and information security compliance, and uses smart manufacturing, energy, transportation, and urban governance as examples to explain how AIoT truly creates value in terms of operational efficiency and decision-making. Advantech helps the industry understand the pathway for adopting AI through exhibitions (such as COMPUTEX), white papers, and the perspectives of executive-level supervisors, rather than simply showcasing technology.	**Co-creation with customers and partners:** When communicating with associations, we clearly position ourselves as a "platform and ecosystem promoter." In practice, we develop vertical application solutions through co-creation projects with system integrators, chip partners, and industry customers, and share cooperation models and successful cases at the venues of associations. These co-creation experiences not only lower the threshold for industry adoption, but also respond to the core concerns of the associations for "cross-industry collaboration and industrial upgrade."

Government			
Significance of this stakeholder to Advantech	■ Share perspectives on future industry trends	■ Share perspectives in white papers	
Stakeholder communication and engagement methods	■ Participate in the Corporate Governance Evaluation ■ Regularly update information on the company website and the Market Observation Post System (MOPS)	■ Annual report, financial statements ■ Communicate with government agencies from time to time	■ Arrange visits to parks for in-depth exchanges
Contents or topics of concern to this stakeholder (Topics of concerns are from the stakeholder questionnaire survey, and the top 3 topics of concern are listed for each type of stakeholder)	■ Information security management	■ GHG inventory and energy management	■ Circular economy
Advantech communication, response, and engagement highlights	**Information security management** Advantech regards information security as the core of digital governance, and has introduced an international information security management system at the enterprise level to establish risk assessment, incident response, and audit mechanisms. In terms of products, we have introduced information security designs such as Secure Boot, TPM/fTPM, and device identity authentication into edge AI and embedded platforms, and cooperated with international certification organizations to implement IEC 62443 and EU's CRA in response to the government's requirements on information security of key infrastructure and supply chains.	**Greenhouse gas inventory and energy management** In response to the net-zero policy, Advantech established a GHG inventory system covering Scope 1 and Scope 2 emissions, and gradually strengthened the management of supply chain carbon data. At the same time, we implemented a smart energy management platform in our own plants to monitor energy consumption and improve efficiency. We converted this practical experience into a digital energy management solution for the industry, supporting the government in promoting carbon governance and energy transition.	**Circular economy** Advantech integrates the concepts of modular design, long life cycles, and repairability into the product design phase, reducing the environmental impact throughout the product life cycle. We also implement recycling and reuse management in accordance with regulations. We implement circular economy through the durability of industrial-grade products and supply chain management, supporting the government's policy to improve sustainable manufacturing and resource efficiency.

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Shareholders and investment institutions

Significance of this stakeholder to Advantech

Domestic and foreign shareholders and institutional investors are important supporters of Advantech's sustainability and long-term development, and pay attention to our financial performance, corporate governance mechanisms, and risk control. They also strongly agree with our strategic direction and business philosophy, and are happy to share valuable insights such as international sustainability trends and industry observations. At the same time, they attach importance to the completeness and timeliness of Advantech's information disclosure. We actively collect investors' opinions and market observations through a variety of stable mechanisms for good communication. This serves as an important basis for optimizing operational strategies and improving the quality of governance, and further enhances our competitiveness and increases long-term shareholder value.

Stakeholder communication and engagement methods

- Annual meeting of shareholders (Yearly)
- Investor conferences (Quarterly)
- Institutional investor fundraising forums and meetings (Quarterly)
- Guided tour during international exhibitions (Monthly/Quarterly)
- Exchanges with domestic and foreign analysts (Monthly, regular)
- Regular information disclosure: Financial press releases/official website/financial statements/ corporate governance disclosures/shareholder service mailbox, etc. (Regular)
- Material information reports on the MOPS (Monthly/Regular)
- Disclosures in annual reports/sustainability reports/ sustainability website (Yearly)

Contents or topics of concern to this stakeholder

(Topics of concerns are from the stakeholder questionnaire survey, and the top 3 topics of concern are listed for each type of stakeholder)

- Information security management
- GHG inventory and energy management
- Talent cultivation and development
- Succession pipeline

Advantech communication, response, and engagement highlights

Building a platform for complete and timely communication

- An annual meeting of shareholders is regularly held, inviting shareholders and stakeholders to ask questions and engage in exchanges during the meeting, facilitating direct communication and interactions between Advantech and shareholders. (Statistics are disclosed on the MOPS and the official website.)
- We organized 4 quarterly investor conferences, including 2 in Chinese and 2 in English, to ensure that domestic and foreign investors can clearly understand our operations. After the meeting, video recordings of the meetings are provided on our official website to improve information transparency. (Statistics are disclosed on the MOPS and the official website.)
- We ensure the transparency of information and communicate our business performance and future plans in a timely manner through press releases on monthly and quarterly revenue and business operations, disclosures on the official website, public information disclosures, annual reports, and investors' meetings. We provide investors with complete information on operations in a timely manner to facilitate positive interactions and communication between Advantech and shareholders.

High-frequency investor interaction mechanism increases international exposure

- Advantech participated in 11 institutional investor seminars and fundraising meetings throughout the year and engaged in exchanges with 182 investors. We also participated in 143 in-person and online investor exchange meetings, communicated with 505 domestic and foreign investors personally or over the telephone, and continued to deepen two-way interactions and provide correct information in a timely manner.
- We provided a total of 22 guided tours for 141 domestic and overseas investors during international exhibitions. We actively showcase our technical capabilities and operational strategy to increase our visibility in the international market.

Deepen analyst relationship management

We maintain regular exchange mechanisms with 24 domestic and foreign analysts to strengthen the efficiency of market information transmission and increase research coverage and information transparency.

Comprehensive information disclosure and transparency of governance

Advantech regularly updates the official website, financial statements, the corporate governance section, and shareholder service mailbox, and regularly reports material information on the MOPS in accordance with regulations to ensure the timeliness, completeness, and consistency of information disclosure.

Implementation of high-quality investor relationship management

We combine diverse communication channels and complete internal feedback mechanisms, and reference investor and market opinions when making decisions. Doing so helps us continue to optimize our corporate governance system and business performance, while strengthening our ability to create long-term value. High level of recognition from institutional investors: External parties highly recognized the service quality and smooth communication channels of Advantech for investors, Advantech has achieved the Top 10 distinction for both "Best Investor Relations" and "Best IR Program" in the "2025 Asia Pacific (Ex-Japan) Executive Team" rankings, presented by the prominent US financial media outlet *Institutional Investor Extel*.

At the same time, the high accessibility and information transparency of Advantech's senior management team have repeatedly garnered high acclaim from US and European foreign institutional investors. Based on the voting results of multiple foreign investment firms, Advantech Chairman KC Liu and General Manager Eric Chen were also honored among the Top 10 for "Best CEO" and "Best CFO" respectively in the same *Institutional Investor Extel* 2025 rankings.

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Communities and non-profit organizations

Significance of this stakeholder to Advantech

Advantech's mission is to "Enable an Intelligent and Sustainable Planet." Therefore, we believe it is our responsibility to promote environmental sustainability, encourage innovation and sustainability education, enhance the development of the arts and culture industry, and cultivate talent, so that arts can thrive together with enterprises.

Stakeholder communication and engagement methods

- Organize exchange events (Timely and regular response)
- Sponsorship (Yearly)
- Exhibitions, performances, and media coverage (Biweekly and monthly)

Contents or topics of concern to this stakeholder

(Topics of concerns are from the stakeholder questionnaire survey, and the top 3 topics of concern are listed for each type of stakeholder)

- Talent cultivation and development
- Circular economy
- Co-creation with customers and partners

Advantech communication, response, and engagement highlights

Support for education:

- The Advantech Foundation continues to implement sustainability education for children and youth through the "ACT Dreamers Program," and works with schools to introduce PBL for SDGs actions. We are committed to cultivating global citizens with sustainability awareness.
- In the fifth year of the program's implementation, Advantech sponsored ACT Dreamers projects in 39 elementary and junior high schools, which led to 60 on-campus presentations and reached a total of 14,531 participants.
- We organized the major annual education conference "Sustainable Action for a Better Future! Annual Conference" for the third time, and invited 43 schools to participate, showcasing 39 groups of learning results with more than 250 participants.
- At the same time, we also support innovative education and sponsor multiple non-profit organizations, such as Junyi Academy, Chengzhi Educational Foundation, DFC Taiwan, and Pley School.
- Community PBL Project: Hsin Kang Foundation of Culture & Education "Trust Engineering - Community Care Project"; EDU-InnoHub collaborates with 11 schools in Tamsui using the PBL learning model to cultivate problem-solving capabilities.

In terms of co-prosperity with the art industry:

- The "Art Salon" has been held for 14 consecutive years to support the performance of the performing arts groups throughout the year. Advantech supported close to 110 performances by arts groups in 2025.
- We brought over 3,800 viewers into the theater for the performances.
- As of the end of 2025, episodes 21 to 134 of the podcast "Easy Listening to Arts and Culture" aired and reached a total of 76,713 listeners.
- We developed the "Top-notch Program" in collaboration with professional schools to cultivate talented creators and performers with the potential to enhance Taiwan's soft power in the arts. The program jointly cultivated musical theater talent in cooperation with the Graduate Institute of Performing Arts (GIPA), National Taiwan Normal University (NTNU), and facilitated the cross-domain collaboration with over 100 students. Advantech is a long-term sponsor of the National Taiwan College of Performing Arts (NTCPA) and GuoGuang Opera Company, supporting the cultivation of young actors to carry on traditional opera.
- Advantech brought art into the company and set up an art gallery in the lobby, where photographer Chen-Hsiang Liu and artist Li-Wei Chen held exhibitions in 2025.

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Annual Stakeholder Questionnaire Survey

The annual stakeholder questionnaire survey allows us to understand the sustainability topics that stakeholders are concerned about. To gain more comprehensive and in-depth insights, we aligned the scope of our survey, the distribution of questionnaires, and the boundary of our report in 2024, and conducted an impact survey on mid-level and senior managers worldwide. Since the material topics are surveyed once every 2 years, questionnaires were not distributed in 2025, so the stakeholder questionnaire distribution process and results in 2025 were the same as in 2024.

To encourage more stakeholders to respond to the questionnaire, Advantech donates NT$100 to forest conservation and biodiversity work for each valid questionnaire that is collected. A total of 2,078 questionnaires were collected in the 2024 Stakeholder Questionnaire Survey, and a total of NT$207,800 was donated. Advantech made the donation to a local non-profit organization according to the commitment to fulfill our responsibility to sustainability. The results of the donation are detailed in the part on biodiversity in 4.4 Environmental Management of this report.

- **Table 1.2.3: 2024 Stakeholder Questionnaire Survey**

Survey boundary	Advantech Ruiguang, Yangguang, and Linkou (collectively referred to as ACL) and Advanced Kunshan Manufacturing Center (AKMC). Boundaries of overseas locations of operations include: Advantech Corporation (ANA), Advantech Europe B.V. (AEU), Advantech Japan Co., Ltd. (AJP), Advantech KR Co., Ltd. (AKR), and Beijing Yan Hua Xing Ye Electronic Science & Technology Co., Ltd. (ACN)	
Stakeholders	Survey aspect	Valid questionnaires collected
Employees	■ Positive and negative impacts ■ Likelihood of occurrence of positive and negative impacts	1,704
Customers		107
Business partners		46
Universities and research institutes		24
Suppliers & contractors		127
Media, associations, and the government		26
Communities and non-profit organizations		13
Shareholders and investment institutions	■ Positive and negative impacts ■ Likelihood of occurrence of positive and negative impacts ■ Financial impact	9
Chairman, board members, mid-level and senior managers		22
Total number of valid questionnaires collected		2,078

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1.3 Sustainability Goals and Material Topics

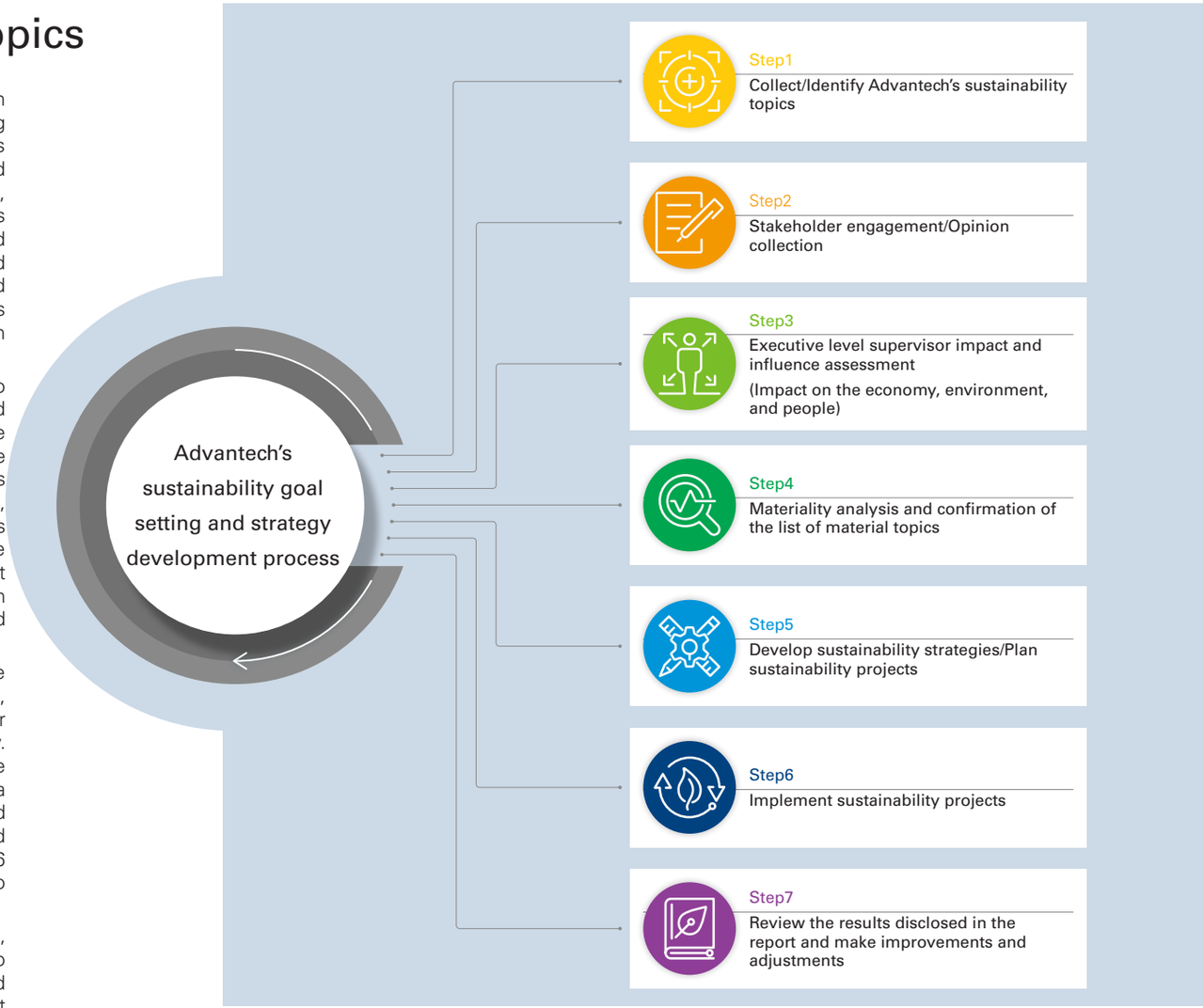
1.3.1 Identification of Material Topics

The Sustainability Report is an important way for Advantech to engage in dialogue with stakeholders and clarify ESG topics. In addition to engaging in in-depth exchanges through various channels in daily business activities, Advantech also engages stakeholders to jointly identify and focus on sustainability topics that have a material impact on operations, society, and the environment through the material topic analysis process each year. We then assess the impact of each topic. By listening to and responding to the opinions of different sectors, Advantech is committed to realizing the corporate mission to "Enable an Intelligent and Sustainable Planet" in the global IoT market, and promotes the industry's green transformation as well as its harmony and mutual prosperity with society.

We comply with the reporting principles of the GRI Standards 2021 to ensure that the contents of the report meet international standards and reflect the nature of the organization's operations. We also reference the concept of "double materiality" advocated by the Directive on Corporate Sustainability Reporting (CSRD) when analyzing the 2 major dimensions of "impact on sustainable development of the economy, environment, and people (human rights)" and "impact on the organization's operations and financial position." This approach can more accurately capture the risks and opportunities faced by Advantech in green transformation, smart manufacturing, energy conservation and carbon reduction, and human capital development, and further clarify the strategic adjustments and resource allocation required by the organization to respond to global trends.

Since 2025, we have systematically reviewed the positive and negative impacts of sustainability topics through questionnaires, interviews, and internal and external consultation every 2 years, and further determined the priority of topics based on level of impact and urgency. The analysis results are included in the Sustainability Report as the basis for communication with stakeholders. It also provides us with a clear direction for formulating ESG strategies, planning projects, and tracking long-term sustainability goals. The material topics identified through the next questionnaire are expected to be presented in the 2026 Sustainability Report. Dynamic reviews and annual updates enable us to promptly respond to external needs and industry changes.

To ensure that the materiality analysis process is complete and objective, Advantech not only integrates the opinions of stakeholders, but also incorporates the professional opinions of internal and external experts and consultants, which are then reviewed by the Sustainable Development Committee and submitted to the Board of Directors for approval. This rigorous decision-making mechanism allows Advantech's material topics to take into account both strategic depth and future prospects.



• **Figure 1.3.1 Advantech's Sustainability Goal Setting and Strategy Development Process**

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Collect/Identify Advantech's Sustainability Topics

Continuing the previous approach to strengthen opinion collection, we extensively collected opinions from different parties through communication meetings with institutional investors and customers, as well as participation in external sustainability-related meetings, before formally conducting the questionnaire survey. On this basis, we further invited mid-level and senior managers of Advantech to provide professional insights and suggestions on the preliminary draft of topics, in order to more comprehensively cover the needs of internal employees and external communities. In 2025, we invited the president and board members to discuss changes in the domestic and international environment faced by Advantech in 2025, in order to understand whether there were any new material topics and take necessary actions. After interviews with the 3 respondents, we confirmed that there were no new material topics. The senior management team and the Board of Directors will continue to monitor key changes in the domestic and international environment, such as: corporate human rights crisis, tariff issues, geopolitics, global demographic changes, aging population, and declining birth rates. We will also formulate long-term plans and transition strategies. This feedback helps us re-examine the contents of future questionnaires and integrate them in a more forward-looking and compatible manner.

In conclusion, due to the adjustment to the frequency of the material topics survey, the material topics in the 2025 Sustainability Report are the same as the material topics in the 2024 Sustainability Report, which also helps us manage and present the progress of material topics to stakeholders.

On the other hand, based on Advantech's ESG vision to "Enable an Intelligent and Sustainable Planet," we firmly believe that through our long-term efforts in IoT core technologies, innovative solutions, and open corporate culture of co-creation, we can fully utilize our core competencies and actively respond to the diverse challenges brought by the United Nations Sustainable Development Goals (SDGs). We will continue to deepen industry-academia collaboration in IoT, combining our expertise in smart manufacturing, green transformation, and energy conservation and carbon reduction to drive the upgrade and sustainable development of the overall industry. For more information on the management approach for each material topic, please refer to the following sections.

Methodology for Material Topics in the Annual Sustainability Report

The ESG and Corporate Sustainability Office comprehensively considers the opinions of stakeholders, external authoritative indicators, and international sustainability initiatives (see Table 1.3.1 Context of Advantech's Material Topics Survey for details), and combines our internal strategic direction and long-term development vision (see Figure 1.3.2 Advantech's ESG Vision: Enable an Intelligent and Sustainable Planet), selecting and confirming 17 key sustainability topics for 2024-2025 (see Table 1.3.3 List of Advantech's Sustainability Topics in 2024-2025 for details). Based on the structure of the topics, we designed and conducted a comprehensive survey, and then integrated the results of the stakeholder opinion survey with the priority of material topics for systematic analysis. The survey results were submitted by the Sustainable Development Committee to the Board of Directors for review and were formally approved in the second quarter.

- **Table 1.3.1 Context and Identification Process of Advantech's Material Topics Survey**

Contextual evolution		Main content	
Step 1	 Identify stakeholders	Based on the attributes of our operations and the 5 principles of the Stakeholder Engagement Standard (AA1000 SES): dependency, responsibility, tension, influence, and diverse perspectives, we identified 8 primary stakeholders: employees, customers, business partners, universities and research institutes, suppliers and contractors, media, associations and government, shareholders and institutional investors, and communities and non-profit organizations.	8 primary stakeholders
Step 2	 Collect sustainability topics	We referenced the Global Reporting Initiative Standards (GRI Standards), the United Nations Sustainable Development Goals (SDGs), the Responsible Business Alliance (RBA), and the Sustainability Accounting Standards Board (SASB).At the same time, we also referenced the information disclosure framework of indices related to topics of concern to institutional investors, including the Dow Jones Sustainability Indices (DJSI), MSCI ESG Ratings, Carbon Disclosure Project (CDP), Task Force on Climate-related Financial Disclosures (TCFD), Taskforce on Nature-related Financial Disclosures (TNFD); in addition, benchmark companies were referenced as the basis for collecting sustainability issues. We used this as the basis for collecting information on sustainability topics. 1. Advantech examined material topics already disclosed in the 2024 Sustainability Report, and continued to strengthen our existing foundation of sustainability management. 2. We fully communicated with key stakeholders, such as shareholders, institutional investors, and customers, to understand the key topics of concern and sustainability trends. 3. We also inquired the opinions of and conducted questionnaire surveys on mid-level and senior management, board members, Sustainable Development Committee (SDC) members, and ESG office members, and combined our business strategies to accurately screen topics with high relevance and impact. 4. We completed the internal list of topics in response to the material topics of concern disclosed by international benchmark companies, ensuring that we are aligned with market trends and industry trends. Finally, after completing cross-comparison and optimization, we prepared a more comprehensive preliminary list of topics that meet our practical needs.	Source of 8 major sustainability topics

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Contextual evolution		Main content	
Step 3	 Prioritize sustainability topics	Topics were summarized and prioritized based on opinions of members of the Sustainability Report Team under the SDC and external experts.	17 sustainability topics
Step 4	 Assess internal and external impacts and the likelihood of occurrence	In 2024, we collected opinions from internal and external stakeholders through online questionnaires, and collected 2,078 valid questionnaires. At the same time, we invited 17 executive level supervisors (director and above) worldwide to participate in the impact assessment to confirm the importance of each topic from the perspective of management. The questionnaire design considers the principle of double materiality and collects stakeholders' assessment of the "impact/influence of material topics on society, environment, and people." It also considers the assessment of institutional investors, board members, and executive level supervisors of the "(financial) impact/influence of material topics on Advantech's operations," so as to ensure that the priority of topics can reflect potential risks and opportunities in all aspects, taking into account the views of all stakeholders. In 2025, we built on the material topic analysis results in 2024, and invited the president and board members to discuss changes in the domestic and international environments or international topics faced by Advantech in 2025, in order to understand whether there were any new material topics and take necessary actions in response. After interviews with the 3 respondents, we confirmed that there were no new material topics. The senior management team and the Board of Directors will continue to monitor key changes in the domestic and international environment, such as: corporate human rights crisis, tariff issues, geopolitics, global demographic changes, aging population, and declining birth rates. We will also formulate long-term plans and transition strategies.	
Step 5	 Identify and prioritize material topics	[Analysis based on double materiality] We followed the four-stage materiality identification process recommended by the GRI Standards (2021 version) based on the EU's principle of "double materiality" to systematically identify material topics that have a substantial internal and external (economic, environmental, and social) impact on Advantech. "Double materiality" emphasizes that assessments must simultaneously include the views of stakeholders and the potential impact of topics on the company's business performance, financial position, reputation, and risk management when determining the priority of topics for management. Furthermore, we integrated the analysis results into the enterprise risk management (ERM) process (see 2.4. Risk Foresight and Crisis Management in Chapter 2 of this report for details) to ensure that sustainability strategies are aligned with our business philosophy, and that ESG performance can continue to create long-term competitiveness for Advantech. [Discussion and approval of material topics] The analysis results of material topics are submitted in writing to mid-level and senior management, board members, SDC members, and members of the ESG and Corporate Sustainability Office. Meetings are then convened for in-depth discussions to make necessary adjustments. Advantech's material topics for the year are determined after summarizing the opinions of various parties, and serve as the core basis for our subsequent sustainability actions and strategy planning. Finally, the material topics are submitted to the chairman and the board meeting in the second quarter for approval. The Board of Directors confirmed 10 material sustainability topics and 7 secondary topics in 2024. We continued to use these topics in 2025.	10 material sustainability topics
Step 6	 Prepare the list of material topics and contents to be reported in Advantech's 2025 Sustainability Report	After interviews and engagement, we confirmed that the disclosures of this report will focus on the 10 material topics identified in the 2024 Sustainability Report, and disclosed details according to recommendations of the GRI Standards. At the same time, the SDC will continue to monitor the progress and impact of the 7 secondary topics. All information is transparently disclosed in detail in this report to meet the expectations of all stakeholders. Looking towards the future, we will continue to examine the importance of each sustainability topic, and make timely adjustments to material topics based on the valuable feedback from stakeholders, so as to ensure that the contents of this report are reasonable, balanced, and transparent.	

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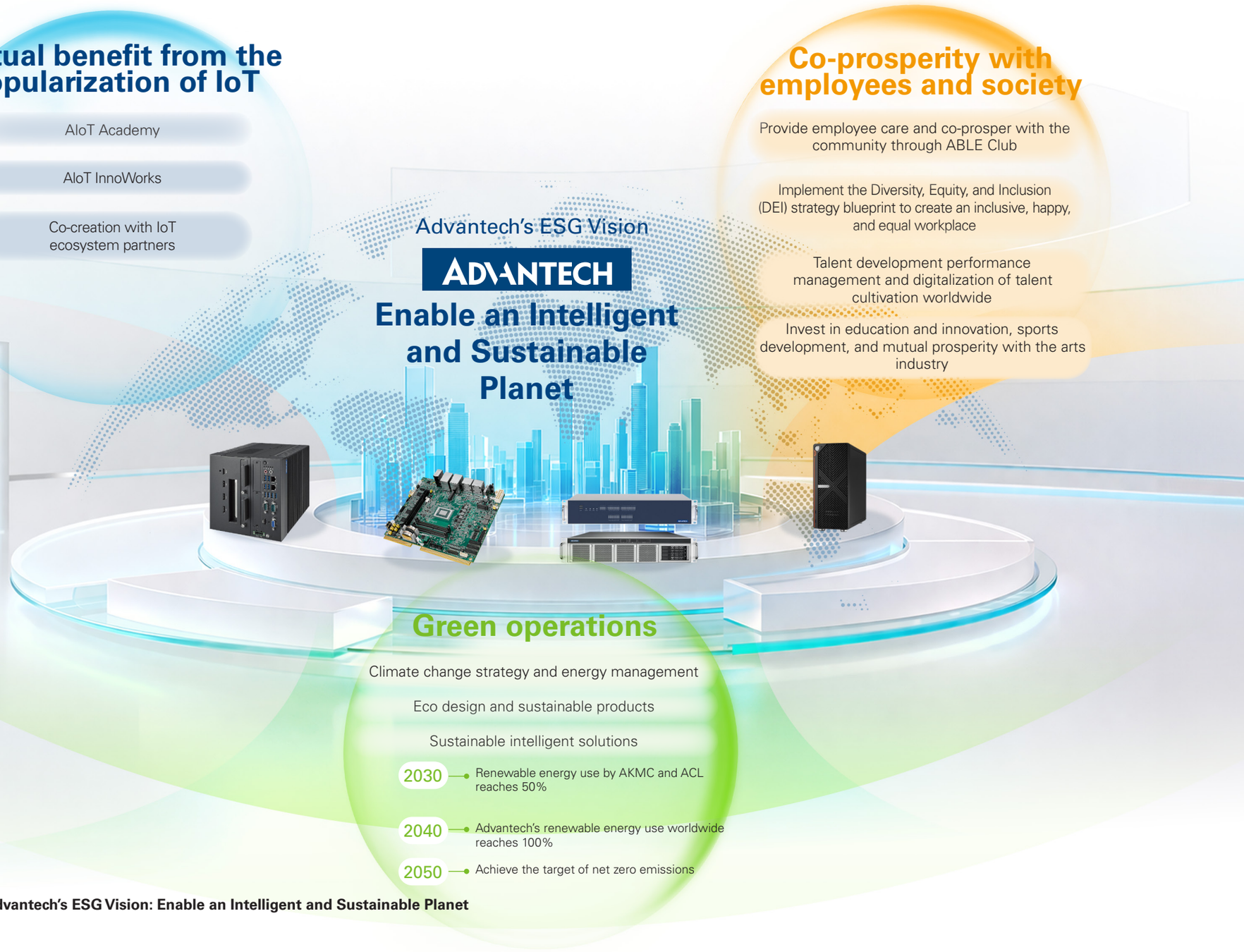
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- **Table 1.3.2 Advantech's ESG Vision: Enable an Intelligent and Sustainable Planet**

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• **Table 1.3.3 2025 Advantech's Sustainability Topic List**

Environmental

- Eco design and product sustainability liability
- Circular economy
- Green manufacturing
- Climate change strategy and management
- GHG inventory and energy management
- Biodiversity and forest conservation

Social

- IoT application promotion and education
- Occupational health and safety
- Diverse, equal, and inclusive workplace
- Human rights protection
- Talent cultivation and development
- Community care

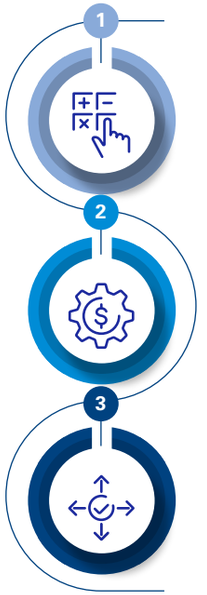
Governance

- Information security management
- Sustainable intelligent solutions
- Co-creation with customers and partners
- Innovation mechanisms
- Supply chain sustainability management

Stakeholder Survey, Impact Survey, Materiality Analysis

Before formally engaging stakeholders and conducting the materiality questionnaire survey, the Corporate Sustainability Office first compiles a list of material topics and makes adjustments (including merging, deleting, adding, and renaming topics) based on the opinions of executive level supervisors. Finally, based on the results of the questionnaire and discussions in stakeholder meetings, the 2 major sustainability topics "Circular Economy" and "Green Manufacturing" were added in 2024, and "Risk Foresight and Crisis Management" and "Policy and Public Initiatives" were deleted. In addition, "Industry Talent Cultivation and Development" was renamed "Talent Cultivation and Development" to expand the scope of the topic. In 2025, the president and board members were also invited to discuss changes in the domestic and international environment or international topics faced by Advantech, in order to understand whether there were any new material topics and take necessary actions in response. After interviews with the 3 respondents, we confirmed that there were no new material topics. The senior management team and the Board of Directors will continue to monitor key changes in the domestic and international environment, such as: corporate human rights crisis, tariff issues, geopolitics, global demographic changes, aging population, and declining birth rates. We also consider long-term plans and transition strategies, and therefore continued to use the information in Table 1.3.4 List of Changes in Sustainability Topics (Added, Renamed or Merged).

The priority of Advantech's material topics in 2025 has been determined through the following 3 steps:



Multiply the probabilities of sustainability topics

1. The average is calculated for survey results of each stakeholder group, and then weights are assigned based on the level of impact of each topic.
2. The "likelihood of impact" and "significance of impact" of each sustainability topic on the economy, environment, and society are multiplied.
3. The topics are initially ranked based on the multiplication results to present the risk and scale of impact of each topic in different aspects.

Financial impact ranking

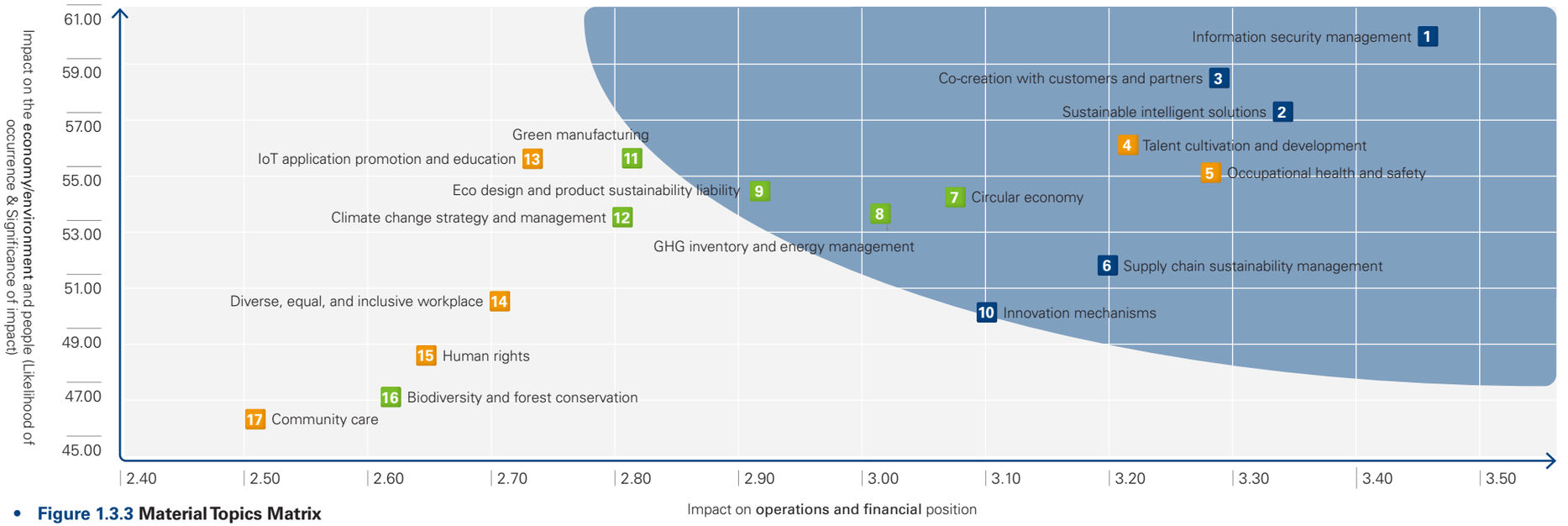
An independent quantitative assessment is conducted for the impact of each sustainability topic on Advantech's internal financial statements. The topics are then ranked based on quantified results to independently present the data and impact of their financial materiality.

Cross-comparison of the double materiality matrix

The multiplication results of sustainability topics are cross-compared with their financial impact ranking, and overall impact of topics is displayed in the double materiality matrix. The top 10 highest priority topics that require the most attention and resources are finally confirmed on this basis.

In terms of data collection and feedback integration, a total of 2,078 valid questionnaires were collected from internal and external parties in 2024.In addition, we held multiple in-depth communication meetings with key customers, suppliers, and experts externally, and conducted cross-departmental discussions in the SDC internally, collecting valuable opinions from different parties to ensure that evaluation results are highly representative. We accurately determine the impact of each topic issue through rigorous statistical and quantitative analysis to build a preliminary material topic matrix.

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- **Figure 1.3.3 Material Topics Matrix**

Material Topic Engagement Results in 2025

Starting in 2025, Advantech evaluates and updates material topics every 2 years through stakeholder questionnaires, executive level supervisor forums, and by referencing international trends.

- **Table 1.3.4 10 Material topics Addressed by This Report**

Priority of material topic		Aspect	Changes
01	Information security management	G	=
02	Sustainable intelligent solutions	G	▲1
03	Co-creation with customers and partners	G	▼1
04	Talent cultivation and development	S	▲2
05	Innovation mechanisms	G	▲10
06	Supply chain sustainability management	G	▼2
07	Circular economy	E	=
08	GHG inventory and energy management	E	▲5
09	Eco design and product sustainability liability	E	▲1
10	Occupational health and safety	S	▲2

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Description of 2025 material topics boundaries and corresponding GRI topics

For each material topic, we assess the significance of its impact based on related activities, products, and services, whether it has an impact within or outside the organization, and define the boundaries of the value chain. Table 1.3.7 defines the relationship between each material topic and Advantech's value chain, as well as the corresponding GRI topic.

- **Table 1.3.5 Relationships between material topics, Advantech's value chain, and corresponding GRI topics** ■ May be fully disclosed in this report ◪ May be partially disclosed in this report

Sustainability aspect	Material topic	Importance to Advantech	Where the impact occurs in the value chain						GRI
			Advantech	Subsidiaries	Suppliers	Investors	Customers	Society	
Governance	Information and cyber security management	Advantech is a global leader in the IoT industry. Information security directly affects our operational stability and product security, both of which are extremely important to our brand value, employees, customers, and investors.	■	◪			■		3-3
	Sustainable intelligent solutions	Advantech's software/hardware products and integrated solutions can be used in renewable energy, climate mitigation, climate adaptation, telemedicine, education, and other growing markets. The continued development of products for sustainability purposes not only enhances Advantech's competitiveness, but also contributes to sustainability.	■	◪	◪		◪	◪	3-3
	Customer and partner co-creation	Good customer relationships can enhance Advantech's competitiveness. Excellent partnerships can improve the overall creativity of the IoT industry.	■	◪			■		3-3
	Innovative mechanism	Actively engage in product and technological innovation, and create a co-prosperity mechanism with partners in the R&D and business ecosystem.	■	■					3-3
	Sustainable management of the supply chain	Advantech mainly purchases parts and components from upstream manufacturers, assembles them in-house, and then delivers products to customers. Due to the wide variety of highly customized products, we regularly conduct supplier evaluations and ESG management evaluations, and incorporate the concept of "corporate social responsibility and supply chain sustainability management" into our evaluation guidelines, so as to ensure sustainability value and service quality.	■	■	■	◪	◪	◪	3-3 204-1 308-1 308-2 414-1 414-2

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Sustainability aspect	Material topic	Importance to Advantech	Where the impact occurs in the value chain						GRI
			Advantech	Subsidiaries	Suppliers	Investors	Customers	Society	
Society	Talent cultivation and development	Our industry has high demand for professional, interdisciplinary talent due to its characteristics (wide variety in small quantities, and high requirements on innovation and flexibility). Therefore, talent attraction, cultivation, and retention are extremely important to Advantech's operations.	■	■				■	2-7 2-8 3-3 401-1 404-1 405-2
	Occupational safety and health	Advantech has 3 major manufacturing centers and hundreds of locations of operations worldwide. We are committed to creating a workplace with zero occupational accidents and regard the occupational health and safety of employees as a material topic. Internally, we have implemented occupational health and safety concepts, organized training, set targets for topics, and obtained occupational health and safety management system related certifications.	■	■					2-7、3-3 403-1、403-2 403-3、403-4 403-5、403-6 403-7、403-8 403-9、403-10
Environmental	Circular economy	Circular economy emphasizes recycling and extending the value of resources in the design, manufacturing, and use process. For Advantech's perspective, this will not only effectively reduce the waste of resources in the production process and operations, but also help us discover value and business opportunities in product life cycle. The active introduction of circular economy strategies has enabled us to increase the depth of cooperation with suppliers and customers, enhance our competitiveness, and respond to the expectations of society and the market for sustainable development.	■	◪	■		◪	◪	3-3
	GHG inventory and energy management	Advantech is committed to reducing GHG emissions and effectively using energy and resources, and strives to achieve the carbon reduction targets we have publicly committed to, in order to ensure that environmental protection and corporate sustainability can thrive together.	■	◪			◪	◪	3-3、305-1 305-2、305-3 305-4、305-5 305-6、305-7
	Eco design and sustainability liability of product	The implementation of eco design standards enables Advantech to provide eco-friendly products. From raw materials, product design, manufacturing, to environmental management, we gradually set goals and adopted various standards, exerting every effort to improve the environment, reduce our impact on the environment, and produce eco-friendly products.	■	■	◪	■	◪	◪	3-3 416-1 416-2



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2.1 Business Performance and Corporate Governance Framework

2.1.1. Company Introduction

Advantech has focused on the global industrial Internet of Things since it was established in 1983, providing corporate customers with comprehensive software and hardware system integration, customized design services, and local technical support services around the world. We are now a global leader in IoT AI systems and embedded platforms, adopting the vision of "Enabling an Intelligent Planet" as our corporate brand.

Advantech is a listed company in Taiwan, and has been listed on the Taiwan Stock Exchange since 1999 (Stock Code 2395). Our headquarters is located in Neihu Technology Park, Taipei, Taiwan, and it has business locations in 27 countries across Europe, the Americas, and Asia. Our three major manufacturing centers are located in Linkou in Taiwan, Kunshan in China, and Fukuoka in Japan. Advantech has four major logistics centers and 21 local service centers, which form a complete service system that provides comprehensive services to customers worldwide in real-time.

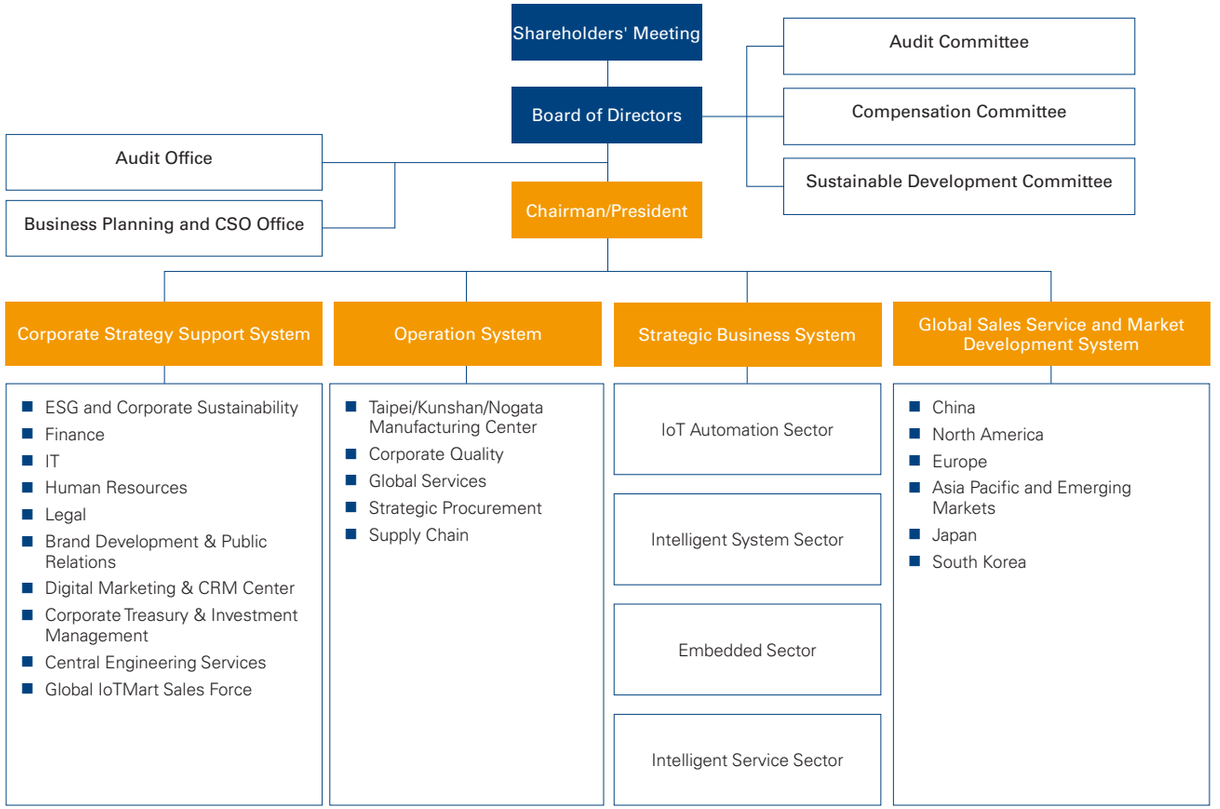
Worldwide Presence



- **Figure 2.1.1 Distribution of Advantech's Locations of Operations**

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Advantech and our affiliates specialize in the manufacturing, assembly, sales, and after-sales services of industrial computer related products (see 2.1.2 Organizational Chart for details). The main business sectors include: the Embedded Sector, Intelligent System Sector, IoT Automation Sector, and Intelligent Service Sector, which focus on providing diverse application solutions for customers in five key markets, namely edge intelligence systems, smart manufacturing, energy and utilities, intelligent healthcare, and intelligent service. At Advantech, we have embraced the trend of edge computing and artificial intelligence (AI), and have bolstered our global presence and enhanced our core competitiveness by focusing on edge computing and edge AI. We will accelerate the deployment of AI in manufacturing, logistics, cities, and energy at scale through the cloud-edge collaboration framework by integrating the edge computing hardware platform product group, industrial IoT software platform WISE-IoT, and cross-chip edge AI platform architecture WEDA. We will then incorporate industry edge AI solutions and industry knowledge to reshape our business model into collaborating with industries in the co-creation of integrated applications, and help our partners and customers connect within the industry chain. Furthermore, we are working with partners in each industry to "co-create" an industry ecosystem that will bring us faster to the goal of industrial intelligence. Please refer to: Advantech Co., Ltd. Introduction Video.



• **Figure 2.1.2 Organizational Chart of Advantech**

Business Performance and Brand Value

Accelerated upgrade of edge AI drove the strong growth of demand in major markets in 2025. Despite the challenges brought by geopolitics, tariffs, and fluctuations in the supply chain, Advantech's overall revenue showed strong resilience and set a record high, with both annual revenue and profits showing double-digit growth and an EPS of NT$12.25 in 2025.

At Advantech, we focus on the stability of our core business and financial structure, and maintain the policy of high dividends to share our business results with shareholders. We plan to pay out a cash dividend of NT$9.2 per share (75% dividend payout ratio) from 2025 earnings, and will pay out an additional cash dividend of NT$2 per share from the capital reserve, paying a total cash dividend of NT$11.2 per share, which is a dividend payout ratio of 91.4%, truly sharing business results with shareholders. Please refer to our official website for the overall financial performance over the years. Advantech achieved an outstanding performance in international evaluations in 2025, and was ranked fourth in the Best Taiwan Global Brands of Interbrand with a brand value of US$896 million (up 5% YoY).

* According to the 2025 evaluation results of Interbrand, an internationally renowned brand valuation agency, commissioned by the Industrial Development Bureau, Ministry of Economic Affairs, please refer to the website.

• **Table 2.1.1 Advantech's Products, Percentage of Revenue, and Product Output in 2025**

Main products	2025			
	Sales amount (NTD thousand)	%	Product output (unit/piece)	Percentage manufactured by self-owned facilities (%)
Embedded boards and systems	26,228,036	37%	2,892,485	99.5%
Industrial computers and industrial control	36,614,402	53%	4,149,845	99.9%
After-sales service and others	8,039,924	11%	506,940	100.0%
Total	70,882,362	100%		99.7%

Note: Information on the area of manufacturing facilities is as follows: Manufacturing Center in Linkou, Taiwan (553,030 ft2), Manufacturing Center in Kunshan, China (1107,821 ft2), and Manufacturing Center in Fukuoka, Japan (162 902 ft2)

The output of main products varies significantly. Therefore, the percentage manufactured by self-owned facilities is calculated based on output value.

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Advantech Value Chain and Business Development

Advantech operates in the industrial PC (IPC) industry, which originated from factory automation and was first used in the monitoring, testing, and control of instruments and mechanical equipment. However, following the integrated development of communication, networking, software, and optoelectronics technologies, IPCs have expanded beyond traditional manufacturing to applications for smart cities, retail, transportation, and healthcare. From MRT card readers, ticket vending machines, POS systems, digital signage, to smart building management systems, the IPC industry has flourished, which ultimately prompted its renaming to the "intelligence industry."

In terms of the relationship between the industry's upstream, midstream, and downstream, the supply chain of IPCs and embedded boards is as follows: Upstream includes chipsets, CPUs, PCBs, DRAMs, logic ICs, connectors, passive components, and other components. Midstream includes I/O equipment, single board computers, barebone system products, IPC products, and IPC peripherals. Downstream includes system integrators, distributors, and end consumers. The IoT is completed through the collective efforts of upstream, midstream, and downstream companies, which work closely together to provide customers with effective services. With the improvement of 5G infrastructure and chip technology, both X86 and ARM/RISC have launched high-performance chips to meet the high-performance computing needs of the healthcare, transportation, and robotics industries. Advantech is developing and launching edge computing platforms simultaneously with industry leaders, including Intel, AMD, NVIDIA, and Qualcomm, to accelerate technological upgrades across the industry. In addition, Advantech's hardware platforms have also achieved multi-chip support, including GPUs, VPUs, and integrated NPUs, successfully launching high-performance edge AI computing solutions. For more information, please refer to the chapter on Sustainable Supply Chain Management. There were no significant changes in our operations and supply chain during the reporting period.

At Advantech, we have established "Edge Computing & AI-Powered WISE Solutions" as the slogan for our brand in the next phase, showing our determination to develop edge computing and AI-powered industrial solutions. Advantech plans to realize the brand value of "empowering the future from the edge" through the following key strategies:

Local Co-creation, Global Connection: Comprehensively build trust and expand the global influence of our brand of AI solutions through in-depth participation in local co-creation marketing in different countries and regions and in international authoritative exhibitions.

Ecosystem Empowerment Through Software and Hardware: Exert every effort to promote WISE-IoT and the new WISE-Edge Developer Architecture (WEDA) software platform to accelerate the AI transformation of industrial applications through a containerized standard framework.

In terms of software ecosystem, we have established two major systems, WISE/WEDA. WISE-IoT at the application layer and EdgeSync for the hardware connection layer are already mature. The newly launched WEDA adopts a containerized architecture and has integrated AI SDKs of major chip companies around the world in advance, helping customers become significantly more efficient from the development to deployment of edge AI applications.

At Advantech, we aim to strengthen the resilience and delivery efficiency of our supply chain through global supply chain management. Advantech currently has manufacturing sites in Kunshan, China; Guishan, Taoyuan, Taiwan; and Nogata, Japan, building a highly flexible and supportive manufacturing network. We are actively implementing AI and digitalization (DX) projects to optimize the production process and overall manufacturing stability. We continue to invest in new manufacturing equipment to effectively increase production capacity and strengthen mid- to long-term manufacturing flexibility. In terms of regionalized manufacturing and local delivery, Advantech currently has a system assembly service location in Milpitas, U.S., and a new North America headquarters located in Tustin, which is expected to be completed by the end of 2026. The local assembly capacity in the U.S. is expected to double when it is completed, further strengthening local-for-local system production and delivery capabilities.

Looking towards the future, we will also set up WWBO (Worldwide Business Operations) in the global maintenance system as the highest decision-making unit for international deployment, strengthening global logistics resilience, and ensuring that we have a competitive advantage and the ability to execute decisions in regional markets. We are achieving our goal of becoming a global leader in the intelligence industry by "Enabling an Intelligent Planet" through strategies for steady technological innovation and global market expansion.

- **Figure 2.1.3 2025 Global Geo-Region Sales Distribution**

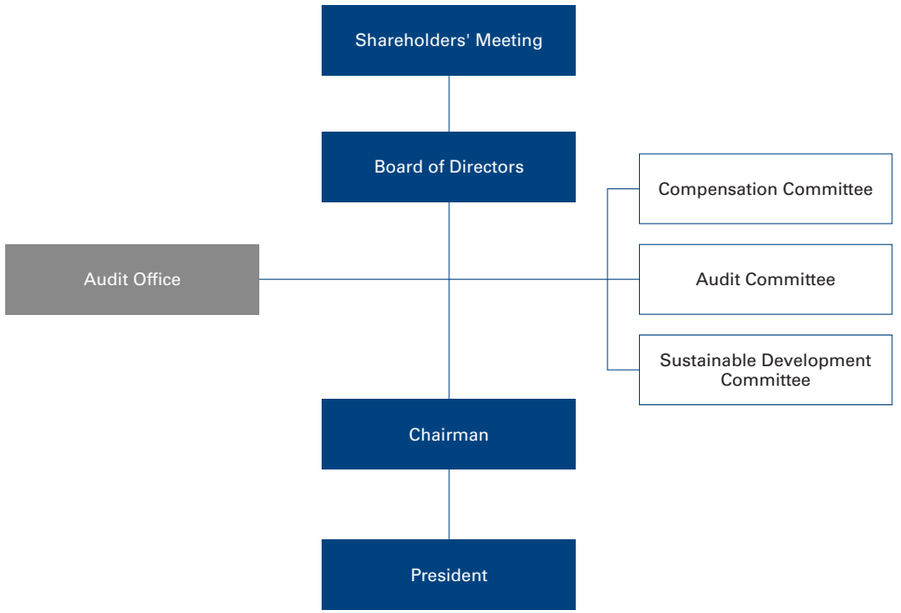
Currency: NTD thousand

Region	2025	Percentage (%)	2024	Percentage (%)
Asia (including Taiwan)	29,003,229	41%	25,988,732	43%
Americas	22,617,208	32%	19,003,633	32%
Europe	13,964,113	20%	9,931,332	17%
Other regions	5,297,812	7%	4,862,596	8%
Total	70,882,362	100%	59,786,293	100%

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2.1.2. Corporate Governance

Corporate governance is the cornerstone of sustainability. Advantech attaches great importance to stakeholder engagement and interactions. In terms of board structure and functional committees, we hold ourselves to standards that are higher than required by law, and conduct reviews each year for further optimization. For more information, please refer to the official website for the audit system, Code of Ethics and Business Conduct, and Insider Trading Prevention Management Policy.



- **Figure 2.1.4 Advantech's Corporate Governance Framework**

Composition of the Board of Directors

Advantech is committed to optimizing the functions of the Board of Directors and has established comprehensive "Regulations for the Election of Directors." Board members are selected according to the Diversity Policy, and comprehensively evaluated based on their industry background, expertise, age, and gender balance, in hopes of promoting diverse perspectives. Advantech not only considers the international market perspective, professional and academic background, and risk management of board members, but is also considering incorporating sustainability expertise as an evaluation indicator for board members. Director candidates are nominated in accordance with Article 192-1 of the Company Act, and directors are elected by the shareholders' meeting from the list of candidates. The appointment of independent directors complies with the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies." The term of office of the Board of Directors is three years. The Articles of Incorporation stipulates that independent directors may not concurrently serve as the independent director of more than three other public companies.

In accordance with the Company Act, any amendments to Advantech's Articles of Incorporation must be approved by the shareholders' meeting. In addition, according to the Company Act, the Board of Directors shall execute its duties in accordance with applicable laws and regulations, the Articles of Incorporation, and resolutions of the shareholders' meeting. Should any resolution result in damage to the company due to violation of such provisions, the directors participating in the resolution may be held liable for compensation. However, those who expressed dissent and had it recorded in the meeting minutes shall be exempt from such liability. Advantech also procures Directors and Officers Liability Insurance (D&O Insurance) for all board members annually. For further details regarding the D&O Insurance policy, please refer to page 46 of the 2025 annual report.

Advantech's Board of Directors is currently serving its 15th term, which consists of nine directors and spans from May 25, 2023, to May 24, 2026. The composition of the current-term Board of Directors and the goals for the next term (16th-term) are shown in the figure below. Among them, the Advantech Foundation holds one director seat, so that public welfare stakeholders are included in the composition of the Board of Directors. Overall, the composition of Advantech's Board of Directors complies with the principle of diversity, and the diverse professional perspectives of directors are constructively beneficial to our ability to cope with operational, industrial, and sustainability impacts. On average, members of the 15th-term Board of Directors have served for 8.2 years as of the end of December 2025. For more information on positions concurrently held by directors, please refer to the official website and annual report: Board of Directors, Annual Report (Top 10 Stakeholders P.135). Please refer to the Corporate Governance Best Practice Principles on the official website for the minimum number of independent directors and female directors.

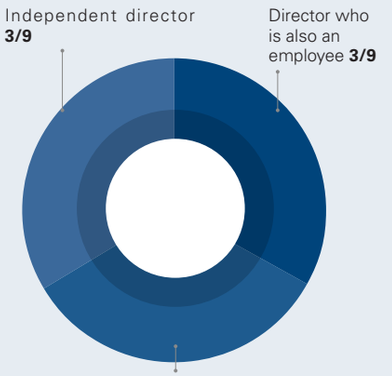
In terms of sustainability expertise, Director Jeff Chen has served as the global vice president and the Asia president at Stanley Black & Decker, Inc. He has experience managing large multinational corporations and has extensive expertise and experience in M&A strategies and cross-border operations related issues. This will provide Advantech with more diverse and international governance perspectives when making sustainability governance decisions. Director Ji-Ren Lee has extensive experience in corporate governance practices, including professional experience in business management strategies, talent development, and risk management, which will help achieve a sound governance framework and supervision of sustainability mechanisms. The composition of the current-term Board of Directors is sustainable, and we will continue to strengthen the sustainability competencies of the Board of Directors in the future. While Founder KC Liu concurrently serves as chairman and CEO, Advantech strictly complies with the conflict of interest provisions outlined in the "Board of Directors Rules of Procedure." Furthermore, we leverage a comprehensive management mechanism to strengthen the balance of authority and mitigate potential conflicts of interest. The definition of controlling shareholder of Advantech is the same as that in the annual report. Please refer to the official website for the top ten shareholders.

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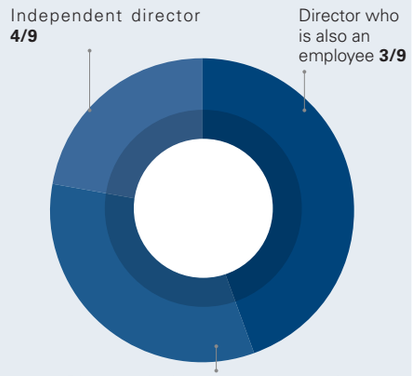
Board of Directors Operations, Continuing Education, and Evaluation

Operations: The Board of Directors convened a total of four meetings in 2025, and the attendance of board members was good. If directors were unable to attend in person, they completed procedures to attend by proxy in accordance with the law, and the status of overall operations was good. For more information, please refer to the official website for the Board of Directors Operations. For material events, such as annual and quarterly financial statements, major investment proposals, and other matters to be resolved by the Board of Directors in accordance with the law, after discussion and approval by the Board of Directors, an announcement and disclosure will be made in accordance with the law on the Market Observation Post System. It is simultaneously disclosed on Advantech's website or annual report. Please refer to page 131-133 of the annual report for a summary of resolutions at each board meeting.

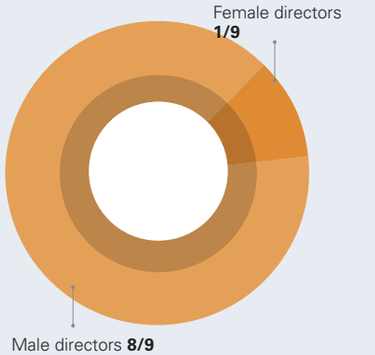
Board Diversity (15th-term)



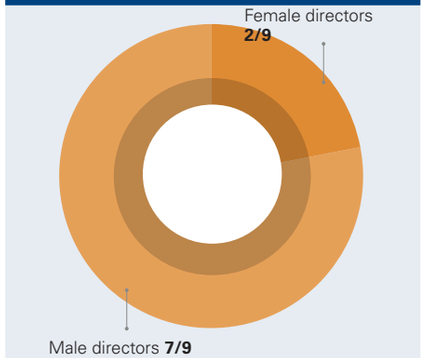
Board Diversity (Target for the 16th-term)



Gender Distribution of Directors (15th-term)



Gender Distribution of Directors Target for the (16th-term)



Title	Name	Attendance in person	Attendance by proxy	Absent	Attendance rate (%)
Chairman	KC Liu	4	0	0	100%
Director	Representative of Advantech Foundation: Chaney Ho	3	1	0	75%
Director	Kechen Investment Co., Ltd. Representative: Wesley Liu	4	0	0	100%
Director	AIDC Investment Corp. Representative: Tony Liu	4	0	0	100%
Director	Jeff Chen	4	0	0	100%
Director	Ji-Ren Lee	4	0	0	100%
Independent director	Ming-Hui Chang	4	0	0	100%
Independent director	Benson Liu	4	0	0	100%
Independent director	Chan-Jane Lin	4	0	0	100%

Management of avoidance of conflict of interest by directors:

If our directors or the legal entity they represent have a conflict of interest in an agenda item, they must explain the important contents of their conflict of interest before the beginning of the meeting in accordance Article 15 of the "Board of Directors Rules of Procedure." If the conflict of interest could damage Advantech's interests, the director may not participate in the discussion and voting, and shall recuse himself/herself from the discussion and voting. Directors who have recused themselves may not exercise voting rights on behalf of other directors. In addition, if the director's spouse, relative within the second degree of kinship, or a company in which the director has a controlling interest in has a conflict of interest in an agenda item, the director shall also be deemed to have a conflict of interest.

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Continuing education and operational strategies

On average each director received 9.4 hours of training in 2025, which was higher than the 6 hours recommended by law and also higher than in the previous year. In particular, directors collectively took a total of 45 hours of continuing education courses related to ESG, an average of 5 hours per director. Advantech encourages directors to receive continuing education and align themselves with international trends in their professional fields. We regularly provide directors with information on governance courses organized by professional institutions, such as the Taiwan Institute of Directors, the Securities & Futures Institute (SFI), and the Taiwan Institute of Directors, and also occasionally organize director training seminars. Topics are selected based on the map of general operational risks and material topics. When selecting lecturers, we invite external experts from industry and academia to ensure courses introduce both theory and practice, maximizing the strategic impact on corporate operations. Advantech continued to organize continuing education courses for directors in 2025, so as to strengthen the knowledge of directors and managers on M&A strategies, post M&A integration, and risk management through in-depth discussions and exchanges with experts. For this year's courses, Advantech specially invited Mr. Ming-Kuang Lu, the founder of GlobalWafers Co., Ltd. and honorary chairman of Sino-American Silicon Products Inc. He shared his industry strategies, focusing on counterparty selection, post-transaction integration, problem-solving, cross-functional team dynamics, division of labor with external experts, and authorization and control. Tsung Liu, vice president of Uni-President Enterprises Corp., and Charles Wang, former president of Willis Towers Watson Taiwan Ltd., shared their insights on matters that require attention before, during, and after mergers and acquisition cases, as well as strategic organizational thinking and the integration of diverse talents. Going forward, we will comprehensively consider the diversity of directors' background and field of expertise, and tailor training plans for individual directors to strengthen their key competencies. Precision training has improved the ESG literacy of directors, their industry expertise, and international perspectives, supporting Advantech's sustainable development and growth.

- **Overview of Directors' ESG Continuing Education in 2025:**

Title	Name	Organizer	Sustainability course name	Hours of continuing education
Director	KC Liu	Taiwan Institute of Directors	Diverse Growth under Internationalization: Whole-chain Thinking from Strategy to Outcome	3
Director	Chaney Ho	Cathay FHC	2025 Cathay Sustainable Finance and Climate Change Summit	6
Director	Wesley Liu	Taiwan Institute of Directors	Diverse Growth under Internationalization: Whole-chain Thinking from Strategy to Outcome	3
Director	Tony Liu	Taiwan Institute of Directors	Diverse Growth under Internationalization: Whole-chain Thinking from Strategy to Outcome	3
Director	Ji-Ren Lee	Taiwan Corporate Governance Association	Sustainability, Risks, and Information Security Issues in the Era of AI	3
Independent director	Benson Liu	Taiwan Corporate Governance Association	Seminar on Creating a New Landscape for Sustainability	2
		Taiwan Corporate Governance Association	Management Accounting and ESG Innovation	1
		Taiwan Corporate Governance Association	Seminar on Improving Board and Functional Committee Performance Evaluations	2
		Taiwan Corporate Governance Association	The 21st (2025) Corporate Governance Summit - The Role of BOD in Strategy Shaping for the Drastic Transformation of Global Environment	6
Independent director	Chan-Jane Lin	Taiwan Corporate Governance Association	Seminar on Creating a New Landscape for Sustainability	2
		Taiwan Corporate Governance Association	DEI Policy: at the Crossroads	1
		Taiwan Corporate Governance Association	The 21st (2025) Corporate Governance Summit - The Role of BOD in Strategy Shaping for the Drastic Transformation of Global Environment	6
		Taiwan Corporate Governance Association	Low-carbon Economy and Corporate Sustainability Strategies	3
		Taiwan Corporate Governance Association	Sustainability Equals Innovation: Corporate Sustainability and ESG Value Management Trends	3
		Taiwan Corporate Governance Association	Sustainability, ESG, and Competition Law	1

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Board of Directors evaluation mechanism:

Advantech has established a rigorous evaluation mechanism for the Board of Directors and Functional Committees. Self-evaluations are conducted annually, external evaluations are conducted by a third-party professional institution every three years, and the evaluation results are reported to the Board of Directors in the first quarter of each year. With the management team allocating resources and the collective efforts of departments from top to bottom, we aim to make improvements every year. Advantech completed internal self-evaluations of board performance, board member performance, Audit Committee performance, Compensation Committee performance, and Sustainable Development Committee performance in 2025. Evaluation results and improvement plans were reported to the Board of Directors in the first quarter of 2026.

Board of Directors Functional Committees

Functional Committees that have been established include the Compensation Committee, Audit Committee, and Sustainable Development Committee. The Sustainable Development Committee is responsible for making strategic decisions and supervising and managing material ESG-related issues, strengthening Advantech's governance of economic, environmental, and social impacts. Advantech establishment of Functional Committees exceeds statutory requirements.

The establishment of Functional Committees exceeds statutory requirements. The composition and implementation status of the committees in 2025 are as follows:

Functional committee	Members	Attendance rate	Resolutions (see the official website for details)	External consultants (provide opinions, but do not have voting rights)
Compensation Committee (Statutory)	Independent Director Ming-Hui Chang (Convener) Independent Director Benson Liu Independent Director Chan-Jane Lin	100%	2025	
Audit Committee (Statutory)	Independent Director Benson Liu (Convener) Independent Director Ming-Hui Chang Independent Director Chan-Jane Lin	100%	2025	
Sustainable Development Committee (Voluntary)	Chairman KC Liu (Convener) Director Jeff Chen Director Ji-Ren Lee	100%	2025	Yen-Hsi Lin, former president and global director consultant of DDI, and Ms. Eunice Chiu, former vice president and general manager of NVIDIA Taiwan

Expanded Sustainable Development Committee (SDC) Mechanism

Advantech formally established the board-level Sustainable Development Committee (SDC) in July 2022. The committee convenes meetings every 6 months to formulate Advantech's long-term development strategy. The SDC meeting in the second half of the year is positioned as an "expanded SDC meeting," broadening the invitation to all directors, external experts and consultants, and executive level supervisors to discuss key development issues, such as innovation in Advantech's business model, succession, and mid- and long-term vision.

The expanded SDC meeting in the second half of 2025 focused on corporate succession planning, optimization of global organizational governance and growth momentum, and sustainable development. Matters that were discussed include: The structure and implementation of the Advantech Succession Committee (ASC), strengthening global and regional market governance management mechanisms, future designs for organizational streamlining, and Advantech's strategic investment strategies. External experts that were invited include: Ms. Yen-Hsi Lin, former president and global director consultant of DDI, and Ms. Eunice Chiu, former vice president and general manager of NVIDIA Taiwan, who offered global perspectives to build collective intelligence. The exchanges of professional opinions and cross-domain experience with committee members will help us continue to optimize our organizational structure, cultivate key talents, strengthen our governance, and enhance our competitiveness in sustainability. All proposals were reviewed and approved by all members of the Sustainable Development Committee to ensure the implementation of decisions and the effectiveness of strategies.

For more information, please refer to Functional Committees on the official website.

CEO and Senior Manager Remuneration System

- **Policy objective:** Regularly evaluate the remuneration of managers to motivate the CEO and senior managers to achieve Advantech's goals, generate profits, and improve business performance, while considering the reasonable correlation with future risks. Operations are carried out in accordance with Advantech's "Salary and Remuneration Measures for the Management."
- **Governance body:** Advantech has established a Compensation Committee, which is a board-level functional committee. The 15th-term Compensation Committee consists of three independent directors, ensuring its independence. The committee also consults external consultants for their professional opinions, in order to improve the quality of decisions. Third-party consulting companies are regularly appointed to survey remuneration standards and trends. External experts and consultants are irregularly invited to provide insights and analysis on issues, assisting the Compensation Committee in reviewing and proposing optimal remuneration policies.
- **Review process:** Regarding the policy, system, standards, and structure of remuneration to managers, the Compensation Committee considers the reasonableness of remuneration based on industry standards, individual performance, and the correlation between Advantech's business performance and future risks. The committee reviews the performance evaluations and remuneration system and standards of Advantech's directors and managers on a regular basis, and then submits them to the Board of Directors for review.

The remuneration policies for the highest governance body and senior executives include basic fixed salary, pension, stock options, and bonuses. There are no signing bonuses or clawback mechanisms.

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Furthermore, Advantech attaches great importance to the participation and feedback of stakeholders (including shareholders). Information on remuneration to individual directors is disclosed in Advantech's annual report; it is also reported under the agenda item "Allocation of Employee Remuneration and Directors' Remuneration" at the annual general meeting to inform shareholders and seek feedback. Advantech held the 2025 Annual General Meeting on May 29 with a 94.93% attendance rate. Shareholders were informed during the report on "Allocation of Employee Remuneration and Directors' Remuneration," and there were no objections at the meeting. For more information, please refer to Compensation Committee on the official website, 2025 Shareholders' Meeting Minutes, and Directors' Remuneration in the 2025 Annual Report.

Remuneration Structure and Long-term and Short-term Incentive Plan

- Fixed salary:
  Includes base salary, various allowances or additional pay, and a fixed year-end bonus equal to one month's salary. Fixed salary is determined based on professional qualifications and remuneration standards in the market.
- Variable pay:
  - Short-term incentive plan - cash bonuses: Bonuses for performance in the past year are divided into individual performance bonuses and team profit sharing bonuses.
  - Long-term incentive plan - Stock options/warrants (including ESOP and PSOP*): Aims to retain talent and incentivize long-term value creation. The target achievement rate is calculated and accumulated on a rolling basis each year over a three-year period to encourage continuous value contribution. The overall achievement rate is calculated at the end of the period. Employee participation in the ESOP in 2025: 55.6%, employee participation in the PSOP: 33%.

ESOP: Employee Stock Option Plans、PSOP: Performance Stock Option Program

- Metrics:
  Divided into financial and strategic indicators; both qualitative and quantitative metrics are used for regular evaluations of achievement rate. The mechanism that links remuneration to performance strengthens strategy implementation to ensure continued growth.

Financial indicators	Revenue growth rate, profit growth rate, ROE, and relative indicators (TSR*). *TSR: Total Share-holder Return. The relative indicator TSR is linked to the performance of the CEO. The benchmark is the annual average of the top 50 listed electronics companies in Taiwan in terms of market cap, and the relative performance is linked to the remuneration of the CEO.
Strategic indicators	Growth-driven and project-based corporate transformation KPIs are broken down from Advantech's important strategies into detailed items to continue making progress. In principle, financial indicators and strategic indicators each account for 50% for the CEO and senior managers.

- Severance and retirement benefits:
  Advantech does not have a severance pay system in place. In terms of pension plans and allocation rates, directors do not receive pension payments. The pensions and contribution rates of senior managers are the same as those for general employees. The implementation rules are in accordance with the Ministry of Labor and Labor Pension Act. Please refer to: The official website of the Ministry of Labor- Introduction to the New Labor Pension System, "Directors' Remuneration" and "Managers' Remuneration" tables in the 2025 Annual Report.

ESG Performance and Incentive Mechanisms

Advantech continues to advance toward the vision to "Enable an Intelligent and Sustainable Planet," serving as a leading promoter of smart sustainability. To achieve this, we established and implemented an ESG KPI mechanism for senior management in 2022, incorporating ESG indicators into the performance evaluations of the chairman, co-presidents, executive-level supervisors, department heads, members of the ESG and Corporate Sustainability Office, and responsible employees. We planned important performance evaluation items for 2025, and incentives are mainly based on the Employee Stock Option Plans (ESOP), which are supplemented by performance bonuses. The performance bonuses are calculated in the first quarter of each year and distributed in the third to fourth quarters. At the same time, we benchmark against domestic and international sustainability trends, set goals and formulate implementation plans based on the actual operations and risk management mechanisms of Advantech. The bonuses are distributed based on sustainable development goals, quantitative indicators, and actual performance.

- **The ESG KPI incentive mechanisms are planned as follows:**

KPI setting method	Objectives for E, S, and G are planned by integrating KPIs into corporate operations and risk management after referencing domestic and international sustainability trends, and Advantech's material sustainability topics.
Groups being incentivized	CEO, mid-level and senior managers, entry-level managers, and employees
Incentive mechanism	■ Cash incentive mechanism ■ Employee Stock Option Plans (ESOP)
Indicator description	■ Environmental: Indicators include green product design, water, electricity, waste, and VOC reduction targets, renewable energy development targets, and CDP ■ Social: Indicators include turnover rate, talent development and retention, creating a workplace with diversity, equity, and inclusion (employee satisfaction survey), IoT innovation application and education, and occupational safety and health (occupational safety and health education and training, number of major occupational accidents, number of occupational diseases). ■ Governance: Indicators include the percentage of revenue accounted for by smart sustainability solutions, indicator-based ESG evaluations (e.g., Corporate Governance Evaluation, EcoVadis, DJSI, etc.), and board diversity.

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CEO and Senior Manager Shareholding Requirements

Advantech believes that long-term shareholding of shares by the senior management team can strengthen their connection to the long-term interests of shareholders. The amendment to the "Salary and Remuneration Measures for the Management" by Advantech's Compensation Committee on October 28, 2022, stipulates that the number of shares held by Advantech's CEO and president shall not be less than 10,000 shares, in order to fulfill our commitment to sound corporate governance. In 2025, the value of shares held by KC Liu, the founder and chairman of Advantech, was approximately 1,906 times the fixed salary, and the average value of shares held by the three co-presidents was 22.28 times the fixed salary (including shares owned by the individual, spouse, and minor children).

Annual Total Compensation Ratio

- The ratio of the annual total compensation of the highest-paid individual in 2025 to the median annual total compensation of other employees in the organization: 11.6(6 major regions)
- YOY Ratio: Ratio of the percentage increase in annual total compensation of the highest paid individual to the percentage increase in annual total compensation of other employees in the organization: 0.37(Headquarters)

Description:

1. The types and definitions of salary, annual total compensation, and the median of other employees are calculated according to the GRI Standards. All employees of Advantech in 5 major regions were ranked by their annual total compensation in 2022 when calculating the multiples of annual salary. The multiples of annual salary in 2023, 2024, and 2025 were calculated based on data from 6 regions. (Among the 6 regions, statistics on remuneration in the U.S. were incomplete in 2022, so it could not be disclosed.) Advantech's remuneration system comprehensively evaluates duties, performance, and overall operating results. The annual total compensation of the highest paid individual is highly linked to Advantech's overall business performance, and showed a slight growth in 2025. Under the remuneration governance framework, the margin of change in remuneration varies due to the remuneration adjustment mechanisms and factors linked to the remuneration of personnel at different levels. Compared to 2024 (-5.52), the gap this year is significantly smaller, indicating that the overall remuneration structure is gradually stabilizing.
2. Median annual salary: Complete source data for certain overseas regions is currently not available. Therefore, the following formula is used for calculation. For the denominator, the six major regions are divided into groups by average annual salary, and the formula for calculating the approximate median of the average values of the groups is used to calculate the median of the six major regions.

Ethical Corporate Management: Compliance, Anti-corruption, and Anti-unfair Competition

Ethical corporate management is an important cornerstone of Advantech's corporate governance and internal control system. Advantech upholds the principles of fairness, transparency, and integrity, and continues to identify and comply with local laws and regulations in the location of operations. We implement systematic management and cross-departmental collaboration mechanisms to ensure that our policies and practices comply with applicable laws and regulations and corporate ethics requirements. Compliance, anti-corruption, and anti-unfair competition not only concern Advantech's fulfillment of our social responsibilities, but are also core elements for maintaining our reputation and sustainability.

Key Implementation Items in 2025

- Compiled and clarified anti-bribery and anti-corruption related principles and operating requirements in accordance with the existing ethical corporate management system, providing the basis for internal management, awareness campaigns, and education and training.
- Continued to offer the annual online training course on ethical corporate management that all employees are required to take, in order to strengthen their understanding of ethical corporate management, compliance, and corporate ethics.
- Required suppliers to sign commitments to integrity and anti-corruption through the Supplier Relationship Management (SRM) system, and implemented systematic management and tracking.

Ethical Corporate Management and Organizational Division of Labor

The Board of Directors supervises the implementation of the Ethical Corporate Management Policy, and responsible units carry out relevant measures based on their duties:

Procurement Department	IT Department	Human Resources Department	Legal Department
Requires suppliers to sign a commitment to integrity and anti-corruption through the SRM system.	Established and maintains an online training and testing system that provides regular reminders.	Plans and offers education and training courses on ethical corporate management and Advantech Business Conduct.	Responsible for planning and maintaining ethical corporate management policies and systems, and regularly reports the status of compliance and ethical corporate management to the Board of Directors.

Audit Department	Audits the design and implementation of internal control systems according to the internal audit system, and handles whistleblowing cases in accordance with regulations.

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Ethical Corporate Management Training Results

All employees are required to take the annual ethical corporate management training course. The course covers the Code of Ethics and Business Conduct, Advantech Business Conduct, and anti-bribery and anti-corruption regulations that prohibit the acceptance of improper benefits, aiming to strengthen employees' understanding of corporate ethics, compliance, and ethical culture. The course also explains Advantech's existing whistleblowing system, and clearly describes related channels, investigation procedures, and the principles of maintaining the confidentiality of whistleblowers' identity and prohibiting retaliation, helping employees and stakeholders file timely reports when they suspect any misconduct.

As of the end of 2025, approximately 95.8% of employees worldwide completed the online ethical corporate management test. (The scope of education and training statistics for 2025 mainly includes indirect employees with an internal system (Portal) account to ensure the accuracy of training assignments and records; direct employees who do not have an account are not included in the statistics. We have begun discussions with the Human Resources Department to plan the training management mechanism and recording process applicable to on-site personnel. We plan to include direct employees in the scope of statistics in the future to improve the comprehensiveness and completeness of information disclosure.) For personnel who have not yet completed training, we will continue to send notifications to the individuals and their supervisors through the system reminder mechanism, so as to increase the completion rate.

Major Violations of the Law:

With reference to Article 36 of the Securities and Exchange Act and relevant regulations of Taiwan on the disclosure of material information, Advantech determines whether an incident is material based on its nature, scope of impact, and potential impact on our financial position, business performance, shareholders' interests, stock prices, or reputation. The term "major violation of the law" refers to violations of laws and regulations by Advantech or its directors, managers, or employees that have a material impact on Advantech (including impact on financial position, operations, or reputation) or result in severe penalties imposed by the competent authority. The threshold for disclosing a major violation of the law is NT$1 million.

After evaluation, the following material violations of the law did not occur in 2025 (including fines and non-monetary sanctions):

- Corruption and bribery incidents: 0 cases.The fine for corruption and bribery was NT$0.
- Anti-competition, anti-trust, or monopolistic practice incidents: 0 cases
- Discrimination and harassment incidents: 0 cases
- Customer privacy data leakage incidents: 0 cases
- Conflicts of interest, fraud, money laundering, or insider trading incidents: 0 cases
- Significant pecuniary losses due to legal proceedings or penalties this year and political contributions: NT$0
- There were no violations of the code of conduct in 2025.

Whistleblower Mechanism

Advantech has established a complete whistleblower mechanism for employees, suppliers, and stakeholders to report any violations of integrity or misconduct. Reports may be submitted in writing or via e-mail to the chief auditor, and the chairman will assign a special task force to conduct an independent investigation. The Audit Committee may be informed when necessary.

Advantech protects the identity of whistleblowers and the content of their reports, and prohibits retaliation or unfair treatment. All investigation data is properly retained to ensure the impartiality of procedures and track cases.

Please see the official website for relevant documents: Whistleblower Report Processing Guideline

- In 2025, there were a total of 0 incidents of "anti-competitive behavior, anti-trust, and monopoly practices," and the pecuniary losses caused by legal proceedings amounted to NT$0 (including pecuniary losses during the reporting period of this report and the previous report)
- Political contributions in 2025: NT$0

For more information on compliance and anti-corruption, please refer to Advantech's official website:

Major internal policies	Code of Ethics and Business Conduct	Insider Trading Prevention Management Policy	Anti-bribery and Anti-corruption Policy	For information on the internal audit system, please refer to Advantech's official website:

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Tax Policy

Advantech upholds the spirit of altruism and is committed to giving back to society while our business continues to grow. In terms of Tax Policy, it is our duty to pay reasonable taxes to the local society and economy of the country where we operate. We do not engage in aggressive tax arrangements, and comply with related tax laws and regulations. In accordance with the Group's Tax Policy, the headquarters and domestic and overseas subsidiaries of Advantech are required to comply with the following principles:

Article 1

Act at all times in compliance with the spirit and the letter of the relevant tax laws and regulations in the countries in which we operate.

Article 2

Advantech complies with Organization for Economic Cooperation and Development (OECD) Transfer Pricing Guidelines to prepare three-tier transfer pricing documentation.

Article 3

Transfer pricing is set based on the "arm's length principle." Profits from each operating entity are reasonably remunerated for the risk and complexity of each entity's activities.

Article 4

Advantech's major decisions are made mainly based on business purposes, and then supplemented by tax analysis to search for optimal solutions.

Article 5

Do not engage in any arrangement that transfers value created to low tax jurisdictions or tax havens simply for reducing tax burden. Do not use tax havens or tax structures whose sole purpose is for tax avoidance.

Article 6

Assess tax risk periodically and reduce it by negotiating Advance Pricing Agreement (APA) with local tax authorities in the countries Advantech generates high income.

Article 7Build mutually respectful relations with tax authorities based on mutual trust and communication, information transparency, and tax payment with integrity.

Tax Governance

Advantech engages in business operations around the world and complies with the tax laws and regulations of the countries where it operates. Changes in tax laws could lead to an increase in taxes and costs, which will adversely impact overall business performance. To effectively manage tax risks, Advantech complies with tax regulations, understands current tax liabilities and compliance status, identifies potential tax issues and risks, addresses tax issues based on the level of risk and urgency, designs and utilizes technology to strengthen tax governance, and regularly reviews the implementation results.

Advantech's management leads the formulation of the Group's global financial and tax strategies. Day-to-day tax planning and management is carried out by the finance manager at the headquarters, and overseas accounting personnel ensure compliance with local tax laws and the performance of tax obligations. In addition, Advantech engages external tax consultants and accounting firms to assist in handling and filing taxes. The Audit Committee is appointed by the Board of Directors to supervise Advantech's quality and integrity in accounting, auditing, financial reporting, and financial control. The committee regularly reviews accounting policies and procedures, internal control systems, compliance, and enterprise risk management. Advantech's Tax Policy is reported by the Audit Committee and approved the Board of Directors.

Tax Payment Status

- **Table 2.1.2 Revenue, net profit before tax, tax information, and number of employees in 2025** (Unit: NTD thousand)

Country	Revenue	Net profit before tax	Current tax expense	Income tax paid	Number of employees
Taiwan	51,906,898	11,721,987	1,635,549	1,780,177	3,856
China	30,273,655	132,779	38,318	93,870	3,427
United States	23,305,261	1,203,051	291,946	235,042	526
Netherlands	10,157,547	-321,725	39,210	50,362	812
Japan	4,586,887	278,246	79,257	43,720	271
South Korea	2,608,740	29,058	5,956	2,563	128
Others	7,875,712	-269,754	98,860	189,157	474
Total	130,714,700	12,773,642	2,189,096	2,394,891	9,494

*Note:

1. The revenue, net profit before tax, and tax information in this table are aggregated amounts of audited local financial figures. Related party transactions within the Group have not yet been excluded.
2. The Revenue and Net profit before tax in the table above do not include investment gains (losses) recognized under the equity method.
3. Please refer to the appendix for the names of business entities and main operating activities in each tax jurisdictions.

Effective tax rate

The effective tax rate and cash tax rate of the Group in 2024 and 2025 are as follows:

- **Table 2.1.3 Effective tax rate** (Unit: NTD thousand; %)

Item	2024	2025	Average
Net profit before tax	10,974,528	12,689,612	11,832,070
Income tax expense	2,086,310	2,189,096	2,137,703
Income tax paid	3,987,727	2,394,891	3,191,309
Effective tax rate	19.01%	17.25%	18.07%
Cash tax rate	36.34%	18.87%	26.97%

Source: Pages 10-11 of the 2025 consolidated financial statements of Advantech Co., Ltd. Please refer to pages 13-14 of the Consolidated statements of Cash Flows for the amount of income tax paid.

*Note:

1. Effective tax rate = Income tax expense÷ Net profit before tax
2. Cash tax rate = Income tax paid ÷ Net profit before tax
3. The effective tax rate and cash tax rate of Advantech in 2025 were 17.25% and 18.87%, respectively, while the average effective tax rate and cash tax rate in the past two years were 18.07% and 26.97%, respectively. Both are higher than the average effective tax rate of 15.39% and cash tax rate of 15.09% in the "THQ Computers & Peripherals and Office Electronics" industry according to the 2025 S&P Global CSA Handbook.

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2.2 Information Security Management

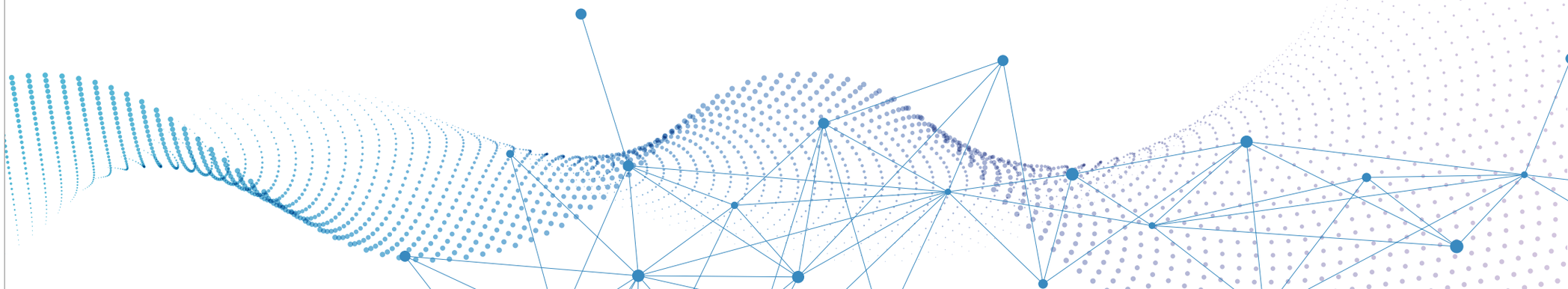
Name of material topic	Please describe the importance of this material topic to Advantech
Information security management	Advantech is a global leader in the IoT industry. Information security directly affects our operational stability and product security, both of which are extremely important to our brand value, employees, customers, and investors. In addition, the FSC amended the law to clearly stipulate information security requirements for listed companies, which are required to make a material information announcement when a major information security incident occurs.
Policy or commitment	Advantech deeply recognizes that information security is the cornerstone of corporate sustainability and the trust of stakeholders. Facing the information security risks brought by digitization and the rapid development of cloud applications, one of our core business strategies is to continue strengthening information security governance and protection capabilities. At the same time, we continue to invest resources in information security technology upgrades and employee awareness training, which improves our overall security resilience and incident response capabilities. This ensures the protection of customer data, operational information, and system stability, thereby fulfilling our long-term commitment to shareholders, customers, and the general public.
Positive impacts	Recognizing the positive impacts and growing importance of information security within the technology supply chain, Advantech's efforts to strengthen cybersecurity build customer confidence while reinforcing overall risk management and operational resilience.
Negative impacts	Information security breaches can negatively impact business operations through the leakage of confidential information and system service interruptions, which can damage Advantech's reputation, result in a loss of business and customers, and create litigation risks. Financial impact of potential negative impacts: If hardware failure occurs in critical systems (such as ERP) and data needs to be recovered, it will cause services to be suspended for approximately 4 hours and result in a loss of approximately NT$37.8 million (consolidated scale of 50E) or NT$22.72 million (consolidated scale of 10E) in revenue/production capacity. If files need to be restored from backup due to being encrypted by hackers, the impact could last for up to 24 hours, and the financial impact is estimated at approximately US$4 million, along with any losses resulting from potential data leakage. The main quantitative risks of an R&D/customer core data incident is a loss of approximately US$1.5 million for data recovery by PLM and R&D, and approximately US$5 million from the impact on customer relations and reputation. ■ Actions taken to address negative impacts are as follows: ■ Deployed a multi-layer defense-in-depth architecture, such as firewalls, endpoint protection, privileged account management, two-factor authentication, and network access control (NAC) ■ Continued to detect and monitor information security risks, and established information security incident monitoring, response, and handling mechanisms ■ Implemented 3-2-1 data backup for important systems and established a remote backup mechanism ■ Introduced an information security management system to improve the overall maturity of information security ■ Continued to organize information security awareness campaigns to raise the information security awareness of personnel

Name of material topic	Please describe the importance of this material topic to Advantech
Actions in response to negative impacts that occur	When an information security incident (such as data leakage) occurs, the organization immediately activates a response mechanism, isolates the affected system to prevent its spread, and investigates the incident while assessing losses. The incident is reported internally to management, while the competent authorities and affected users are notified externally in accordance with regulations, with remedial measures promptly provided. Following an incident, vulnerabilities are reviewed, and controls and training are strengthened to reduce the risk of recurrence.
Overview of target achievement in 2025	■ Microsoft Secure Score exceeded 70% ■ Average monthly score in information security risk rating surpassed 75 points ■ Completed the transition to ISO 27001:2022 for information operations in China, Europe, and North America ■ Target coverage rate for web security filtering in Japan and Singapore reached 100% ■ Target coverage rate for NAC of the zero trust network at the headquarters and in Taiwan reached 100% ■ Continued to expand the deployment of vulnerability patching tools in server systems in the IT room, with a target coverage rate surpassing 80% ■ Completed the launch of the information security management dashboard system to centrally monitor important information security indicators in Taiwan/China/North America/Europe ■ Azure cloud environment information security score exceeded 65% ■ Completed the dual network plan for important locations in Kunshan (China) and Taiwan
2026 targets	■ Complete multi-ISP/SD-WAN dual network in at least 10 offices with MLPS ■ Complete the Azure dual-network architecture and increase cross-regional availability to 99.99% SLA ■ Complete the launch of SASE + Zero Trust (SSE for mobile user), covering access to European offices, remote users, and critical systems ■ Complete comprehensive deployment of WAAP: WAF/API Security/Bot Management/DDoS covers 100% of external websites to prevent API misuse and data leakage ■ Complete the deployment of WAAP + CDN Cloudflare in China, provide a single platform and improve performance ■ Information security risk rating scores for each region (ACL/ACN/ANA/AEU) are not lower than 80 ■ Complete standard procedures for managing information security incidents at the headquarters/China/North America/Europe, hold at least 3 management procedure briefings, and organize 1 major information security incident drill

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Name of material topic	Please describe the importance of this material topic to Advantech
2030 targets	■ Web security filtering and zero trust network access at all Advantech locations worldwide ■ Move ERP and PLM to the cloud, which will benefit global deployment and strengthen the resilience of key services ■ Implement automated scanning and security detection of code and settings, and patch vulnerabilities in the development stage of at least 80% of system projects ■ Information security risk rating scores for each region (ACL/ACN/ANA/AEU) are not lower than 90 ■ Expand the scope of the ISO 27001 certification to include the Linkou server room, SAP, and PLM operations
Key action plans or programs in 2025	■ Completed the transition to ISO/IEC 27001:2022 in China, North America, and Europe ■ Officially launched the Global KPI dashboard ■ NIST CSF (Cybersecurity Framework) 2.0 Incident Response was verified by a consulting company ■ Outsourced website vulnerability scanning and BAS testing ■ Average monthly score in information security risk rating surpassed 75 points ■ Microsoft Secure Score exceeded 70% ■ Azure cloud security score ≥ 65% ■ Completed the conversion of the web application firewall (WAF) to strengthen the protection against external websites ■ Activated 2FA for logging into the employee website outside Advantech ■ Zero Trust NAC adoption rate reached 100% (Headquarters + Taiwan) ■ Implemented network monitoring solutions to monitor all connected devices and strengthen internal network visibility and control capabilities ■ Completed the dual network architecture at the Kunshan and Taiwan locations ■ Implemented computer file protection mechanisms for financial, human resources, and R&D departments

Name of material topic	Please describe the importance of this material topic to Advantech
Effectiveness evaluation	■ Convene quarterly meetings and establish a real-time major information security incident reporting system to ensure that key risks are reported to the Risk Management Committee within 24 hours ■ Regularly convene Cybersecurity Committee meetings to push forward matters related to product information security ■ Completed the transition to ISO/IEC 27001:2022 in China, North America, and Europe ■ Average monthly score in information security risk rating surpassed 75 points ■ Microsoft Secure Score exceeded 70% ■ Azure cloud security score ≥ 65%
Stakeholders affected by this material topic and actions taken by Advantech	■ Employees: Provide online compulsory information security courses and require them to complete tests ■ Customers: Respond to customer questionnaires and audits, and provide supporting records as needed ■ Suppliers and contractors: Require all suppliers to complete the information security management statement. Major components and system service providers are required to complete the information security risk self-assessment form and conduct regular information security audits. ■ Shareholders and investment institutions: Disclose Advantech's major action plans and results in improving information security in the annual report and sustainability report ■ Partners: Report and jointly resolve information security issues of products ■ Government/Associations/Media: Respond to inquiries from government agencies and related associations and provide supporting records as needed

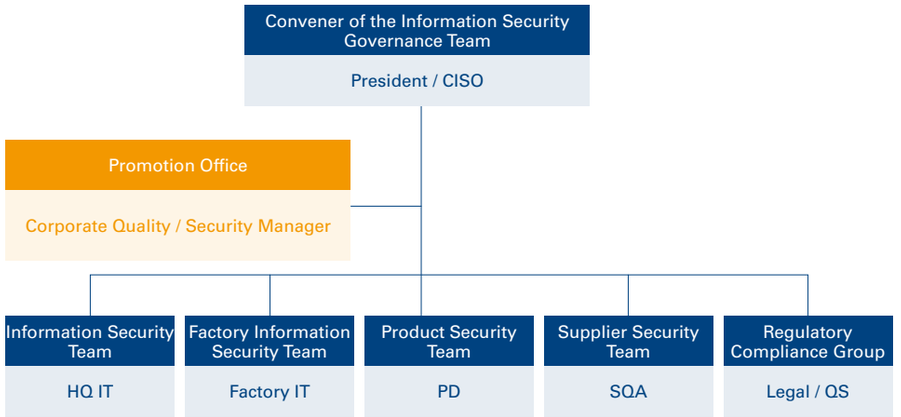


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Information Security Policy and Organization

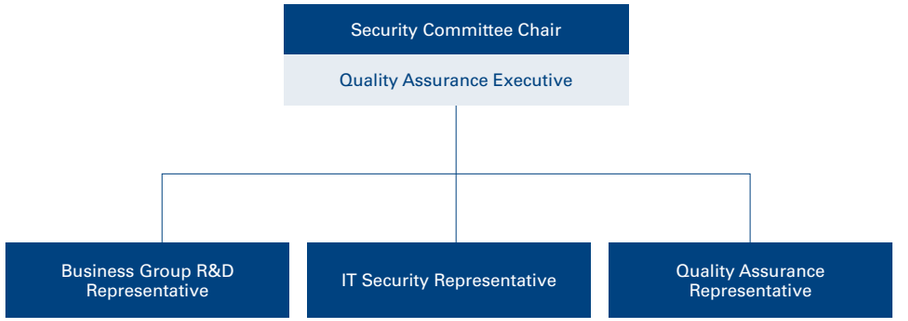
Information security is the cornerstone of Advantech's corporate governance. We are committed to safeguarding our operations, products, services, and customer data with the highest standards. To strengthen the effectiveness of supervision and governance, the Board of Directors monitors the overall information security risks and major developments through the Risk Management Committee. The president also concurrently serves as the Chief Information Security Officer (CISO) to coordinate Advantech's overall information security strategies, showing our highest-level commitment to information security.

With the support of senior executives, Advantech has established a cross-departmental Information Security Governance Team, which is jointly operated by the Information, Quality Assurance, and Information Security Teams, and is responsible for computer information, physical environment, product information security, supply chain security, and compliance. The Information Security Governance Team convenes quarterly meetings to review management results, major information security issues, and information security strategy directions, and regularly reports to the Risk Management Committee. This makes information security governance part of the enterprise risk management and operational decision-making process, implementing top-down governance responsibilities and supervision mechanisms, which improves the overall resilience of operations and the maturity of sustainability governance.



- **Figure 2.2.1: Organizational Structure of the Information Security Governance Team**

In addition, Advantech established a Cybersecurity Committee formed by representatives from R&D, IT security, and quality assurance departments in October 2024, so as to strengthen the management of information security issues on the product side. The quality assurance executive serves as the convener. The committee convenes regular meetings to discuss Advantech's response to legal issues, handling of vulnerabilities, and the development process and management of products.

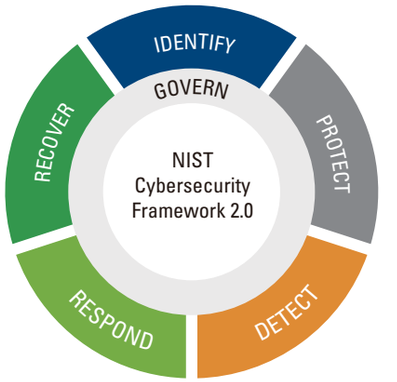


- **Figure 2.2.2: Organizational Structure of the Cybersecurity Committee**

Information Security Management Strategy

As the adoption of emerging technologies accelerates, Advantech has also closely monitored the risks and challenges brought by cloud-based, AI application, edge computing, and industrial control information security. Based on NSIT's CSF of "Identification, Protection, Detection, Response, and Recovery," we have developed comprehensive management strategies for corporate information security, operational technology security (OT Security), and cloud information security.

In accordance with the United States Securities and Exchange Commission's (SEC) rules on cybersecurity risk management, governance, and incident disclosure by listed companies, we regularly conduct cybersecurity risk assessments, oversee the cybersecurity risks of third-party service providers, and have response procedures and cyberattack recovery plans in place in the event of a cybersecurity incident.



We planned our information security development blueprint based on the Cybersecurity Framework 2.0 (CSF 2.0) established by the National Institute of Standards and Technology (NIST), and control the measures required for each stage of an attack, including information security governance, identification and protection (before an incident), detection and response (during an incident), and recovery (after an incident).

- **Figure 2.2.3: Cyber Security Framework (CSF 2.0) Developed by the National Institute of Standards and Technology (NIST)**

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In addition, Advantech actively participates in information security intelligence sharing organizations, such as the Taiwan Chief Information Security Officer Alliance and TWCERT/CC, to obtain early warnings, threat intelligence, and vulnerability intelligence in real-time. This enables it to quickly understand external risks and take response measures in advance. At the same time, Advantech continues to improve the maturity of overall information security governance, strengthen the resilience of business operations, and build a trustworthy global brand through continuous information security risk assessment, third-party supplier risk monitoring, compliance with laws and regulations, and product information security management mechanisms implemented by the Cybersecurity Committee.

Information Security Action Plans and Key Achievements in 2025

In 2025, Advantech comprehensively strengthened information security management with the core goal to "improve information security governance, strengthen operational resilience, and maintain the trust of stakeholders." Key points and results of strengthening information security in 2025 are as follows:

Category	Key points and description of results
Information security governance	■ Convene quarterly meetings and establish a real-time major information security incident reporting system to ensure that key risks are reported to the Risk Management Committee within 24 hours ■ Regularly convene Cybersecurity Committee meetings to push forward matters related to product information security ■ Completed the transition to ISO/IEC 27001:2022 in China, North America, and Europe ■ Officially launched the Global KPI dashboard ■ Amended 8 information security-related procedures
Risk assessment and detection	■ NIST CSF (Cybersecurity Framework) 2.0 Incident Response was verified by a consulting company ■ Regularly performed vulnerability scans on hosts (IT every six months and OT every quarter) ■ Outsourced website vulnerability scanning and BAS testing ■ Continued to patch the information security vulnerabilities that were found ■ Regularly tracked and reported measurement results of KPIs for information security ■ Regularly backed up data and audited server room management
Cloud/Cyber security	■ Average monthly score in information security risk rating surpassed 75 points ■ Microsoft Secure Score exceeded 70% ■ Azure cloud security score ≥ 65% ■ Completed the conversion of the web application firewall (WAF) to strengthen the protection against external websites ■ Activated 2FA for logging into the employee website outside Advantech ■ Zero Trust NAC adoption rate reached 100% (Headquarters + Taiwan) ■ Implemented network monitoring solutions to monitor all connected devices and strengthen internal network visibility and control capabilities
System services and network resilience	■ Completed the dual network architecture at the Kunshan and Taiwan locations ■ Complete remote backup drills for system services according to plan
Data protection	■ Implemented computer file protection mechanisms for financial, human resources, and R&D departments
Product security	■ Actively promoted compliance with EN 18031, IEC 62443-4-2, and CRA ■ Handled 8 cases of product vulnerabilities reported by outsiders ■ Organized 2 internal CRA compliance training courses with a total of 316 participants
Supply chain security	■ Continued to conduct supplier information security risk self-assessments ■ Completed online information security audits for 12 suppliers
Education and training	■ Organized employee information security training courses with a completion rate of 91.7% ■ Conducted social engineering tests via e-mail with a pass rate of 88.9% at the headquarters and 90.9% for overseas subsidiaries ■ Issued quarterly information security e-newsletters and made information security announcements from time to time

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Information Security Management System Maintenance and Operation



Completed the transition to ISO/IEC 27001:2022 in China, North America, and Europe in 2025

At the same time, Advantech is working to make the systems of regional locations more consistent worldwide, so that all business units around the world can meet information security control requirements of the new version standard.

Since obtaining the ISO/IEC 27001 Information Security Management System (ISMS) certification in 2019, we have continued to improve various information security management measures to meet the requirements of international standards, and maintain the validity of the certificate and maturity of the management system through internal and external audits. Server room management by IT at the headquarters, the backbone network, and OT operations of the Linkou Plant successfully completed the transition to ISO/IEC 27001:2022 in 2024. We have comprehensively implemented improvement measures in terms of strategy, management, technology, and personnel awareness according to the control requirements of the new version standard, increasing the depth of information security governance and the breadth of management at the organizational level.

Information Security Risk Assessment and Detection

In 2025, Advantech actively reviewed and strengthened information security mechanisms, continued to verify the effectiveness of defense, and identified potential risks through breach and attack simulation (BAS) and website vulnerability scanning. Relevant measures help us immediately discover and improve system vulnerabilities, reduce the impact of information security incidents on operational stability, customer data, and stakeholders' interests, and show our commitment to information security governance and sustainability risk management.

- BAS to verify defense effectiveness

  We commissioned an external professional team to use BAS (Breach and Attack Simulation) for blue team exercises, covering over 1,400 attack scripts for web applications and endpoints (including AD lateral movement), testing the effectiveness of WAF, EDR, and information security monitoring systems in real-world environments to help verify the maturity of attack detection, defense, and response processes.

- Website vulnerability scanning to improve cloud and application security

  We performed vulnerability scans for 20 major websites, including SQL Injection, XSS, cookie security attributes, TLS password combinations, vulnerability components, and subresource integrity (SRI). Specific patching suggestions are proposed for all risks to ensure that cloud platforms, supply chain systems, and internal and external application services have good security resilience.

Development of a High Resilience and High Visibility Information Protection Framework

- Strengthen network border protection: WAF conversion and architecture optimization

  Advantech has completed the comprehensive conversion of the WAF and incorporated main external services in the new generation cloud-based WAF platform. The new platform has higher traffic verification accuracy and is more capable of intercepting common vulnerabilities, such as SQL Injection, XSS, and file upload attacks. After the conversion, the strategy is more standardized and security incidents are reported faster, further reducing the risk of external exposure and improving the website's availability and overall security.

- Enhanced identity verification: Implementation of 2FA for employee login on the external website

  To ensure account security, Advantech officially began using two-factor authentication (2FA) for logging into the external website Employee Zone (EZ Portal) in 2025. Employees logging in from outside Advantech must receive a one-time password via e-mail to pass the second step for identity verification. This mechanism takes into account both safety and convenience, and effectively reduces the risk of certificate compromise or brute-force attacks.

- Implementation of zero trust network management: NAC adoption rate at the headquarters and locations in Taiwan reached 100%

  Advantech continues to implement Network Access Control (NAC) based on the zero trust architecture. As of the end of 2025, the adoption rate at the headquarters and locations in Taiwan has reached 100%. Device detection, endpoint compliance comparison, and risk level management are utilized to ensure that only compliant devices can connect to the corporate network. Combined with the automatic blocking mechanism of the firewall, devices that have not installed information security agents, have major vulnerabilities, or have not passed the baseline inspection can be immediately isolated or rejected, effectively reducing the risk of lateral movement and internal infections.

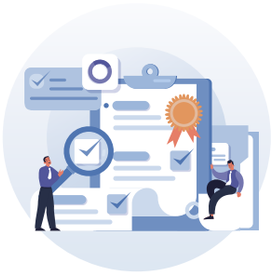
- Improved network visibility and operational stability: Introduction of a centralized network monitoring platform

  To improve the overall resilience of network security, Advantech has completed the introduction of network monitoring solutions and gradually incorporated all connected devices into a centralized monitoring platform. Real-time monitoring of abnormal traffic, device status, service availability, and key warning events enables IT teams to more quickly detect and handle potential issues, significantly lowering the risk of network interruptions. This monitoring mechanism not only improves operational stability but also strengthens overall information security, allowing problems to be identified earlier and effectively prevented from spreading.

  Observing the results over the year, Advantech has gradually built a more comprehensive information security protection system by strengthening network defense, implementing zero trust management, enhancing user identity verification mechanisms, and establishing visualized management of the entire network. Going forward, we will continue to improve protection technologies, introduce more automated detection tools, and deepen the information security governance process to ensure the availability, integrity, and confidentiality of information systems, supporting Advantech's sustainability and the continued growth of global operations.

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Raising Employees' Information Security Awareness



A total of 7,734 participants received 3,867 hours of employee information security training in 2025

Advantech has included information security as a required course each year to raise employees' information security awareness. The e-learning course mainly covers and includes tests on common information security risks and response methods, Advantech's information security policies and regulations, prevention of ransomware and phishing e-mails, software security control, and information security incident reporting.



In the phishing e-mail drill, the headquarters and overseas subsidiaries all performed better in 2025 compared to last year, indicating that employees are more alert to phishing e-mail attacks

- A total of 15,927 phishing e-mails were sent
- The pass rate of employees at the headquarters was 88.9% (81.7% in 2024)
- The pass rate of employees of overseas subsidiaries was 90.9% (77.4% in 2024)

Advantech sent phishing e-mails similar to those sent by hackers to employees at the headquarters and overseas subsidiaries twice (initial test and second test), and provided online courses and tests to make employees more alert to phishing e-mail attacks and improve their ability to respond.



In addition to the aforementioned information security training courses and social engineering drills, information security e-newsletters were sent to employees worldwide every quarter in 2025. The contents included important announcements, case studies, and key work results.

Advantech also revised the "Information Security Reward and Punishment Management Regulations" in 2025, imposing fair and effective penalties for violations of information security policies and procedures. The regulations provide incentives to personnel who effectively avoid information security incidents, and also serve as a way of alerting employees who may neglect information security procedures in other situations, raising the information security awareness of all employees, and effectively preventing the occurrence of information security incidents.

System Disaster Recovery Drills

The 2025 drill for the disaster recovery (DR) system aimed to verify whether Advantech could restore core IT services within an acceptable timeframe when a major disaster or system interruption occurred, and to ensure the feasibility of various backup mechanisms and recovery processes. Before the drill, the scope of the drill was clearly defined in accordance with the DR SOP, including databases, key application systems, identity verification, DNS, RADIUS, file services, virtualization platforms, and hybrid/relay services.

The drill was initiated according to the plan, including network routing adjustment, backup station VM startup, DR DB/DR AP activation, and necessary load balance or firewall policy synchronization measures. After the switch was completed, service owners immediately performed verification. After the drill was completed, each team summarized the test results, deficiencies, and improvement recommendations, and included them in the DR Report so that supervisors could review and use the results as the basis for improving the drill and backup strategies for the following year.

Overall, the 2025 DR Drill successfully verified Advantech's maturity in terms of remote backup mechanism, network switching, data synchronization, disaster scenario simulation, and service effectiveness. At the same time, areas with room for improvements were identified through the review of deficiencies, such as the degree of automation, consistency of the backup environment, and standardization of complex system processes. The annual DR Drill not only ensures that the IT infrastructure can maintain business continuity when unexpected events occur, but also allows teams to accumulate experience, shortens the recovery time, lowers the risk of business interruption, and continues to enhance overall information resilience.

Supply Chain Information Security Management

Advantech randomly selects and audits major suppliers with potential information security risks each quarter. Cross-validation of suppliers' information security maturity is performed via a questionnaire survey and external information security rating services. Evaluation results are provided to procurement and quality departments as the basis for subsequent management. If a supplier is involved in remote maintenance, system development, or has access to Advantech's network, it must comply with our security requirements (such as encrypted transmission, access control, anti-virus updates, and VPN control) and participate in information security awareness campaigns or accept equipment inspections as needed.

The management processes described above enable us to monitor the information security risks of suppliers. Advantech requires suppliers to make improvements and may cease cooperation with a supplier when an abnormality is discovered. This is to ensure the information security resilience of the overall supply chain and reduce the impact of third-party vulnerabilities on business operations. A total of 80 suppliers completed the information security risk self-assessment this year. Twelve suppliers were randomly selected and their implementation of information security management was inspected.

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Product Information Security

In 2025, Advantech continued to show steady growth in terms of information security compliance of products. We extended the IEC 62443-4-2 certification of existing product lines to IPCs and servers, covering our main product lines. We also cooperated with numerous domestic and overseas certification laboratories (such as BV and UL) to implement the IEC 62443-4-2 (Verification of Conformity) project, ensuring that the security and consistency of platform products comply with international standards. This development also gives system integrators a more solid foundation in terms of their supply chain when they attempt to obtain the IEC 62443-3-3 system-level certification, enhancing their overall market competitiveness.

The Cyber Resilience Act (CRA) was enacted at the end of 2024 and has entered the implementation period. The act will come into full effect in December 2027, and Advantech has launched a cross-departmental response plan. Preparations for the CRA in 2025 focused on interpreting regulations, cross-organizational collaboration model, preparing technical documents, and taking inventory of security requirements in the product life cycle. We gradually implemented the overall product compliance strategy in accordance with the draft CRA harmonized standards (prEN40000-1-2 and prEN40000-1-3) mapped to the IEC 62443 framework. Advantech offered to 2 CRA preparatory courses in 2025 to help personnel in relevant departments better understand the CRA and expand internal implementation capabilities. A total of 316 people completed 474 hours of training.

Advantech's three-stage strategy ensures that products sold in Europe fully comply with requirements of the CRA:



Implement the secure development process of IEC 6244341. We will complete the update to the procedure in 2026, and will simultaneously implement SSDLC, improve internal controls, and digitalize the R&D process, so that security control in the development cycle is more stable and traceable. On this basis, we will strengthen the management of product software vulnerabilities, analyze and take inventory of firmware, and integrate risk-based vulnerability management and control solutions into the secure development process of products. Specific methods include:

- Optimize the process for receiving reports, evaluating, and handling product vulnerabilities, and continue to identify and lower information security risks throughout the product life cycle. For more information, please refer to the Product Security Reporting and Vulnerability Management webpage.
- Conduct a supply chain security review and risk assessment for key software components, third-party packages, and hardware modules to mitigate the impact of potential vulnerabilities in the supply chain on products.
- Plan different product information security control measures (network/embedded/host/software) based on product application scenarios and risk levels, so as to ensure that high-risk products have corresponding security design and protection capabilities.

Continue to obtain the IEC 6244342/VoC certification for products. Different certification routes and testing processes are planned for different types of platforms, embedded equipment, and software modules, and BV and UL provide assistance in reviews to improve certification speed and consistency. All main products have incorporated Secure Level 2 network security control functions, including the following 7 product security aspects, to comprehensively improve product resilience and overall security when facing cyberattacks and information security incidents:

- FR1: Identification and Authentication Control (IAC)
- FR2: Use Control (UC)
- FR3: System Integrity (SI)
- FR4: Data Confidentiality (DC)
- FR5: Restricted Data Flow (RDF)
- FR6: Timely Response to Events (TRE)
- FR7: Resource Availability (RA)

Fully implement the compliance method for the CRA once it is announced by the EU. We completed the preliminary preparation report in 2025 and communicated with the QA department in Europe. Subsequently, we will systematically adjust product technical documents, SBOMs, vulnerability reporting, and security maintenance procedures in accordance with the formal verification method (see EU Regulation (EU) 2024/2847 ANNEX VIII). We will also incorporate them into the existing product information security governance and product life cycle management mechanisms. Through continuous systematic management and security maintenance, we will reduce the product information security risks derived from potential information security vulnerabilities in the supply chain, compliance issues, or regulatory changes, so that all products in the market can meet the requirements for CE marking of the CRA.

In terms of product support policy, we have fully implemented the security advisory mechanism since 2025, systematically disclosing product vulnerabilities, providing patch recommendations and reporting channels, and increasing transparency to gain customers' trust. We ensure that products remain secure and comply with international requirements throughout their life cycle based on the principles of proactive, provision, responsible, and reliable.

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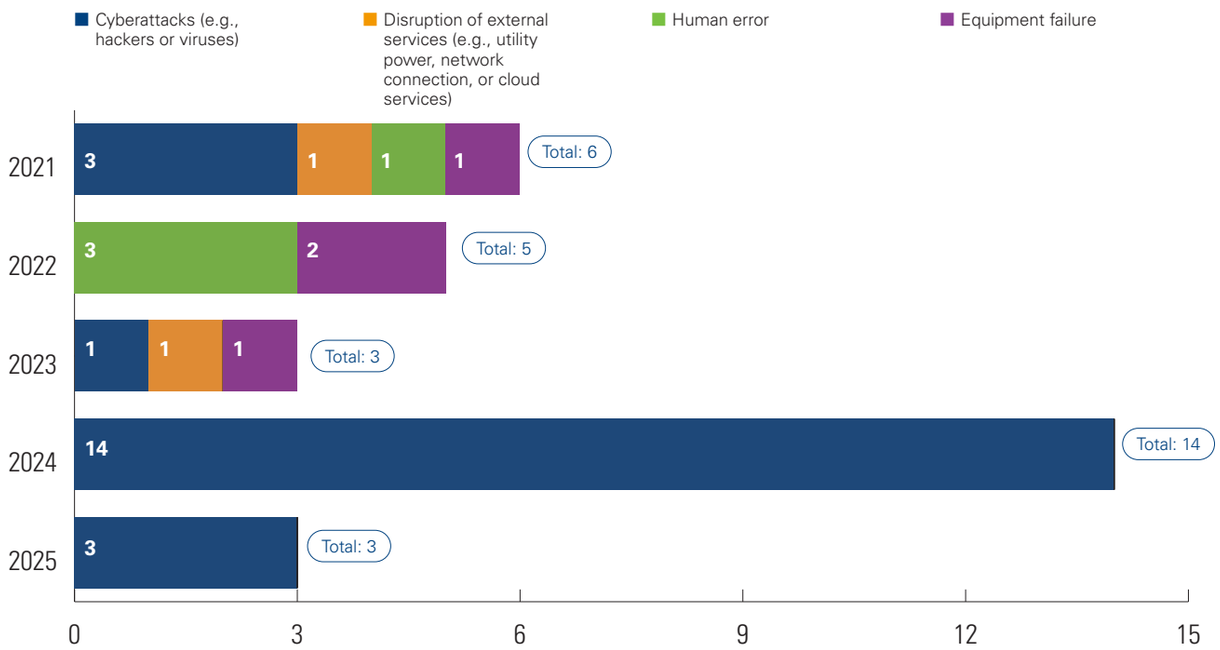
Information Security Incidents in Recent Years

A total of 3 cyberattacks occurred in 2025, but none of them had a significant impact on operations. One of the incidents was a social engineering incident, and the other 2 were suspected hacking or malware. Among the information security incidents mentioned above, we only engaged an external professional unit to investigate and handle one of the incidents, resulting in a financial impact of less than NT$300,000.From 2021 to 2025, the company experienced zero major cybersecurity incidents, with no data breaches recorded.

After completing root cause analysis, the IT department continued to optimize endpoint protection capabilities and calibrated the performance of anti-virus and detection tools. It also provided enhanced training for employees to identify phishing e-mails and suspicious links. At the same time, we continue to regularly organize social engineering drills and training sessions to raise all employees' awareness and ability to counter fraud.

We have continually built a more resilient information security environment through the enhanced measures mentioned above, and protected operations and information assets through preventive management mechanisms. In addition, regarding reporting and handling methods for information security incidents, external stakeholders (such as customers and suppliers) may notify our IT department through the contact person if their personal data or rights and interests are damaged due to an information security incident. If an internal employee suspects that an information security incident has occurred, the employee can report it through IT.Security@advantech.com.tw.

- **Table 2.2.1 List of Information Security Incidents in the Past Five Years**





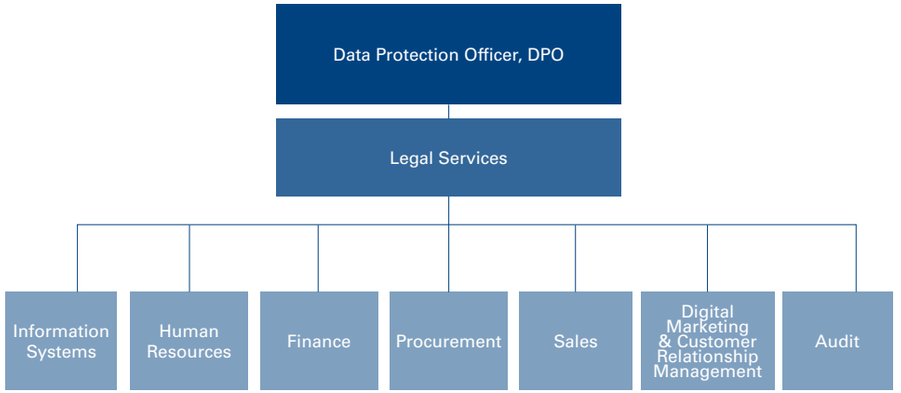
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Privacy and Personal Data Protection

Governance Structure and Policy Framework

To enable stakeholders to use Advantech's products and services with confidence, Advantech has established a Personal Data Protection Team under its Legal function and appointed a Data Protection Officer (DPO) to oversee the planning, implementation, and management of the Company's personal data protection system. Advantech has developed and continues to implement the "Advantech Co., Ltd. Personal Data Protection Manual" and "Privacy Policy," which serve as the basis for internal data management and external disclosure, in compliance with applicable laws and regulations such as Taiwan's Personal Data Protection Act (PDPA) and the EU General Data Protection Regulation (GDPR).

Personal Data Protection Team Organization Chart



Personal Data Collection, Processing, and Internal Controls

Advantech collects, processes, and uses personal data based on specific purposes and a legitimate legal basis, and follows the required notification and consent procedures. The Company restricts data access to authorized personnel with a legitimate business need through internal access-control mechanisms, and requires personnel to apply for and use personal data in accordance with internal procedures, thereby reducing the risk of unauthorized access or misuse.

Personal Data Inventory, Risk Assessment, and Security Management

Advantech regularly conducts personal data inventories and risk assessments to review the scope and use of the personal data it holds, and adopts corresponding management and technical protection measures based on the results of these assessments to strengthen the security of personal data. Related procedures cover data retention, access control, destruction, and incident response, with the necessary records retained for audit purposes.

Training and Vendor Management

Advantech provides personal data protection and privacy-related training to new employees and continues to raise employees' awareness of personal data protection through ongoing internal communications. For suppliers and business partners, Advantech publishes its Privacy Policy during the procurement and partnership process and incorporates personal data protection and confidentiality clauses into its standard contracts, requiring counterparties to comply with the relevant protection obligations thereunder.

Personal Data Security Incident Notification and Response

Advantech has established a notification and response mechanism for personal data security incidents. In the event of an actual or suspected personal data security incident, the Company may report it promptly in accordance with internal procedures and take appropriate remedial measures, and, where necessary, notify the relevant competent authorities and affected data subjects as required by law, so as to minimize the impact of the incident on data subjects' rights and on the Company's operations.

Privacy Protection in Digital Marketing and Customer Relationship Management

In digital marketing and customer relationship management, Advantech differentiates data access and editing permissions according to the user's region and applicable legal requirements, ensuring that customer data is managed and used within a reasonable scope. When collecting customer data, Advantech requires customers to review its Privacy Policy and retains the relevant consent records. In addition, Advantech has established corresponding operating principles in accordance with the privacy regulations of various countries and regions (such as Japan, Turkey, California in the United States, and the EU GDPR) to ensure compliant management of personal data.

Signing Progress of Privacy Agreements





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2.3 Sustainable Supply Chain Management

Name of material topic	Importance of this material topic to Advantech
Sustainable supply chain management	As a global leader in the IoT industry, supply chain issues concern Advantech's operational resilience and supply chain stability, which affect product quality, brand value, and our long-term competitiveness. For employees, customers, suppliers, and investors, a sustainable supply chain is the cornerstone for common growth and sustainable development.
Policy or commitment	Advantech is committed to sustainable supply chain management. We require suppliers to comply with the Advantech Supplier Code of Conduct, and continue to improve our performance in terms of labor rights, occupational safety and health, environmental protection, business ethics, and management systems, jointly building a responsible supply chain to reduce risks and facilitate sustainable development.
Positive impacts	Positive impacts from the transition into a sustainable supply chain include effectively reducing the risks of environmental pollution, occupational safety, and labor rights, as well as further improving the environmental and economic benefits of the overall supply chain. At Advantech, we have gained the trust of external stakeholders in our sustainable development and corporate social responsibility through the establishment of a responsible and transparent supplier management system, which further enhances our market competitiveness.
Negative impacts	Negative impacts of a sustainable supply chain might be caused by environmental pollution, occupational safety, and labor rights issues caused by suppliers. These issues will weaken Advantech's brand value, and prices might rise as suppliers transition towards sustainability, which could also lead to delivery delays and unstable quality, putting pressure on product costs. In addition, when some suppliers do not meet sustainability standards, they might need to be replaced or the supply chain might need to be reevaluated, which could lead to short-term operational instability and resource waste, affecting the stability of our operations.
Actions in response to negative impacts that occur	■ Establish a supplier sustainability evaluation mechanism: Regularly evaluate the environmental and social performance of suppliers and track supplier information through questionnaires and on-site audits, and incorporate sustainability indicators into procurement decisions. ■ Establish a supply chain tiered management strategy: Engage PVL suppliers with higher intensity, such as signing the Code of Conduct, capacity building, and assisting in their transition plans. For non-PVL suppliers, simplify management through screening and evaluation. ■ Establish response and backup plans: Establish backup sources for high-risk suppliers to lower the risk of being dependent on a single supplier, and establish a supply chain risk early warning system to prevent raw material shortage or violations in advance. ■ Internal governance and cross-departmental integration: Establish a dedicated supply chain sustainability management team within the organization to integrate resources of the procurement, quality, legal, and ESG departments, and incorporate sustainable development goals into internal KPIs so that they are taken seriously and executed.

Name of material topic	Importance of this material topic to Advantech
Overview of target achievement in 2025	Achieved 100% of 2025 targets: ■ 100% of Tier 1 suppliers comply with the Advantech Supplier Code of Conduct ■ 100% of PVL suppliers do not use conflict minerals ■ Expanded the scope of annual ESG audits to 60% of Tier 1 suppliers ■ Completed improvements for 100% of deficiencies of significant suppliers ■ 100% of suppliers with high carbon emissions completed their GHG inventory
2026 targets	■ 100% of Tier 1 suppliers comply with the Advantech Supplier Code of Conduct ■ 100% of PVL suppliers do not use conflict minerals ■ Complete improvements for 100% of deficiencies of significant suppliers ■ 60% of suppliers with high carbon emission obtain external verification for their GHG inventory ■ 100% of material suppliers complete their GHG inventory
2030 targets	■ 100% of Tier 1 suppliers comply with the Advantech Supplier Code of Conduct ■ 100% of PVL suppliers do not use conflict minerals ■ Expand the scope of annual ESG audits to 80% of Tier 1 suppliers ■ Complete improvements for 100% of deficiencies of significant suppliers ■ 100% of PVL suppliers complete their GHG inventory
Key action plans or programs in 2025	■ Requested suppliers to sign and comply with the "Advantech Supplier Code of Conduct" ■ Annual due diligence on conflict minerals suppliers was conducted in compliance with the OECD's third-party mechanism ■ Regularly identified high-risk suppliers, conducted audits, and provided guidance ■ Investigated the GHG emissions of suppliers with high carbon emissions
Effectiveness evaluation	■ Evaluated whether KPIs have improved compared to the previous year based on the targets set for material topics as a way to improve management ■ Proposed improvement plans each year based on the best practices of the DJSI and industry benchmark for supply chain management
Stakeholders affected by this material topic and actions taken by Advantech	Suppliers and contractors: Advantech conducts supplier evaluations every year, covering quality, procurement, and ESG sustainability management. We hold supplier conferences from time to time to engage in exchanges with suppliers, and also continue to provide suppliers with training and resources for joint development, working together in the development of innovative technologies and the application of new materials. Our sustainability report fully explains supply chain issues, so that they are fully understood by stakeholders.

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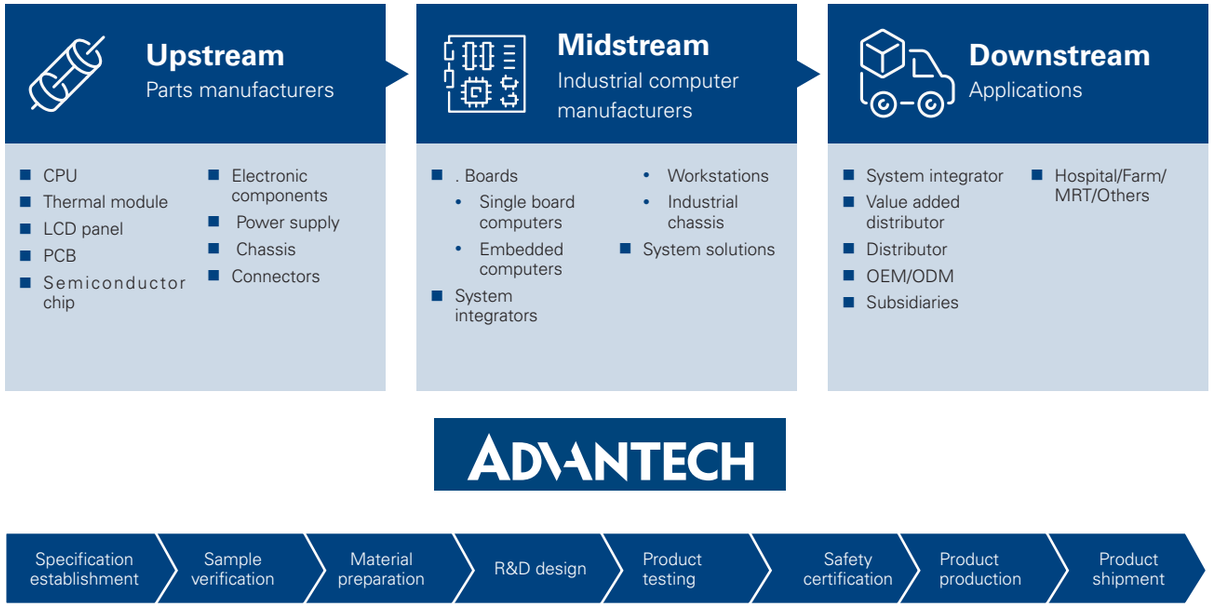
Highlights

- 100% of significant suppliers signed the Supplier Code of Conduct Consent — 100%
- 100% of new suppliers met environmental standards — 100%
- 100% of significant suppliers signed the "Declaration of Non-use of Conflict Minerals" — 100%
- 100% of significant suppliers received guidance and completed improvements of deficiencies — 100%
- 100% of suppliers with high carbon emissions completed their GHG inventory — 100%



2.3.1 Overview of Advantech's Industrial Value Chain

Advantech is committed to building a sustainable supply chain ecosystem for the IoT with the concept of creating a win-win situation as the core. The Company offers services to the IIoT industry, sourcing components from upstream manufacturers, conducting in-house assembly and production, and delivering the finished products to customers. Due to the characteristics of the industry, the purchased products are diverse and highly customized. Currently, the supplier database contains tens of thousands of supply items. To ensure supply chain stability and quality, and to understand its manufacturing process, Advantech regularly conducts supplier evaluations that cover quality performance and implementation, technical process capability, commercial cost management, local supply chain priority, and sustainability. We also maintain ongoing communication with suppliers to integrate corporate social responsibility and the concept of sustainable supply chain management into our evaluation criteria. It is hoped that through Advantech's sustainable supply chain management, suppliers can improve their sustainability capabilities and become our long-term partners. Furthermore, Advantech's Chief Operation Officer/COO regularly reviews supply chain procurement practices and management performance during the Meeting of Quality Management (MQM) to achieve supply chain sustainability management goals.



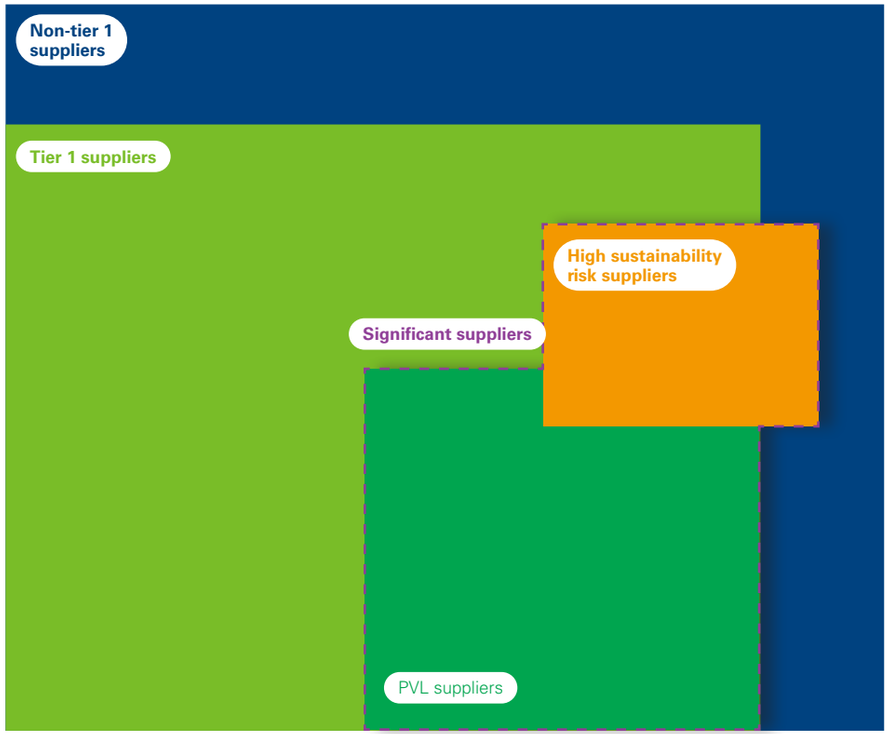
- **Figure 2.3.1 Advantech's industrial value chain**

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Supplier composition and procurement layout

Advantech has a diverse and versatile product portfolio, with extensive product applications in fields such as IoT embedded computing, industrial computers and their peripherals, cloud computing, industrial automation, and communication systems. In response to the diverse product characteristics and applications, Advantech has developed a dynamic and highly interconnected supply chain system that encompasses a wide range of raw materials, including ICs, printed circuit boards (PCBs), electronic components, wires, plastic parts, metal parts, and packaging materials. Advantech's main supplier categories are divided into material suppliers and service-type contractors (such as security, cleaning, and engineering). In particular, material suppliers have a significant impact on operations and production. Consequently, Advantech defines material suppliers as tier 1 suppliers and categorizes them into two categories based on their attributes. These include direct material suppliers (materials directly related to production, such as main components and mechanical parts) and indirect material suppliers (materials not directly used for product production or auxiliary consumables, such as equipment, packaging materials, and alcohol).

To manage material suppliers and resource allocation effectively, Advantech subcategorizes suppliers to implement sustainability management. The supplier subcategories are: tier 1 suppliers and non-tier 1 suppliers, significant suppliers (including significant tier 1 and significant non-tier 1 suppliers), and high sustainability risk suppliers, as shown in the figure. In particular, suppliers with high annual procurement amounts, two types of suppliers, including those providing critical raw materials or irreplaceable items, and those identified as having high sustainability risks through ESG evaluations, are defined by Advantech as significant suppliers. To date, Advantech has identified 339 significant suppliers, which account for 81.2% of the total procurement amount.



Tier 1 suppliers

Suppliers supplying Advantech with direct or indirect materials.

Upstream suppliers who are Advantech's direct trading partners. In response to the introduction of recycled materials in 2025, a source investigation will be conducted on these suppliers, and based on these findings, they will be progressively included in the scope of sustainable supply chain management.

PVL suppliers

These are tier 1 suppliers with a procurement amount of over 80% or a high level of PVL alignment.

High sustainability risk suppliers

Suppliers identified as having high sustainability risks through ESG evaluations.

Significant suppliers

These are suppliers with high annual procurement amounts, those supplying critical and irreplaceable raw materials, and those identified as having high sustainability risks through ESG evaluations.

Category		Number of suppliers		Procurement amount ratio
Significant suppliers	Significant tier 1 suppliers	339	339	81.2%
	Significant non-tier 1 suppliers		0	

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2.3.2 Supply Chain Management Goals and Strategies

Sustainable supply chain management goals

Optimize the core competitiveness of the supply chain	Strengthen the sustainability and resilience of the supply chain
Require suppliers to follow Advantech's Supplier Code of Conduct"" to improve labor, safety and health, environmental management, ethics and management system performance; actively provide counseling for suppliers to improve core competencies and reduce the risk of operational interruption.	Advantech actively reduces the environmental impact of the supply chain. We constantly monitor and evaluate the supply chain's performance, including the product lifecycle, to identify potential risks and opportunities. We also set electricity, water, waste, and carbon reduction goals in conjunction with our suppliers to mitigate climate change, thereby laying the foundation for the sustainable development of our supply chain.

Advantech believes that supply sustainability is a key commitment to corporate sustainable operation and recognizes the challenges to supply chain posed by factors such as geopolitics. Therefore, we aim to apply our consistent global brand strength to reinforce relationships with customers and partners worldwide, striving to create sustainable corporate value and build a mutually beneficial and thriving industry chain. Advantech has a global procurement unit and a quality management unit to implement supplier management. Based on the principle of cooperation and symbiosis, Advantech manages supplier selection criteria and processes, conducts risk assessments, performance evaluations, audit counseling, education and training, and hosts supplier conferences to incorporate sustainability requirements into day-to-day supply chain management. Advantech's procurement strategy focuses on diversifying procurement risks and reducing costs. To ensure substitutability and maintain competitiveness, at least two suppliers are selected for materials. For electronic components with high commonality, a second source management mechanism has been established. Moreover, safety stocks of key materials are maintained to mitigate risks arising from supply shortages or quality issues. Advantech categorizes materials by tier and assigns dedicated procurement personnel to analyze market information. By regularly reviewing market trends and adopting a centralized procurement strategy, Advantech establishes a list of PVL suppliers and monitors their capabilities in cost, quality, delivery date, and supply continuity to enhance collaboration efficiency and obtain high-quality materials with stable delivery times.

In addition to evaluating the labor, environment, and business ethical management of Advantech's operations in accordance with the RBA Code of Conduct, Advantech also actively requests the sustainable management of the supply chain by requiring suppliers to sign the "Supplier Code of Conduct Consent." In addition to local laws and regulations, we also regulate business behavior in various aspects such as labor rights and interests, health and safety, environment, business ethics, and management systems. At the same time, Advantech requires suppliers to communicate sustainability requirements to their next-tier suppliers by signing the "Supplier Code of Conduct," so as to promote the implementation of sustainable practices throughout the supply chain and forge a more resilient and impactful supply chain by taking action.



- **Figure 2.3.3 Advantech supplier management strategy**

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New supplier management

In terms of new supplier selection, Advantech adopts a three-stage supplier screening and reviewing process. Suppliers must sign the purchase agreement and sustainability commitment documents such as the "Supplier Code of Conduct Consent" and the "Integrity and Integrity Commitment Letter." All new suppliers are subject to on-site audits unless they meet all of the following conditions: their products are already widely used in the industry, they are a sole and irreplaceable source, and they have been qualified through international standard certifications. In such cases, they may be listed as qualified vendors upon approval of certification documents by the evaluation team. These audits focus on quality management, procurement practices, and ESG sustainability performance. In 2025, applications were received from 92 potential new suppliers, of which 70 passed the review process and were approved as Advantech's official suppliers.

Stage one
Commitment documentation and international certification

Mandatory items:
Supplier Code of Conduct Consent, Declaration of Non-Use of Hazardous Substances, Integrity and Integrity Commitment Letter, and Supplier Information and Cyber Security Management Declaration

Bonus items:
Possesses management system certifications such as ISO 9001, ISO 14001, ISO 45001, and has adopted a systematic HSF management

Stage two
Supplier review and sustainability evaluation

Management principles	2025 Implementation percentage
Perform a supplier profile review by signing the "Supplier Code of Conduct Consent"	100%
Adopt ESG sustainability risk assessment to evaluate new suppliers (including labor, safety and health, environmental management, ethics, etc.)	100%
Passed the "Supplier Audit Form" evaluation (on quality systems, design controls, procurement services, etc.)	100%

Stage three
Result determination and continuity management

- Suppliers who meet Advantech's review and selection criteria will be officially qualified as trading partners and incorporated into the Company's existing annual supplier management process to ensure ongoing compliance with Advantech's requirements, promote continuous performance improvement, and implement exit mechanisms.
- Suppliers who fail to meet the review and selection criteria will not be included in Advantech's list of qualified suppliers to uphold supply chain quality and ensure sustainable operations.

Existing supplier management

Through a comprehensive supplier management system, Advantech ensures that all its suppliers continue to meet the Company's demand in quality and sustainability. All significant suppliers are required to sign the "Supplier Code of Conduct Consent" and undergo a supplier profile review to ensure they meet the Company's supply chain management standards. To materialize sustainable management, Advantech also conducts ESG sustainability risk assessments for suppliers, covering aspects such as labor rights, environmental protection, safety and health, and business ethics, maintaining a 100% evaluation rate. Additionally, plans are in place to increase the percentage of on-site evaluations in the future to ensure continuous improvement in suppliers' operational and sustainability management performance.

Type	Management principles	Implementation percentage	Future management priorities
All significant suppliers A total of 339 suppliers completed the implementation and signing	Perform a supplier profile review by signing the "Supplier Code of Conduct Consent"	100%	Include the supplier code of conduct in the contract
	Adopt ESG sustainability risk assessment to evaluate suppliers (labor, safety and health, environmental management, ethics, etc.)	100%	Maintain the evaluation percentage
Annual audit of existing suppliers Total planned ESG implementations: 790, 100% completion rate Total planned quality audits: 60, 100% completion rate	Perform a supplier profile review by signing the "Supplier Code of Conduct Consent"	100%	Include the supplier code of conduct in the contract
	Adopted written/on-site ESG sustainability risk assessments for existing suppliers (covering labor, safety and health, environmental management, ethics, etc.).	100%	Maintain the evaluation percentage
	Passed the "Audit Form for Third-Party Suppliers" evaluation (on quality systems, design controls, procurement services, etc.)	100%	Increase the percentage of on-site evaluations

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Supplier Relationship Management (SRM)

Advantech implements supplier life cycle management and integrates supplier communication channels through the Supplier Relationship Management (SRM) platform. The platform's functions include contract formulation, price and quality management, new and existing supplier audits, and information announcements. By managing data online, we can realize offline improvements to effectively create a sustainable supply chain.

Strategic sourcing
- Strategic classification and grading
- Sustainable procurement policy and target supplier selection

Price management
- Smart quotation
- Bid management
- Cost and business conditions

Order and delivery management
- Delivery date response
- Equal material preparation among suppliers
- Mid- to long-term demand planning



Contract management
- Procurement contract
- Supplier code of conduct
- Confidentiality agreement and ethics

Supplier quality management
- New supplier selection and audit
- Continuous improvement and elimination
- Tracking of abnormal quality indicators

Sustainable supply chain management
- Supply chain environmental responsibility principle
- Circular supply chain
- ESG risk assessment and management

2.3.3 Sustainable Supply Chain Management Process and Achievements

Sustainable supply chain management implementation guideline

To implement Advantech's procurement and supply chain policy, a four-stage supply chain sustainability management process has been established. Through annual continuous improvement cycles and exit mechanisms, Advantech ensures that suppliers meet its standards and continuously enhance their sustainability performance.

01 Sustainable supply chain management procedures

Method	Purpose
Sign the Consent Form for Supplier Code of Conduct	Establish management procedures

02 Sustainability risk assessment

Method	Purpose
Evaluate the level of supply chain risk through a desk assessment of the Supplier ESG Risk Assessment Questionnaire.	Implement supply chain risk management

03 Audit and evaluation

Method	Purpose
Implement document audits, on-site audits, evaluations, and analyses, and implement hierarchical management based on the evaluation results.	The extent to which suppliers are ensured to meet Advantech's sustainability standards

04 Continuous improvement and exit mechanism

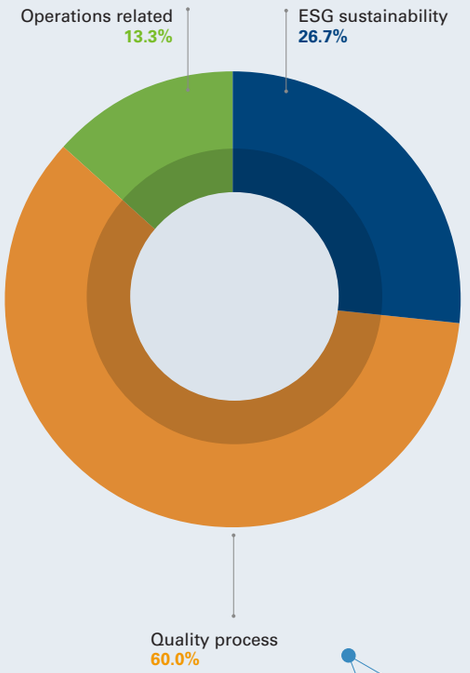
Method	Purpose
Continues to follow up and assist suppliers in completing corrective actions. Advantech activates the supplier exit mechanism for suppliers who have not completed improvements for more than three months.	Ensuring the core competitiveness of the supply chain

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Supplier sustainability evaluation

Advantech has established ESG thresholds for its suppliers (including new suppliers and existing suppliers). To become an Advantech supplier, in addition to signing the supplier code of conduct, PCB suppliers are also required to pass ISO 9001 and ISO 14001 certification. In addition, in order to understand and identify potential risks in the supply chain, Advantech refers to the Supplier Selection Criteria when conducting supplier screening. During the screening process, factors such as sustainability or business operations are also considered to conduct supplier survey and evaluation. The ESG screening aspects include, but are not limited to, governance, environmental, social, national, industry, product collaboration, and business operation relevance. These factors account for 26.7% of the overall procurement evaluation and are considered a priority condition for becoming an Advantech supplier. The overall supplier screening items include the following:

Category	Aspect	Selection criteria
ESG sustainability	Governance	■ Business ethics, integrity management, information disclosure and intellectual property protection, and identity protection ■ Publicly disclosed information or corporate governance evaluation records (e.g., annual report or sustainability report) ■ Financial statement review and analysis
	Environmental	■ Compliance with environmental regulations, environmental management system (waste, air pollution, etc.), carbon management, hazardous substance management ■ Local suppliers are prioritized to reduce transportation energy consumption and emissions
	Social	■ Labor regulation compliance, occupational health and safety management, human rights, labor practices ■ Review public litigation records or media information reports to see if there is any risk of negative impact related to social topics, including but not limited to human and labor rights
	Country	■ Prohibition of the use of conflict minerals and the U.S. Prohibited Materials List ■ Ensure compliance with existing international sanctions regulations to avoid accidental violations ■ Monitor regulations prohibiting the import or export of specific goods or transactions involving countries under economic sanctions
	Industrial	■ RBA code of conduct, management of energy and resources consumption during the production process ■ Manufacturing processes involve the intensity of resource usage and the risk of energy consumption (such as the supply stability and backup measures for the energy needed for production) ■ Regional regulatory trends for industries with potential pollution (such as environmental regulations for the spray painting or electroplating industries, or whether there are trends of migration bans)
Quality process	Product	■ The resource intensity of the area where the product is manufactured, such as land use scalability, labor structure, integrity of upstream and downstream supply chains, and delivery lead time ■ Suppliers who meet specific product certification requirements, such as choosing UL-certified factories to produce specific products
Business cooperation	Operations related	■ Industry investigation and business analysis: Survey of the suppliers' customers and brands, or the industry reputation of their technology and quality ■ Whether production emergency response procedures have been formulated for their business operations



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Supplier Risk Identification and Audit Counseling

To uphold the core principles of sustainable supply chain management, Advantech has been issuing Supplier ESG Risk Assessment Audit Forms to existing suppliers every two years since 2021, based on the latest RBA Code of Conduct (version 8.0 of the referenced code in 2025) and SAQ. Suppliers are required to indicate their implementation progress of the four sustainability aspects (labor, health and safety, environmental management, and business ethics) in the questionnaire and provide relevant supporting documents. These include management system certification or related operational records. The results of the suppliers' self-assessment serve as the basis for subsequent sustainability risk management.

Starting from 2024, Advantech expanded the scope of its ESG sustainability risk assessment from strategic suppliers to tier 1 suppliers to grasp their sustainability risks. Meanwhile, to implement supplier sustainability risk management, enhance supply chain resilience, and promote the co-creation of supply chain value, Advantech continued to upgrade its sustainable supply chain management strategy in 2025. In addition to expanding the scope of the survey, more resources were invested in empowering and training suppliers. The 2024 and 2025 ESG sustainability risk assessment surveys included written surveys of 284 strategic suppliers and expanded the scope to a total of 1,127 tier 1 suppliers. The overall response rate for strategic suppliers was 100%, and the response rate for tier 1 suppliers was 77.5% (achieving the set target of 60%). Among them, high sustainability risk suppliers—defined as those with a total score below 80 or with critical items—accounted for 3.4% of tier 1 suppliers, and all of them have completed improvements. At the end of 2025, according to the plan, a new two-year ESG sustainability risk identification, audit, and counseling program was launched. This time, a written survey has been conducted on the existing 1,400 tier 1 suppliers, and the survey remains ongoing through 2026.

Advantech has established that if a potential high-risk supplier scores below 80 points or has critical items in the written review, the supplier will be required to propose corrective action plans, complete the improvements, and respond within three months. If the issues remain unresolved, their supplier qualification level will be revoked. During the desk assessments stage over the past 2024 and 2025, a total of 38 suppliers scored below 80 (out of 100) or had critical items, and were thus classified as potential high-risk suppliers. Advantech arranges tiered support specifically for these high sustainability risk suppliers, such as providing online or on-site counseling, while formulating improvement measures and conducting ongoing tracking to ensure that deficiencies are fully resolved and their risk levels are mitigated.

An analysis of the risk management performance of potential high-risk suppliers across various sustainability aspects revealed that 61% of suppliers had deficiencies due to inadequate understanding of the questionnaire content, while 39% failed to meet standards in the four major sustainability aspects. Further analysis showed that among suppliers with management deficiencies, 9% were related to labor management, 28% to health and safety, 34% to environmental management, and 28% to business ethics. To help potential high-risk suppliers improve their sustainability management capabilities, Advantech applies a counseling mechanism to enhance suppliers' understanding and implementation of ESG requirements.

As a result, 36 suppliers met the low-risk standards. However, two suppliers failed to meet the standards or had critical items, resulting in a downgrade by Advantech.

According to the results of on-site audits, the most significant deficiencies were found in environmental management, accounting for 45%, primarily due to inadequate chemical management procedures or failure to implement them according to standards. Health and safety issues made up 27%, with the main concern being insufficient management of emergency safety equipment. Business ethics deficiencies also accounted for 27%, mainly related to the need for suppliers to upgrade their systems and mechanisms for personal data protection. No labor management deficiencies were identified in this audit, indicating a relatively high level of supplier compliance in this aspect. A total of nine deficiencies were found during the on-site audits, and 100% of the deficiencies have been completely rectified, demonstrating Advantech's proactive measures and effectiveness in promoting sustainable supply chain development. The findings and follow-up actions for the new year will be implemented in the 2026-2027 fiscal year.



All priority and other non-conformities have been addressed with corrective action plans in place, resulting in a 100% implementation rate

Item	Number of suppliers		Percentage	
	Actual	Target	Actual	Target
ESG risk assessment survey distribution coverage (tier 1 suppliers)	1,127	1,127	100%	100%
Significant suppliers performing ESG audits	339	339	100%	100%
The percentage of significant suppliers with a total score below 80 points (or possesses critical items)	38	<50	11.2%	<15%
Implementation of improvement plans for potential high-risk significant suppliers	38	<50	100%	100%
Termination of cooperation with suppliers for serious violations	0	0	0%	0%
Assist potential high-risk significant suppliers in completing ESG counseling and implementing improvement measure	38	All	100%	100%

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- **Table 2.3.3 Significant suppliers ESG audit deficiencies and improvement actions taken in 2024~2025**

Classification	Primary deficiency uncovered	Cause of deficiencies	Improvement actions	Provide resources
Labor	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.	Suppliers lack relevant management awareness	Suppliers are required to formulate relevant policies and measures and enhance their implementation performance.	Provide suppliers with suggestions on labor policies or measures for their reference and implementation.
Health and safety	Implementation of firefighting, notification, and evacuation training, as described in Article 15-5 of the "Enforcement Rules of Fire Services Act," has not been carried out. A drill shall be held at least once every six months and last for at least four hours. The local fire department shall be notified in advance.	Suppliers lack relevant management awareness	Suppliers are requested to enhance the promotion of environmental health and safety (EHS) management regulations and relevant regulatory requirements and strengthen their implementation.	Provide suppliers with recommendations for fire safety promotion and management for their reference and implementation.
Environment	Hazardous substance management standards and management measures have not been established (must comply with environmental regulations such as RoHS and REACH).	Suppliers lack relevant management awareness	Suppliers are required to establish hazardous substance management standards and conduct regular inspections to ensure the classification and storage of hazardous substances.	Provide suppliers with recommendations on hazardous substance management standards for their reference and implementation.
Business ethics	There are no relevant procedures or requirements prohibiting the promise, provision, authorization, giving, or receiving of bribes, as well as illegal or improper benefits, and the provision of other forms of benefits.	Suppliers lack relevant management awareness	Suppliers are required to formulate relevant policies and measures and enhance their implementation performance.	Provide suppliers with suggestions on policies or measures for reference and implementation.
	There are no established procedures or requirements to ensure that information required by laws and regulations is properly managed and disclosed without false or inaccurate content.	Suppliers lack relevant management awareness	Suppliers are required to formulate relevant policies and measures and enhance their implementation performance.	Provide suppliers with suggestions on policies or measures for reference and implementation.
	There are no established procedures or requirements in place to prevent intellectual property rights infringement or unauthorized duplication, including customer-related information.	The supplier has not documented the actual management mechanisms in place.	Suppliers are required to formulate relevant policies and measures and enhance their implementation performance.	Provide suppliers with suggestions on policies or measures for reference and implementation.
	Procedures or requirements have not been established to ensure that the Company's information complies with regulatory requirements and that it has not issued false or misleading public statements.	The supplier has not documented the actual management mechanisms in place.	Suppliers are required to formulate relevant policies and measures and enhance their implementation performance.	Provide suppliers with suggestions on policies or measures for reference and implementation.

Implement the supplier evaluation and elimination mechanism

To implement supplier sustainability and performance management, Advantech has devised a supplier performance rating system that categorizes suppliers into four levels from A to D based on their scores (A is above 95, and D is below 70). This serves as a performance evaluation mechanism for managing suppliers. Relevant departments assess suppliers through quarterly Management Circle of Supplier (MCS) and evaluation results, applying a tiered rating system with corresponding reward, disciplinary, and elimination mechanisms. The management measures for suppliers with different evaluation results are as follows.

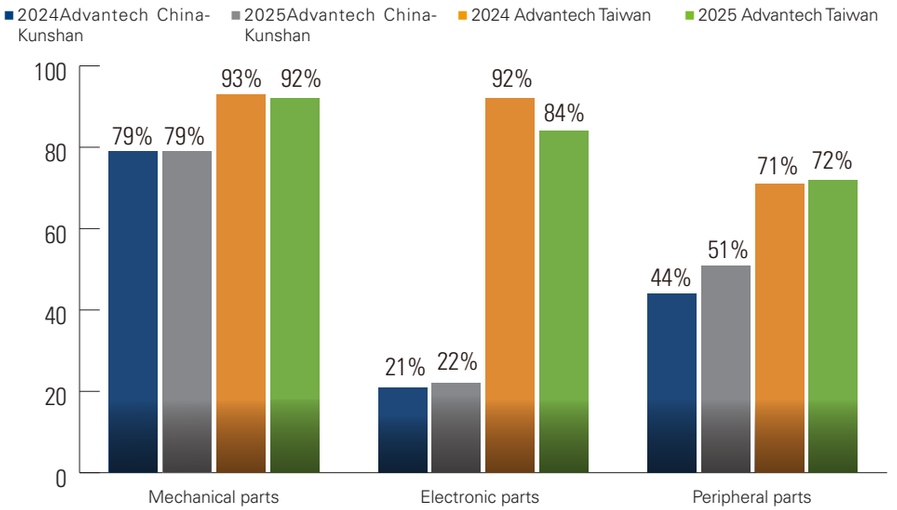
	Levels	Management measures
Rewards	A	Suppliers who receive an A-level rating for four consecutive quarters are recognized with Excellent Supplier Awards and honored at the annual supplier conference. In terms of business cooperation, they are given priority for increased order allocation and opportunities to participate in new projects.
	B	Maintain existing partnerships.
Disciplinary actions	C	Suppliers are placed on a watch list and required to submit relevant reviews and improvement measures.
Eliminations	D	Suppliers receiving a C rating for two consecutive quarters, or those found to have committed other serious violations of Advantech's policies, will be suspended from applying for new projects. Their order quantities will be reduced and switched to secondary supplier status. Since eliminating them immediately may affect shipments, the elimination mechanism will be implemented after alternative solutions are in place. For suppliers who remain uncooperative with improvement efforts within two years, Advantech will reduce or suspend purchase quantities and revoke their supplier qualifications.

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Promote a low-carbon supply chain

Prioritize procurement locally

To bolster regional PVL cooperation and reduce CO_2 emissions generated from manufacturing and transportation processes, Advantech continues to implement a localized procurement strategy, prioritizing local suppliers in its procurement activities over the years. Advantech's global operations span six Regional Business Units (RBUs). Given that the main manufacturing bases are currently concentrated in Taiwan and Kunshan, the procurement strategies and performance disclosed in this report focus primarily on these two regions. Overall, in 2025, Advantech Taiwan's local procurement amount was NTD 15 billion, with a ratio of approximately 79%, representing a slight decrease compared to 2024 due to certain irreplaceable electronic components. Advantech China-Kunshan increased its share of local procurement, with its local procurement ratio accounting for about 44% of its total amount, a slight increase compared to 2024. The overall local procurement ratio in 2025 was 67%, representing a slight decrease compared to 2024. The summarized local procurement amounts and ratios of the Company in recent years are shown in Figure 2.3.2.



- **Figure 2.3.2 Local procurement ratio of Advantech Taiwan and Advantech China-Kunshan between 2024 and 2025**

*Note:

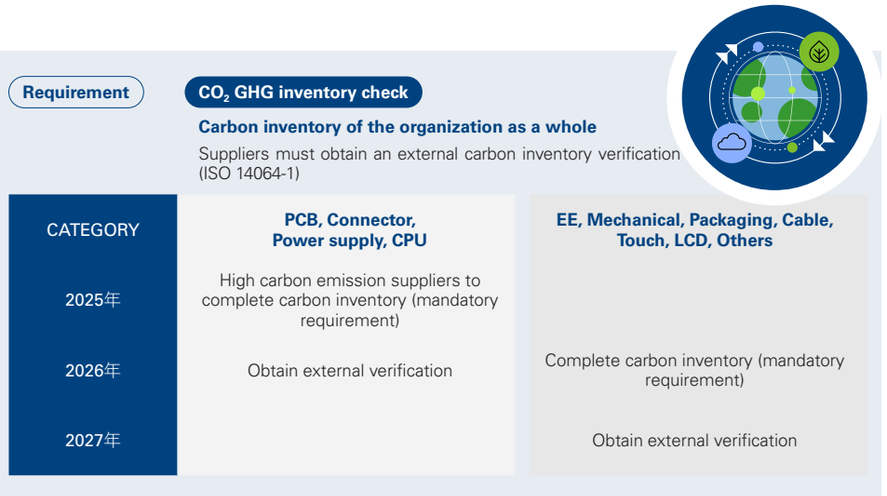
1. Definition of procurement locally: Advantech Taiwan - the counterparty is a manufacturer with Taiwan's GUI number; Advantech Kunshan- the counterparty is a manufacturer in China.
2. Advantech's reduced sourcing ratio of electronic parts in Taiwan is mainly due to the fact that some electronic parts are irreplaceable.

Carbon inventory management plan

In 2024, Advantech officially announced its supply chain carbon reduction plan at the supplier conference, emphasizing that carbon reduction has become a crucial trend in global industrial development and a key factor in enhancing supply chain resilience and competitiveness. In response to international trends and external carbon management requirements, Advantech expects all PVL suppliers to complete organizational carbon inventory and obtain external verification by 2027, thereby building a greener, more sustainable, and competitive supply chain.

To help suppliers effectively address the challenges of carbon inventory and reduction, Advantech will invest dedicated counseling resources by providing professional training, technical guidance, and experience sharing. This support aims to assist suppliers who have not yet completed their carbon inventories in building carbon management capabilities and ensuring the smooth progress of their inventory and verification efforts. Additionally, Advantech encourages suppliers to adopt low-carbon technologies and solutions to reduce carbon emissions in their operations and manufacturing processes, achieving the overall carbon reduction goal for the supply chain.

Looking ahead, Advantech will continue to fortify its partnerships with suppliers, ensuring the implementation of carbon reduction actions through regular communication and progress reviews. This serves to create a more resilient green supply chain, working together towards a sustainable, net-zero future.



Recycled Material Procurement Management

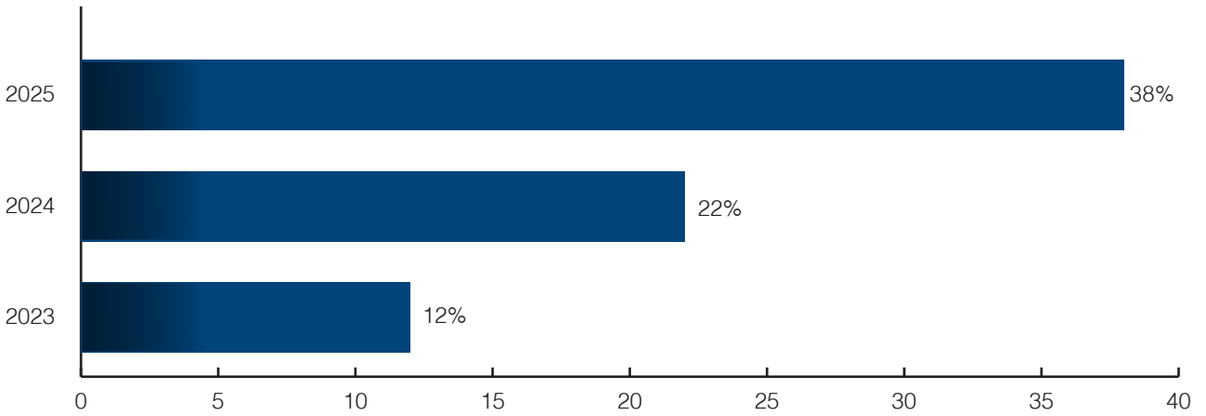
In 2025, Advantech actively expanded its supplier base for recycled materials, with 31 suppliers capable of supplying recycled materials. For information on sustainable raw material management, please refer to Section 4.1 Eco Design and Product Sustainability Liability .(4.1 Eco Design and Product Sustainability Liability)

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2.3.4 Establish Supplier Sustainability Competencies

Supply Chain Sustainability Improvement Plan

Advantech continued to implement the Supplier Improvement Plan in 2025, and enhanced the sustainability capabilities of partners through empowerment and training, ensuring that the supply chain meets ESG requirements, while strengthening sustainability management. We planned multi-level training activities for different types of suppliers and needs, including but not limited to webinars, in-person workshops, and large interactive forums, providing suppliers with the latest ESG knowledge and practical applications to help them further improve their ESG performance. Advantech stepped up efforts to build suppliers' sustainable development capabilities in 2025. We divided suppliers into groups and segments for management based on their characteristics and needs, tailoring multi-level, multi-themed learning and exchange mechanisms to ensure that different types of suppliers receive the most suitable support. By providing precise guidance resources, we continue to strengthen their basic literacy for sustainability on key issues including renewable energy, carbon management, biodiversity, and sustainability information disclosure. We also provide more in-depth and targeted learning opportunities through medium and large forums, small workshops, and project-based guidance for suppliers with high carbon emissions. In addition, Advantech works with industry benchmark companies, government agencies, academic institutions, and research institutes to integrate diverse professional resources and share the latest industry trends and practical experiences, helping suppliers understand key development trends and sustainability practices and strategies. In 2025, over 800 participants from nearly 300 suppliers received over 500 hours of training in total. Please see the table below for relevant results. From 2023 to 2025, a total of 227 suppliers participated. Advantech has continually implemented the Supply Chain Empowerment Plan; in addition, the participation rate of significant suppliers has increased each year, reaching 130 in 2025, and accounting for 38% of all significant suppliers, as shown in the figure below.





- **Participation Rate of Significant Suppliers**

In 2026, Advantech will continue to work with industry benchmark companies, government agencies, academic institutions, and research institutes to integrate the professional resources of different sectors, so that we can jointly achieve long-term sustainable development goals together with our suppliers. Expected contents include: Supply Chain Carbon Management Trends and Practices, Digitalization of Supply Chain Carbon Management Data, Renewable Energy TRE100 In-person Workshop, Business Continuity Management, Supply Chain Labor Rights, and Training for the Prevention of Sexual Harassment and Bullying in the Workplace. In the coming year, we plan to invite suppliers for one-on-one in-depth guidance for low-carbon transition through: supplier identification, consensus building and negotiation, planning and implementation of carbon reduction projects, in-depth guidance, and tracking of effectiveness, in hopes of jointly achieving exceptional sustainability performance with suppliers.

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- **Improvement and Empowerment Results in 2025**

Category	Course/Conference content	Participants	Number of participants/ Number of companies	Training materials or spectacular photos
ESG general education webinar	■ ESG promotion experience sharing- MOXA	All Tier 1 suppliers	3 sessions/ 619 participants	 
	■ Discussion of EHS practices: Strengthened suppliers' understanding of OHS, established basic literacy, and provided practical content and applications	All Tier 1 suppliers		
	■ Supply chain ESG information disclosure strategy: Described the development and international trends of sustainability reporting, the framework of the sustainability reporting process, ESG risks and opportunities	All Tier 1 suppliers		 
Large interactive forum	■ Sustainable Supply Chain and Circular Economy Forum: • Strengthened suppliers' understanding of global ESG issues and market trends • Facilitated supply chain collaboration and shared best practices • Topics included: Sharing of the benchmark company's low-carbon transition, circular economy, and industry policy	Low risk suppliers	1 session/ 129 participants	 

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Category	Course/Conference content	Participants	Number of participants/ Number of companies	Training materials or spectacular photos
In-person workshops	■ Renewable energy workshop: Collaborated with RE100 and electricity selling enterprises to share practices for adopting renewable energy with suppliers, explain policies, and hold group discussions for brainstorming.	PVL suppliers	2 sessions/ 84 participants	
	Circular Economy Workshop: Collaborated with the Circular Taiwan Network to guide the supply chain to understand the content and practices of circular electronics, and build a common understanding and language for the circular economy. ■ The workshop focused on: • Understanding the current situation: Understand the physical risks faced by the electronics industry and reflect on the impact of the electronics industry on the environmental system. • Breaking down circular electronics strategies: The electronics industry introduces circular resources, circular design, and uses business models to truly restore the value of components and materials. • Group discussion.	PVL suppliers		

2.3.5 Conflict Minerals Procurement Management

Tantalum, tin, tungsten, and gold (3TG) are key materials in electronic products. Our global product portfolio, including IPCs and peripherals, cloud computing and industrial automation, communication systems, IoT intelligent systems, and embedded platforms, is highly dependent on these materials, especially electronic components. For example, tin is used for welding, tantalum is used for capacitors, tungsten is used for electrical contacts, and gold is used for connector coatings. These are all crucial components of our products. Advantech's Responsible Procurement Policy is disclosed on our website, and the grievance mechanism is also disclosed on our official ESG website.

Management Organization and Highest-level Responsible Person

Advantech was the first in the industry to pay attention to the global issue of conflict minerals in 2011, and began formally conducting supply chain due diligence. As international regulations became increasingly stringent and risks in the global supply chain changed, our management of mineral resources has long expanded beyond 3TG.

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Facing the latest development of the Extended Minerals Reporting Template (EMRT) and the compliance challenge brought by the inclusion of lithium, nickel, graphite, and copper in 2026, Advantech is fully aware that responsible procurement is no longer simply a matter of compliance, but has become the core of a company's competitiveness in sustainability. Therefore, we have further strengthened our governance framework on our existing management basis, and established a dedicated organization led by executive level supervisors to ensure that the sources of each critical mineral comply with the highest standards of human rights, environment, and business ethics. We have established a comprehensive dedicated governance framework to conduct effective due diligence:

- Highest-level responsible person:
  - The vice president of quality is the highest-level responsible person for approving the Responsible Mineral Procurement Policy, and regularly reports management plans and results to the Sustainability Committee.
- Management organization:
  - Established a cross-departmental "Responsible Mineral Management Team" with members from the:
  - Quality Assurance Department (QA):
    Responsible for reviewing supplier EMRT/CMRT forms and verifying the legality of smelters or refiners (SORs).
  - Procurement Department:
    Procurement and QA jointly established Advantech's Responsible Procurement Policy, which contains the following information:
- Responsible Procurement Policy:
  - Covers tantalum, tin, tungsten, and gold (3TG)
  - Commitment to conducting due diligence in accordance with the "OECD Guidelines"
  - Commitment to purchase exclusively from independent third-party verified SORs
  - Explicitly require suppliers to ensure their products do not directly or indirectly benefit armed groups that seriously violate human rights
  - A statement to communicate the policy to suppliers/subcontractors

Non-use of Conflict Minerals Policy and Implementation

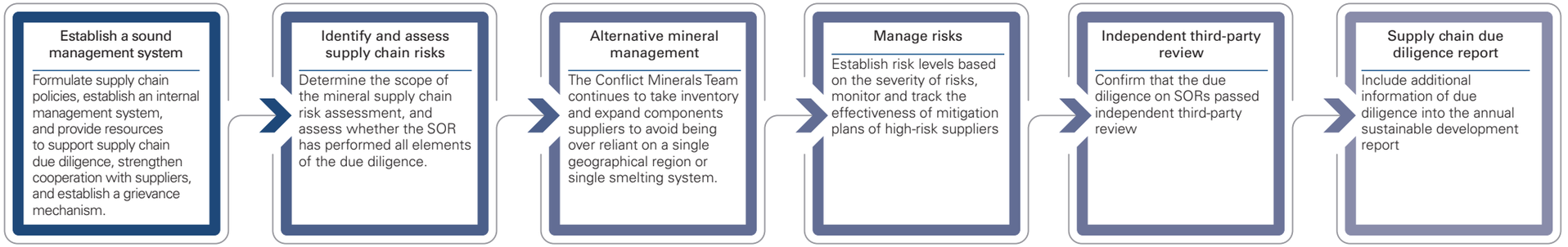
To ensure that minerals from conflict-affected and high-risk areas (CAHRAs) are not used, Advantech strictly complies with the Responsible Business Alliance (RBA) Code of Conduct and implements the Non-use of Conflict Minerals Policy. Advantech not only commits to abstaining from sourcing metals from CAHRAs, but also requires suppliers to comply with this policy to ensure the supply chain upholds human rights and avoids involvement in conflicts. To this end, we have established a rigorous access mechanism. When suppliers sign the "Advantech Supplier Code of Conduct Statement" in the contract, it already includes a statement of non-use of conflict minerals. As of the end of 2025, all PVL suppliers have signed the "Advantech Supplier Code of Conduct Statement." At the same time, we ensure that all Advantech products do not contain minerals from CAFRAs, so our revenue from the use of conflict minerals is 0%.

	2022	2023	2024	2025
Revenue from products that use conflict minerals	0%	0%	0%	0%
Revenue from products that do not use conflict minerals	100%	100%	100%	100%
Total	100%	100%	100%	100%

As a brand company, Advantech does not directly purchase raw or unrefined 3TG metals. As the supply chain involves multiple levels, once raw minerals are smelted, refined, and converted into ingots, bars, or other mineral derivatives, they will be significantly harder to physically trace. Therefore, SORs are regarded as the most critical nodes in the supply chain for verifying the legality of minerals that enter the industrial system. Suppliers who directly work with Advantech and influence procurement decisions are regarded as PVL suppliers. We rely on our direct PVL suppliers to identify and assess supply chain risks, and require them to provide detailed information on SORs that supply 3TG and extended minerals (cobalt, mica, lithium, nickel, natural graphite, and copper). To reduce supply disruptions caused by geopolitics, regulatory changes, or human rights risks, we have also taken action and actively implemented alternative mineral management strategies.

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Advantech continues to comply with the "Due Diligence Guidance" of the OECD as the basis for the "Conflict Minerals Management Plan." We use the Conflict Minerals Reporting Template (CMRT) to investigate the sources of minerals of our suppliers, and verify whether the 3TG smelter has passed the audit by an independent third-party, including the country of origin of minerals and mines. If a smelter is not on the list of smelters that have passed the audit by an independent third-party, we will notify the supplier to exclude or terminate cooperation with the non-compliant mine. Currently, 100% of our significant suppliers have passed the audit by an independent third-party, such as the RMI, LBMA or RCJ. In addition, Advantech has expanded the sources of component suppliers, implemented risk management to reduce risks, avoided reliance on a single supplier, and required the supply chain to establish diverse procurement channels. If a non-compliant smelter is found in the supply chain, Advantech will require the supply chain to switch to a compliant alternative smelter certified by an audit institution as mentioned above, and submit a plan to remove the non-compliant smelter, or assist the relevant smelter in passing an independent third-party audit to ensure the compliance and sustainability of the overall supply chain.

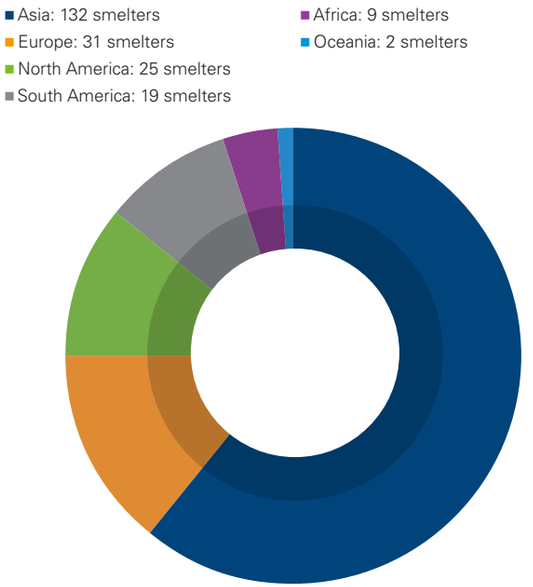


Based on the results of the 2025 due diligence on conflict minerals, we identified 225 smelters in our supply chain. Among them, 217 smelters met the Responsible Minerals Assurance Process (RMAP) standards (or equivalent cross-recognition assessment), and 8 smelters were in the certification process. The percentage of qualified smelters was 96.4%.

	2022	2023	2024	2025
Qualified smelters	249	226	215	217
Smelters currently in the program*	10	6	7	8
Total	259	232	222	225
Percentage of qualified smelters	96.1%	97.4%	96.8%	96.4%

* Smelters currently in the program: Refers to smelters that have committed to accepting the RMAP assessment, filling out relevant documents, and arranging on-site assessments. Currently in the pre-assessment, assessment, or correction action stage. Advantech tracks the progress of the smelters participating in the program to ensure the compliance and sustainability of the supply chain.

In addition to 3TG, the scope of investigation has been officially expanded from cobalt and mica to include lithium, nickel, natural graphite, and copper since 2025. Cobalt, lithium, and nickel are key chemical components of batteries and energy storage systems. Natural graphite is widely used in heat dissipation and anode materials. Copper is the foundation of electrical conductivity and mechanical components. Mica is mainly used in insulation coating. This year's due diligence identified a total of 109 cobalt smelters, 30 mica smelters, 46 lithium smelters, 48 nickel smelters, and 106 copper smelters. At present, due diligence has been completed for 96.4% of qualified smelters. The remaining 3.6% are currently in the program and mainly located in Asia, followed by Europe.



- **Distribution of Smelters in the 2025 Conflict Minerals Survey**

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2.4 Risk Foresight and Crisis Management

Advantech defines various risks in alignment with its overall operational strategy and implements an Enterprise Risk Management System (ERM) to establish a structured mechanism for proactively identifying, precisely assessing, effectively monitoring, and strictly controlling risks. Prevent possible losses within the risk tolerance range and continuously adjust the best risk management practices according to changes in the internal and external environment. Major risks identified through Advantech's ERM process include economic, environmental, and social issues. Economic issues include business succession, management of overseas sales subsidiaries, sustainable supply chains, information and cyber security, and cross-border tax issues. Environmental issues include low-carbon and eco products, climate transition risks, etc.; social issues include talent cultivation and retention, labor relations, personal data protection, etc.; the results of annual survey on material sustainability issues are also used to identify and assess major risk issues each year. Taking 2025 as an example, material sustainability issues were also considered as the main strategic or operational risk issues in ERM, for the proportion of up to 70%. Advantech uses the ERM mechanisms to reduce or mitigate the potential impact of risks on the Company's revenue, costs, and reputation; at the same time, we proactively explore opportunities that may arise from sustainability risks, such as investing in solar energy, wind power, and electric vehicle-related applications, and developing energy management platforms that can be applied to different industries.

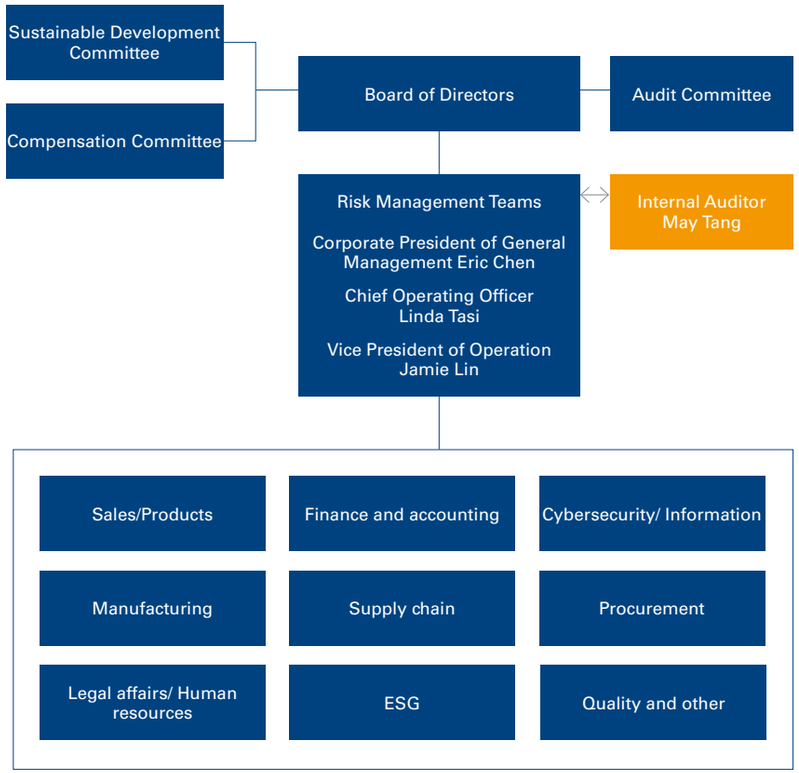
Risk management governance framework and organization

As the highest governance unit for risk management, the Board of Directors oversees the overall risk management mechanism and approves update of policy and procedures. The Board of Directors, and also by delegation to Sustainable Development Committee and Compensation Committee are responsible for the supervision and tracking of pan strategy risk topics and global risks, while Audit Committee are responsible for the supervision and tracking of operational risks.

The Risk Management Team ("the Team") serves as the Company's highest risk management authority and is responsible for overseeing and enhancing the risk management processes. Each year in Q4, the Team launches a risk survey and identification process, and coordinating with responsible management units to finalize the assessment and mitigation plans for major risks by early the following year. Given rapid fluctuations in the business environments, a mid-year review is also conducted to reassess major risk exposures and adjust mitigation actions accordingly. Major risk topics and corresponding mitigation actions are incorporated into quarterly risk management meetings or senior management meetings to facilitate discussion and monitor implementation progress.

Functional managers are responsible for developing mitigation actions for identified risks and overseeing actions implementation. Internal Audit, meanwhile, closely monitors and also facilitates various risk management processes, while also providing enhancement suggestion. When necessary, Internal Audit conducts audits on specific risk topics. Generally, major risks with unclear implementation progress would be prioritized for annual project audits. Proposals for enhancing ERM mechanism are jointly developed by the Risk Management Team and Internal Audit through collaborative discussions. The Company also engages external consultants as needed to provide counseling, conduct audits, and offer recommendations on the risk management related mechanism and its operations.

In March 2026, the company also engaged external consultants to audit its risk management mechanisms and operations in 2025 to ensure they comply with ISO 31000:2018 and to provide management improvement recommendations.



- **Figure 2.4.1 Risk Management Organization**

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Three lines of defense model for risk management and others

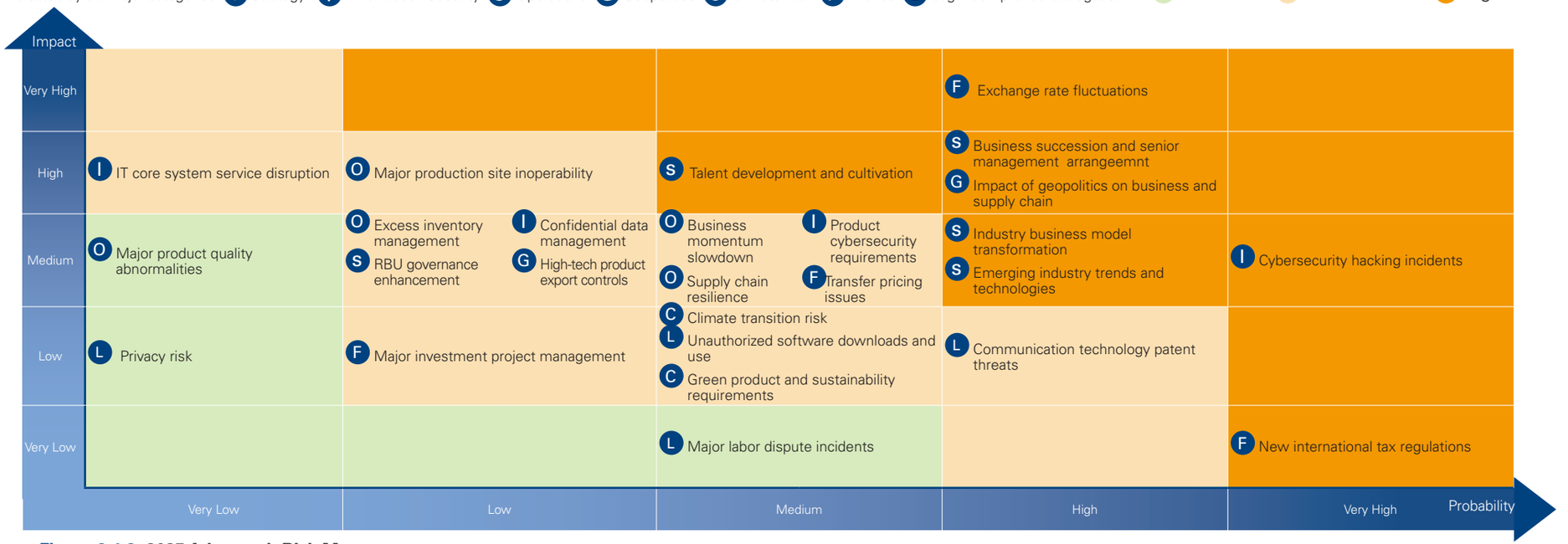
Three lines of defense model	Corresponding unit	Role
First line: those responsible for risk	**Operational/functional unit manager in charge and front-line employee**	■ The manager in charge is responsible for planning and implementing risk management mechanism at the first line. ■ Manager in charge and front-line employee are accountable for proper completion of the response actions.
Second line: risk management and compliance oversight	**Risk management team:** ■ Led by Corporate President of General Management and Chief Operation Officer (COO) ■ Depending on the nature of risk topic, the Chairman, President of business units and other senior executives will be invited to join the discussion	■ Supervise the implementation and effectiveness of risk management response measures. ■ Supervise quality compliance with the quality unit, and supervise legal compliance with the legal unit.
Third line: independent Internal Audit	**Internal audit team**	■ In-depth participation and supervision of risk management meetings and execution of risk management mechanism. ■ Provide independent and objective assurance services to ensure the effectiveness of risk management and compliance processes. ■ Perform comprehensive audits targeting significant risk issues

For the following information, please refer to the risk management page of the Company's website (Chinese/English)

Risk management governance framework
Risk management policy and procedures
Risk management mechanism and processes
Emerging risks
Major risk sensitivity analysis

The orange areas on the risk map represent high-risk zones that have exceeded the Company's risk appetite. Priority should be given to adopting risk mitigation strategies and response measures to reduce the likelihood of occurrence or the potential impact, and the effectiveness of improvement actions should be closely monitored.

Indicated by six major categories: (S) Strategy (I) Information Security (O) Operations (G) Geopolitics (C) Climate Risk (F) Finance (L) Legal Compliance & Litigation — Low Risk — Medium Risk — High Risk



- **Figure 2.4.2 2025 Advantech Risk Map**

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Mitigation Actions and Risk Appetite for Major Risks

Major risk	Talent cultivation and development	Business succession and senior manager arrangements	Impact of geopolitics on business and supply chain	Changes in the industry's business model	Exchange rate fluctuations	Cybersecurity hacking incidents
Main response actions taken	■ Implemented a three-group management system, dividing employees into three categories: high potential/poor performance/ stagnant, and conducted supporting plans and tracking ■ Implemented the Global APEX project and will transition to the IDP program after APEX ends, continually accelerating development and growing the talent pipeline ■ O&PR officially included the maturity of the talent pipeline as a key point of discussion	■ Established a clear leadership succession plan and identified talent to become senior managers ■ Established measurable leadership succession indicators and incorporated them into the KPIs for remuneration of senior managers ■ Upgraded the senior manager talent development mechanism and introduced short-term tasks and cross-departmental projects ■ Accelerated the development of one-down successors in the future organization ■ HR launched Global APEX to create an overseas leadership talent pipeline	■ Continued to deepen cooperation with contract manufacturers (CM) in Malaysia ■ Completed the Mexico CM survey, enabling outsourcing to be initiated based on customer needs ■ Carried out the renovation of the plant in Nogata, Japan, to simultaneously improve its process capabilities and productivity ■ PCBs and components for 80% of new projects were purchased locally ■ AKTC's new project used local brands in China ■ Incorporated the supply chain in China into alternative supply chain planning through strategic projects such as P2P	■ Increased the product value of edge AI in various hardware departments ■ Reduced resource investment in internal cross-platform hardware integration ■ Secured Advantech's position in the edge AI value chain ■ Launched a new business model for software and hardware integration ■ Developed an ecosystem and external resources	■ Used foreign exchange forward contracts to hedge exposure for 2 months ■ Maintained nature hedging positions to bring USD vs RMB net monetary assets closer ■ Communicated with business units to strengthen the currency selection mechanism for purchase orders ■ Deposited ACL idle USD funds in an overseas treasury hub	■ Implemented the zero trust architecture (SASE, NAC) ■ Gradually introduced confidential information encryption protection ■ Strengthened website security protection (WAF) ■ Strengthened risk management for AI applications and established relevant policies ■ Continued to strengthen cloud service security ■ Added 2FA on the EZ Portal
Risk appetite and adaptation	Classified as a high risk, the probability of risk occurrence must be lowered to mitigate the negative impacts of potential incidents	Classified as a high risk, the probability of risk occurrence must be lowered to mitigate the negative impacts of potential incidents	Classified as a high risk, and the negative impact on revenue and profits when risks occur must be mitigated	Classified as a high risk, the probability of risk occurrence must be lowered to mitigate the negative impacts of potential incidents	Classified as a high risk, and the negative impact on revenue and profits when risks occur must be mitigated	Classified as a high risk, and the probability of risk occurrence must be lowered to reduce the losses caused by potential incidents

- **Figure 2.4.3 Major Risks and Mitigation Actions Taken**

Highlight Project 1 Advanced Risk Management Education and Training

Since 2020, Advantech has provided basic internal control and risk management education and training. To strengthen risk management education and training in Taiwan and overseas, we worked with third-party consultants to develop advanced education and training courses on the same topic in 2024, providing three versions of the text. Participants in the advanced training course included Advantech's directors, managers and higher level supervisors across the Taiwan Strait, and key supervisors in other overseas regions. Supervisors who have taken the advanced course are not required to take the basic course. The completion of training courses in 2025 is as follows:

TYPE	Number of people	Number of people who completed the courses	Completion rate
Basic course	5,211	4,165	80%
Advanced course	1,302	1,150	88%
Total	6,513	5,310	82%

Highlight Project 2 Implementation of the Business Continuity Management System

Business Continuity Management System of Linkou Plant: We commissioned a third-party consultant to provide guidance on the Business Continuity Management System (BCMS). The project was implemented for 2 years starting in 2024 and was completed according to schedule at the end of 2025. The main contents include setting BCM targets, establishing BCM procedural documents, identifying major risks, conducting drills for different risk scenarios, and making improvements for potential issues in advance. This project will help the Linkou Plant to resume normal operation within a reasonable period of time when it faces risks or natural disasters. We will subsequently engage consultants to establish relevant systems for the Kunshan Plant.

Highlight Project 3 External Audit for ISO 31000:2018

In March 2026, we commissioned Deloitte & Touche Sustainability and Risk Advisory Co., Ltd. (DT Advisory) to audit whether risk management mechanisms and operations in 2025 comply with the ISO 31000:2018 risk management guidelines. DT Advisory issued an independent assessment opinion letter in April 2026, confirming that the requirements of the abovementioned guidelines have been met. Please refer to the official risk management website for the assessment opinion letter.



03 Innovation and Services

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3.2 Innovative Mechanism

3.3 IoT Application Promotion and Education

3.4 Customers and Partners Co-Creation

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3.1 Sustainable Intelligent Solutions



Name of material topic	Please describe the importance of this material topic to Advantech
Sustainable intelligent solutions	Advantech's main business groups include: the Embedded Sector, Intelligent System Sector, IoT Automation Sector, and Intelligent Service Sector, which focus on providing diverse application solutions for customers in 5 key markets, namely edge intelligence systems, smart manufacturing, energy and utilities, intelligent healthcare, and intelligent service. At Advantech, we have embraced the trend of edge computing and artificial intelligence (AI), and have bolstered our global presence and enhanced our core competitiveness by focusing on edge computing and edge AI. We will accelerate the deployment of AI in manufacturing, logistics, cities, and energy at scale through the cloud-edge collaboration framework by integrating the edge computing hardware platform product group, industrial IoT software platform WISE-IoT, and cross-chip edge AI platform architecture WEDA. We will then incorporate industry edge AI solutions and industry knowledge to reshape our business model into collaborating with industries in the co-creation of integrated applications, and help our partners and customers connect within the industry chain. Furthermore, we are working with partners in each industry to "co-create" an industry ecosystem that will bring us faster to the goal of industrial intelligence.
Policy or commitment	Advantech is committed to incorporating the concept of sustainability into the new product development and market expansion strategies of business units. This includes: product sustainability responsibility, expanding the involvement of related product departments (environmental protection and energy, smart healthcare, smart agriculture, environmental monitoring, smart transportation, smart agriculture) that contribute to environmental sustainability or social sustainability goals, and expanding the influence of Advantech's sustainable intelligent solutions.
Positive impacts	Sustainable intelligent solutions provide convenience and a positive economic impact from better efficiency in smart factories, smart transportation, healthcare, energy management, and smart warehousing. Driven by global labor shortages alongside Taiwan's aging population and low birth rates, the transition to automation is imperative; it will help fill the manpower gap while driving positive economic change and improving work efficiency. As the world focuses on sustainability, Advantech's iEMS solution series can positively impact the environment by helping companies effectively monitor energy and resource data in response to the global trend of net-zero emissions, giving companies insights into carbon emission hotspots, so that they can take effective energy conservation and emission reduction actions.
Negative impacts	Intelligence and AI will replace a portion of the workforce, which will have a corresponding social impact. At the same time, AI will accelerate the polarization of the labor market, the strong get stronger and the weak get weaker.
Actions in response to negative impacts that occur	For methods to respond to negative impacts, please refer to 3.3 IoT Application Promotion and Education. At Advantech, we start with the cultivation of IoT talent, ensuring that workers are not sidelined by AI or technology. Instead, we cultivate talent capable of making good use of technology to drive a positive impact on society. At the same time, we have closed the gap between education and employment, jointly creating industry-academia opportunities, and helping the global talent market cultivate future talents as early as possible.

Name of material topic	Please describe the importance of this material topic to Advantech
Overview of target achievement in 2025	The target for 2025 was for sustainable intelligent solutions to account for 57% of revenue, and the actual result was 61.9%.
2026 targets	63% of revenue is generated by products or solutions sold for sustainable purposes.
2030 targets	67% of revenue is generated by products or solutions sold for sustainable purposes.
Key action plans or programs in 2025	■ Established a clear blueprint for sustainable product R&D, sustainable packaging materials, and design and development, and increased the level of product integration. Referenced sustainability-related indicators and included the most applicable indicators into Advantech's existing regulations on green products and related operating activities to gradually improve sustainability. ■ Built partnerships in the ecosystem and leveraged the value and technological advantages of partners in the supply chain to jointly reduce the carbon emissions of suppliers, especially in product carbon footprint that require close cooperation with suppliers, such as low-carbon materials. ■ Continued to monitor developments in domestic and overseas sustainability-related regulations, as well as sustainability indicators, certifications, or technological developments related to products or solutions, and incorporated them into the development direction. ■ Launched a trial for 3 products using sustainable raw materials, exploring the carbon reduction performance of using recycled plastics and recycled metals in products and sustainable packaging materials. Commenced mass production to build Advantech's image as a green enterprise.
Effectiveness evaluation	■ We regularly review revenue from smart energy management solutions, smart factory solutions, smart telemedicine, smart agriculture solutions, smart education solutions, smart transportation, and smart logistics. ■ Each business group has monthly, quarterly, and annual inspection mechanisms to regularly review the revenue status of strategies, plans, inventory, revenue, gross profit, and net profit margin. ■ We continue to hold regular meetings to review the progress of green products and set annual targets to understand the progress of green products in 4 aspects.
Stakeholders affected by this material topic and actions taken by Advantech	To mitigate our potential impact on employment, we are investing in cultivating industry talent through initiatives like IoT-related industry-academia collaborations, internship programs, and online certification courses. We are working to close the gap between education and employment to bring more IoT innovation talents to the world. For the contents of industry-academia collaboration in IoT education, please refer to 3.3 IoT Application Promotion and Education. In response to investor and customer concerns regarding product sustainability, we actively discuss our energy conservation and carbon reduction achievements, targets, and roadmaps. These insights are shared with relevant departments to drive product sustainability initiatives and accelerate product carbon footprint disclosures.

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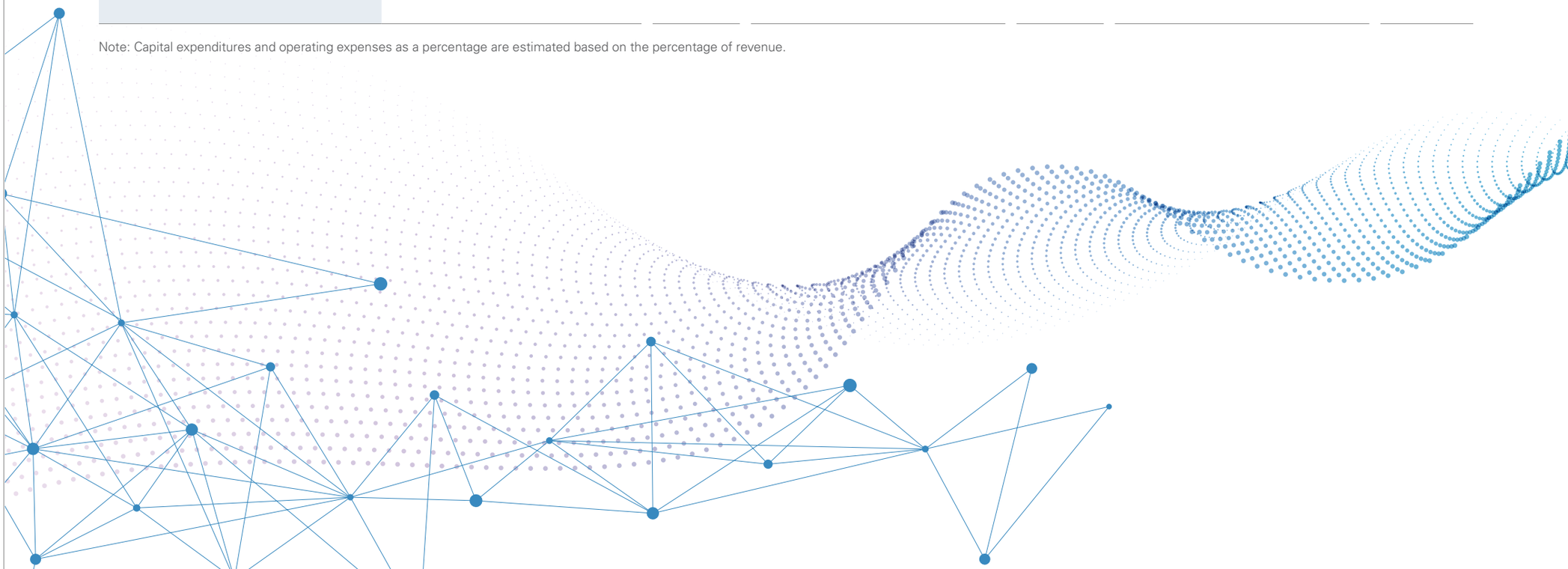
At Advantech, we voluntarily adopted the EU Taxonomy as a reference to refine the classification of our sustainability-related activities and disclose corresponding revenue and expenditures. Based on the reporting framework of the EU Taxonomy and by benchmarking against its climate change mitigation and adaptation indicators, we calculated that sustainable intelligent solutions accounted for 61.9% of revenue in 2025.

- **Table 3.1.1: 2025 Financial Disclosures of Advantech's Sustainable Intelligent Solutions with Reference to the EU Taxonomy**

Currency: NTD

	Revenue		Capital expenditure		Operating expenses	
Total	70,882,362K	100%	2,823,514K	100%	16,630,630K	100%
Total of which is Taxonomy-eligible	43,906,353K	61.9%	1,748,957K	61.9%	10,301,439K	61.9%
Total of which is not Taxonomy-eligible	26,976,009K	38.1%	1,074,557K	38.1%	6,329,191K	38.1%

Note: Capital expenditures and operating expenses as a percentage are estimated based on the percentage of revenue.



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Featured Case Study 1:

Injecting intelligent technology into public welfare - Advantech collaborates with the Taipei Blood Center to establish a new benchmark for digital services

Case study location: Taiwan

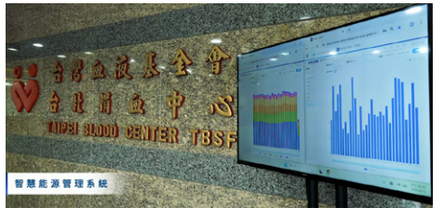
Partner: Taipei Blood Center



Advantech assisted the Taipei Blood Center in optimizing the entire process from blood donor experience to blood safety, and embedded AIoT technology into the 3 major fields of the Taipei Blood Center: Tucheng Central Rotary Blood Donation Vehicle, Nanhai Blood Donation Center, and Aixin Building.

Front-end application scenarios (blood donation site): Implemented the "Queue Kiosk" and "Cloud Broadcast Management System" in blood donation vehicles and blood donation centers. People only need to insert their health insurance card to receive a ticket. The system is connected to the back-end blood management system (BMS) to complete identity verification, replacing the tedious interview and manual inquiry process.

Back-end management scenario (Taipei Blood Center building): Installed the "Intelligent Energy Management System (iEMS)" and "Cold Chain Management System" in the Aixin Building. The temperature and humidity of the blood transportation corridor are monitored around the clock through sensors to ensure blood product activity. At the same time, data from rooftop solar panels are integrated for visualized management of building energy consumption.









This project provides the following sustainability benefits:

Environmental benefits	■ Visualization of energy management: The data from the electricity meter of each floor and rooftop solar panels are integrated to track the distribution of electricity to each floor or equipment, so as to avoid unnecessary energy consumption. ■ Paperless and digital management: Administrators can remotely update health education information through the Cloud Broadcast Management System (UBX), which reduces carbon emissions from transportation to each location to perform manual updates using USB flash drives. ■ Improves energy efficiency: Energy consumption data can be clearly monitored on the iEMS system, effectively optimizing power allocation to achieve the mission of green sustainability.
Social benefits	■ Qualitative benefits: 1. Optimizes the blood donation process and experience: People can quickly queue up by inserting their card, and the digital broadcasting system provides a comfortable experience viewing health education videos in the waiting environment. 2. Improves blood safety: Blood is monitored around the clock using LEO temperature and humidity sensors from the blood donation site to the processing area, ensuring that it remains in cold chain to maintain the effectiveness of the blood product. 3. Reduces the burden on health workers: Health workers can use the AIM industrial tablet to conveniently call a number or take inventory, avoiding the need to get on and off the vehicle and move back and forth, which improves operational efficiency. ■ Quantitative benefits: 1. Improves the immediacy of services: The cloud broadcast system addresses a major past pain point: the 2 to 3 months it used to take to distribute promotional videos. Now, a single administrator can seamlessly update the videos remotely. 2. Data-oriented operations: The system records the number of blood donors at each location in real time to facilitate management and optimize resource allocations.
Extended reading	■ Advantech collaborates with the Taipei Blood Center to incorporate AIoT to improve efficiency ■ Contributing to public welfare! Advantech collaborates with the Taipei Blood Center to incorporate AIoT to improve the efficiency and experience of blood donations ■ Blood Donation Process Optimization - Advantech Accelerates the Implementation of Smart Healthcare

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Featured Case Study 2:

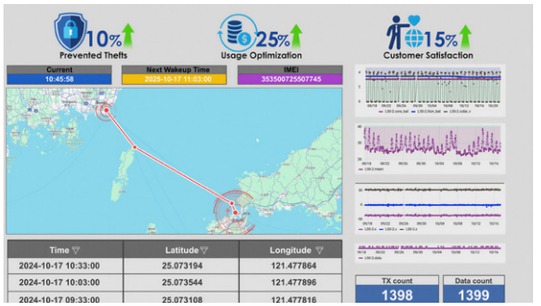
LEO-L50 outdoor asset management device won the 2025 iF Award and Taiwan Excellence Award, helping shipping companies enter a new era of sustainable asset tracking

Case study location: Taiwan

Partner industry: Shipping industry

As the global shipping industry actively promotes digital transformation, shipping companies are accelerating the adoption of AIoT equipment and utilizing IoT technology to strengthen visualized management capabilities in the cargo transportation process. Real-time data collection and analysis enable companies to optimize transportation route planning, improve operational efficiency, reduce resource waste, and strengthen the overall resilience of the supply chain.





Advantech's LEO-L50 outdoor asset management device was developed specifically for the asset management needs of remote and demanding fields. It integrates real-time position tracking, route optimization, and solar power and green energy technologies to help companies reduce energy consumption. Its long battery life and low power design help reduce carbon emissions and support Scope 3 carbon inventory management, providing the critical infrastructure needed by the shipping and logistics industries to realize smart and low-carbon transition.

LEO-L50 improves asset utilization and transportation transparency, and assists enterprises in strengthening operational efficiency. It also takes into account environmental responsibility and sustainable development goals, driving the global logistics system towards a smarter and greener future.

This project provides the following benefits:

Environmental benefits	Helps shipping companies meet the requirement to complete their Scope 3 carbon inventory The design of the solar charging function complies with sustainability standards. Advantech is committed to the zero carbon transition of global energy, and has become a member of RE100. Advantech has proposed more effective solutions to the challenges of Scope 3 carbon inventory in response to the shift in global supply chains. Mobile assets can be accurately monitored through real-time tracking and AI route planning and management based on big data. LEO-L50 features a sturdy and reliable design (IP67–30°C to 80°C, C1D2 certification), AIoT (GNSS, Cat.1), advanced anti-theft improvement by 10%, and asset utilization increase by 25%, which can help shipping companies visually track containers and important assets, accelerating the progress towards net-zero emissions.
Extended reading	iF Award Taiwan Excellence Award



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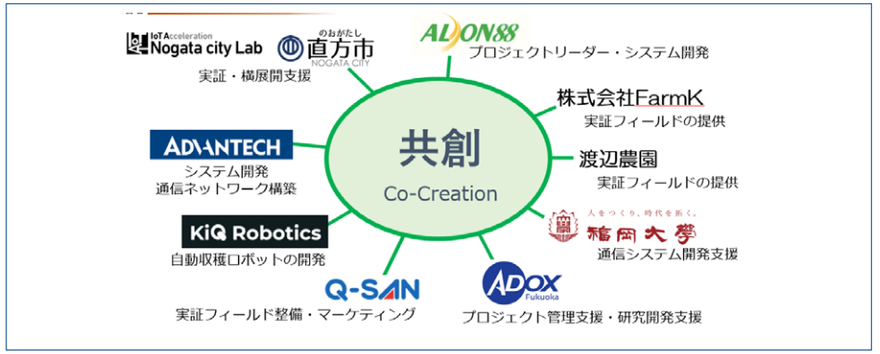
Featured Case Study 3:

The Next-Gen Strawberry: How AI and Automation Are Transforming Japanese Greenhouses

Case study location: Japan

Partner: Fukuoka University / Firm K Inc. / Watanabe Firm /Allion Systems Inc. / KiQ Robotics Inc. / QSAN Inc. / ADOX

Japan is facing a labor shortage due to declining birth rates and an aging population. This is especially the case in the agricultural sector. This project aims to develop a smart agricultural system (including the visual presentation of the greenhouse environment on a dashboard, automated control of greenhouse equipment, suspicious personnel and pests detection mechanism, and automatic harvesting robot) for greenhouse strawberry growers. The implementation of the aforementioned project will improve agricultural production efficiency and save manpower. This project has been listed as a national project and will be fully implemented in the greenhouse strawberry industry in Nogata City in 2025. At present, our partners are exerting every effort to promote this system service in Japan.



Environmental benefits	■ Compared with LTE, the use of LPWA (IEEE802.11ah / Wi-Fi HaLow) for private wireless communications can reduce power consumption by approximately 90%. ■ Monitoring and automated control of the greenhouse environment improve the efficiency of greenhouse equipment and reduce carbon emissions. Actual benefits include: Can reduce heavy oil usage in heater and CO^2 supply equipment. Expected to reduce heavy oil consumption by approximately 20% per year. ■ Prevents suspicious individuals from entering and detects pests through remote monitoring of the greenhouse environment. This application can reduce farm vehicle patrols by 80%, while reducing carbon emissions.
Social benefits	■ By enabling remote control of the greenhouse environment and equipment, alongside detecting suspicious personnel and pests, it significantly reduces manual labor intensity. Following system implementation, manual labor intensity decreased by approximately 60%. ■ Reduces labor costs: This project aims to develop an automatic harvesting robot that can harvest strawberries in greenhouses, and is expected to reduce the labor intensity of harvesting strawberries by approximately 70% in the future. ■ By transforming how farmers work and freeing up their schedule, it allows them to focus on high-value, influential agricultural affairs or simply enjoy more quality time with their families. ■ Accurate data collected over a long period of time can be used to plan or upgrade strawberry growing techniques, which can be passed down in the future.
Extended reading	■ 総務省地域デジタル基盤活用推進事業（実証事業） ■ 福岡県知事といきいきトーク ■ ちょくらじお（ラジオ局）









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Featured Case Study 4:

From smart to low-carbon sustainability, Advantech assists Yageo in becoming a model for manufacturing transformation

Case study location: Taiwan

Partner: Nanzi Plant of Yageo Group

Given the volatility of international trends, the manufacturing industry must continuously adapt and transform. Embracing these shifts enables companies to navigate external challenges resiliently while maintaining their market competitiveness. The passive component manufacturer Yageo has been the best in this regard. Its Kaohsiung Nanzi Plant has adopted a variety of WISE-IoT solutions, including iMachine's MachineUnite for smart process and equipment management, iEMS's Eco-Watch for smart energy management, and iVisionSuite's Signage CMS for electronic signage applications in the plant. The company is digitalizing plant management and reducing carbon emissions to transition towards sustainability, gradually developing the Nanzi Plant into a model for smart manufacturing of the future.



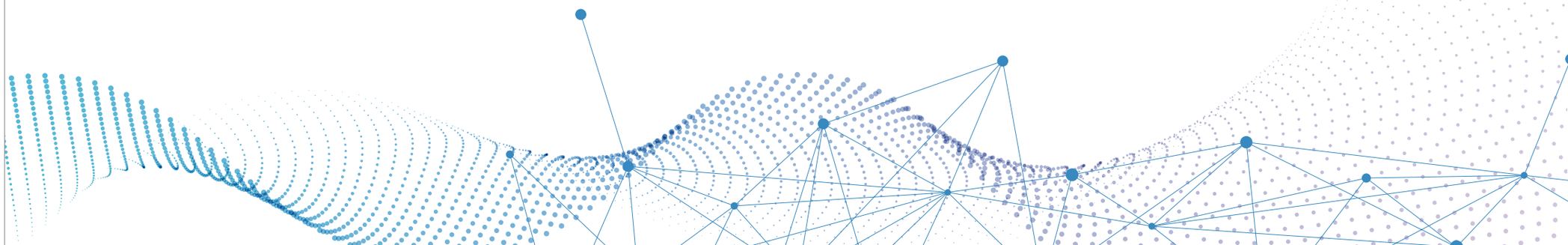
Environmental benefits	The adoption of MachineUnite has brought 4 major benefits to the Nanzi Plant: 1. Increased OEE and utilization rate: Using the ST process as an example, the utilization rate in the first quarter of 2024 was 78%. After the adoption of MachineUnite, the average utilization rate reached 88.5% in the second quarter to the fourth quarter. 2. Reduced the occurrence of equipment failure: MachineUnite can monitor the status of equipment 24 hours a day. When an abnormal downtime occurs, it immediately notifies related personnel to handle it. This reduces the number of equipment failures and avoids the risk of unexpected downtime for long periods of time. 3. Improved production efficiency: MachineUnite can monitor and analyze changes in overall equipment efficiency (OEE) indicators to help factory managers identify bottlenecks and optimize the production process. 4. Established a data-driven decision-making management culture: MachineUnite provides detailed data reports to help management make more accurate decisions.
Social benefits	In addition to using MachineUnite to improve factory management efficiency, Yageo also adopted ECOWatch at its Nanzi Plant to improve energy efficiency in response to the global trend of net-zero emissions. The company hopes to further identify key energy-consuming facilities and areas with potential to reduce energy consumption through the collection and analysis of energy data using ECOWatch. The company will establish reasonable and effective energy-saving and carbon reduction measures and performance metrics on this basis, transforming environmental sustainability into the competitiveness of the company's brand.
Extended reading	https://www.advantech.com/zh-tw/resources/case-study/intelligent-low-carbon-wise-iot-yageo-manufacturing-transformation-tc https://www.businessweekly.com.tw/business/indep/1005451 https://www.youtube.com/watch?v=0NeBT_5O-q0&t=1s From Intelligent to Low-Carbon — WISE-IoT Power- Advantech https://youtu.be/ksUM7iqsrMo

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3.2 Innovation Mechanisms

Facing the rapidly evolving global industry trends and the new challenges and opportunities brought by sustainable transformation to enterprises, Advantech has systematically implemented the "innovation mechanism" at the strategic level. We have seamlessly integrated organizational innovation, technology R&D, business model expansion, and co-creation with ecosystem partners through a variety of approaches, such as IMAX-C, EBO, TSU, UCC, and industry-academia collaboration. This has accelerated the incubation and deployment of new business, new products, and new technologies. This mechanism fully reflects our vision of "Enabling an Intelligent Planet" in corporate governance and operations planning, actively responds to market demand and stakeholders' expectations, and creates a sustainable development path that provides economic benefits, creates value for society, and contributes to the environment.

Name of material topic	Importance of this material topic to Advantech
Innovation mechanisms	Advantech systematically invests in products and technologies, business innovations, and mechanisms to thrive together with partners in the ecosystem under the corporate vision of "Enabling an Intelligent Planet."
Management strategy	Based on the vision defined in 2015 and the "AIoT Development Roadmap," we view AIoT as the engine for future industry growth, and have adopted various approaches to innovation, repositioning Advantech from an IPC manufacturer to an industrial IoT device to cloud total solutions provider. Advantech currently has innovation mechanisms for roughly 6 items under 3 categories, including products, technologies, business, and collaboration with academia. In 2025, Advantech set its sights on becoming the leading brand in edge computing & edge AI, and led the world in innovation in 5 major fields, namely intelligent edge systems, smart energy, smart manufacturing, smart healthcare, and smart hospitals. Advantech developed innovation mechanisms specifically for products, technology, business, and collaboration with academia.
Policy or commitment	We elevated innovation management from being process-driven to the level of corporate development, which is an important approach for developing emerging business opportunities. We strategically communicate the concept of strategic cooperation and co-creation with external partners, and encourage diverse innovation proposals and execution flexibility to seize opportunities that arise from the development of the AIoT industry.
Positive impacts	■ Promoting innovation is an important strategy in our pursuit of excellence and sustainable development. Innovations reflect our investment in technology and knowledge, enhancing our competitiveness through the development of new ventures. ■ AIoT application solutions represent the ability to meet the needs of various industrial and commercial scenarios more effectively and at lower cost. For example, process optimization and yield improvement can reduce waste and reduce energy consumption. ■ Innovative solutions that target specific application scenarios can more directly solve the problems of business operations or users. For example, the IoT system for self-service checkout can alleviate the labor shortage in the industry and allow consumers to experience greater convenience when shopping.
Negative impacts	Technical risks and possibility of failure. There is the risk of technical failure, or low market acceptance in the process of adopting new technologies or innovation mechanisms, resulting in a waste of funds and time. ■ Advantech's response to negative impacts is as follows: ■ Promote internal business innovation and new business incubation: 3.2.2Innovative Products and Technologies ■ Establish a Core Technology Committee to promote technology sharing and standardization: 3.2.2Innovative Products and Technologies ■ Promoting open innovation and industry-academia collaboration: 3.2.1Business Innovation and Emerging Business Opportunities

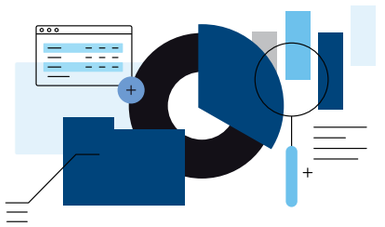


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Name of material topic	Importance of this material topic to Advantech
Overview of target achievement in 2025	2025 targets ■ Collect 10-20 proposals through the internal platform for emerging business opportunity ideas, and launch a new business opportunity management mechanism to further conduct market research, gather internal and external resources, and develop products and business models. ■ The target for collaborative innovation projects with academia, research institutes, and startups is 10 projects. Results achieved ■ Collected a total of 24 innovation proposals through the internal platform for emerging business opportunity ideas. Launched a new business opportunity management mechanism to further conduct market research, gather internal and external resources, and develop products and business models. ■ Implemented 15 collaborative innovation projects with academia, research institutes, and startups including 11 Industry-Academia Cooperation Projects. Description of key achievements: ■ IMAX-C mechanisms have been operating for many years. Regular and systematic dialogue on proposals for innovative products and business strategies, as well as departmental discussions on technological innovations in the R&D process are the cornerstones of innovation mechanisms. ■ EBO Quest, an emerging business opportunities workshop, aims to identify emerging business opportunities by inviting external experts to share insights on technology and market trends and provide feedback on Advantech's new business proposals. The workshop encourags internal teams to think outside the box and explore emerging business ideas. Internal teams are supported by external professionals, ecosystem partners and resource allocation to help incubate and accelerate their new business development. In 2025, two EBO Quest workshops were held, covering discussions on 13 new business topics. ■ Advantech is already engaging in long-term industry-academia collaboration with National Yang Ming Chiao Tung University, and began implementing three-year collaboration projects with National Taiwan University of Science and Technology and National Taipei University of Technology in 2025, developing a total of 11 industry-academia collaboration projects with the 3 universities in 2025. ■ Based on the Vote for 2030 event that was held in 2023, Advantech established the Autonomous Systems & Robotics (AS&R) Business Group in 2024, and actively expanded ecosystem partners in 2025, developing exclusive products for robots and drones in response to the market demand on China-free supply chains.
2026 targets	■ Collect 10-20 proposals through the internal platform for emerging business opportunity ideas, and launch a new business development mechanicm to further conduct market research, gather internal and external resources, and develop products and business models. ■ The target for collaborative innovation projects with academia, research institutes, and startups is 10 projects.
2030 targets	■ Continue to invest in innovation mechanisms and expand quality and quantity targets. ■ Connect with more ecosystem partners in the industry to establish resilient innovation and co-creation models.
Key action plans or programs in 2030	■ On the basis of existing mechanisms and targets for managing emerging business opportunities, invest specific resources to accelerate the development of innovation proposals. ■ Strengthen the connection with external experts and consultants, and effectively analyze the value and feasibility of emerging innovation issues. Under the guidance of complete information and expert opinions, comprehensively consider resources on the execution side and implementation plans. ■ Promote innovation culture within Advantech via new business explortion and ideation. ■ Use AI technology to improve operational efficiency, optimize resource use, and reduce the burden on the environment.
Effectiveness evaluation	Advantech evaluates the effectiveness of its innovation mechanisms through internal reviews and external validation. We monitor the speed of new product launches, revenue growth, and patent application results during quarterly and annual business group reviews. The results are fed back into IMAX-C, EBO, TSU, and industry-academia collaboration projects to continuously track and optimize the maturity of technologies and business models. At the same time, we participate in major international awards and industry competitions, and use these recognitions and market reputation to validate Advantech's innovation standards, ensuring that sales and technological innovations can truly bring positive economic, social, and environmental benefits.
Stakeholders affected by this material topic and actions taken by Advantech	Innovation strategies and directions are linked to decisions made by the board-level Sustainability Development Committee (SDC). We employ external scholars and consultants to evaluate innovation proposals. We engage in co-creation with startups, schools, and research institutes or strategic cooperation and investments with companies in the ecosystem for project implementation. Within Advantech, we horizontally integrate investment units, strategic units, innovation management, products of business units, and R&D units to jointly engage in innovation and co-creation.

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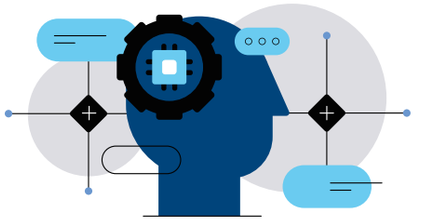
Advantech's innovation mechanisms are divided into 6 items in 3 categories, including products, technology, business, and collaboration with academia, and their implementation is personally led by the chairman and executive level supervisors:



Business Innovation and Emerging Business Opportunities

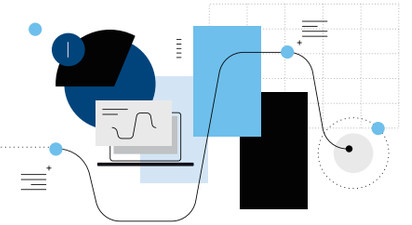
IMAX-C:
Includes the innovative strategies and implementation plans of business units, such as product, business, and breakthroughs in organizational reform.

EBO:
Advantech employees around the world conduct rigorous analysis and planning for the emerging opportunities they observe, and formulate business plans for our new growth trajectory.



Innovative Products and Technologies

MCT/TSU:
The R&D supervisor forms a Technical Committee for the centralized horizontal management of the core technologies of each business unit, and forms technical sharing modules referred to as Technical Sharing Units (TSU).



Industry-Academia Research and Co-creation

University co-creation
Advantech conducts in-depth R&D and on-site verification with domestic and overseas universities, jointly making breakthroughs in technologies and applications.

Innoworks
Advantech provides software, computing resources, and online teaching to universities around the world to encourage the new generation of students to develop creative implementations.

Advantech's innovation and development roadmap utilizes the IMAX-C mechanism to bring innovative and business development ideas to existing business units, including nurturing new organizations, collaborating with external partners, developing new products and services, and integrating internal resources. On the other hand, Advantech explores EBOs and technologies in less mature markets or new businesses beyond its original scope of business, and nurtures these new opportunities for our future development.

TSUs serve a crucial role in technology integration and management supporting the products and new businesses of business units. In terms of roadmap development, Advantech collaborates with academic and research institutes to spark new creativity, including next-generation ideas and future IoT product concepts, to facilitate preliminary ideation and exploration of AIoT integrated applications and services.

This innovation mechanism nurtures new business units and launches new products every year. In addition to winning awards and achieving outstanding business performance, the mechanism accelerates the growth of Advantech's core business through mainstream trends and technological innovations.

We examine the results and trends of innovation through internal innovation projects, encourage the development of innovative products, and adjust product strategies whenever appropriate.

Effective Management of Innovation

Appropriate and precise KPIs need to be established based on the attributes of the issues that each innovation mechanism focuses on during implementation. Advantech has established a complete performance management system by clearly defining objectives, setting concrete success criteria, and taking effective follow-up actions. For example, the objectives for the industry-academia collaboration innovation mechanism can be the number of research projects, and a certain percentage of results must meet the criteria for technology transfer or extending the collaboration. For product design innovation, Advantech provides additional rewards for winning international industrial design awards, and tracks the actual revenue from new products that are launched. For the EBO mechanism, Advantech established an Executive Committee formed by executive level supervisors to provide substantial strategic support for planning innovative businesses and business models. We also regularly track the market expansion and business growth performance of business units to ensure that innovative measures provide maximum benefits and competitive advantages.

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3.2.1 Business Innovation and Emerging Business Opportunities

IMAX-C

Goals

Advantech's organization is divided into business units, including the Strategic Business Unit (SBU), which focuses on strategy and product R&D, and the Regional Business Unit (RBU), which focuses on sales and regional expansion. Both units work together in managing the Advantech's operations. The IMAX-C mechanism provides the SBU with innovation and business development ideas, in which the "I" stands for incubation of new organizations; the "M" and "A" stand for M&A and alliances, which are our connections to external partners; "X" stands for X-Product, which is the development of new products and services; and "C" stands for Convergence & Consolidation, which involve the integration of internal resources to avoid duplicate products or units.

Method

Each SBU submits IMAX-C proposals by adopting a bottom-up approach according to business level and market. Proposals are consolidated and integrated in individual product lines, the product divisions (formed by multiple product lines), and business groups (formed by multiple product divisions) to form the overall strategy for SBU innovation and operations.

After an SBU proposes an IMAX-C innovation initiative, it teams up with multiple units in Advantech to conduct research, analysis, and discussions on product and service innovation, business model innovation, and organizational innovation. After the decision is finalized, the SBU's annual business plan (ABP) is subsequently launched, laying the foundation for its continued growth and development.

Results

In 2025, Advantech continued to implement strategic plans of various business units through the IMAX-C innovation process, focusing on key technologies and market trends such as artificial intelligence (AI), edge computing, and smart robots. We deployed corresponding edge AI platforms and high-performance computing architecture through collaboration and innovation integration across business units. In addition, we established the WISE-Edge Developer Architecture (WEDA) for edge AI developers, lowering the threshold for technology integration and accelerating the adoption of smart applications on site. At the same time, Advantech continued to deepen cooperation with the ecosystem of chips, software partners, and system integrators, in order to jointly create more valuable solutions for smart manufacturing, healthcare, smart logistics, and robots.

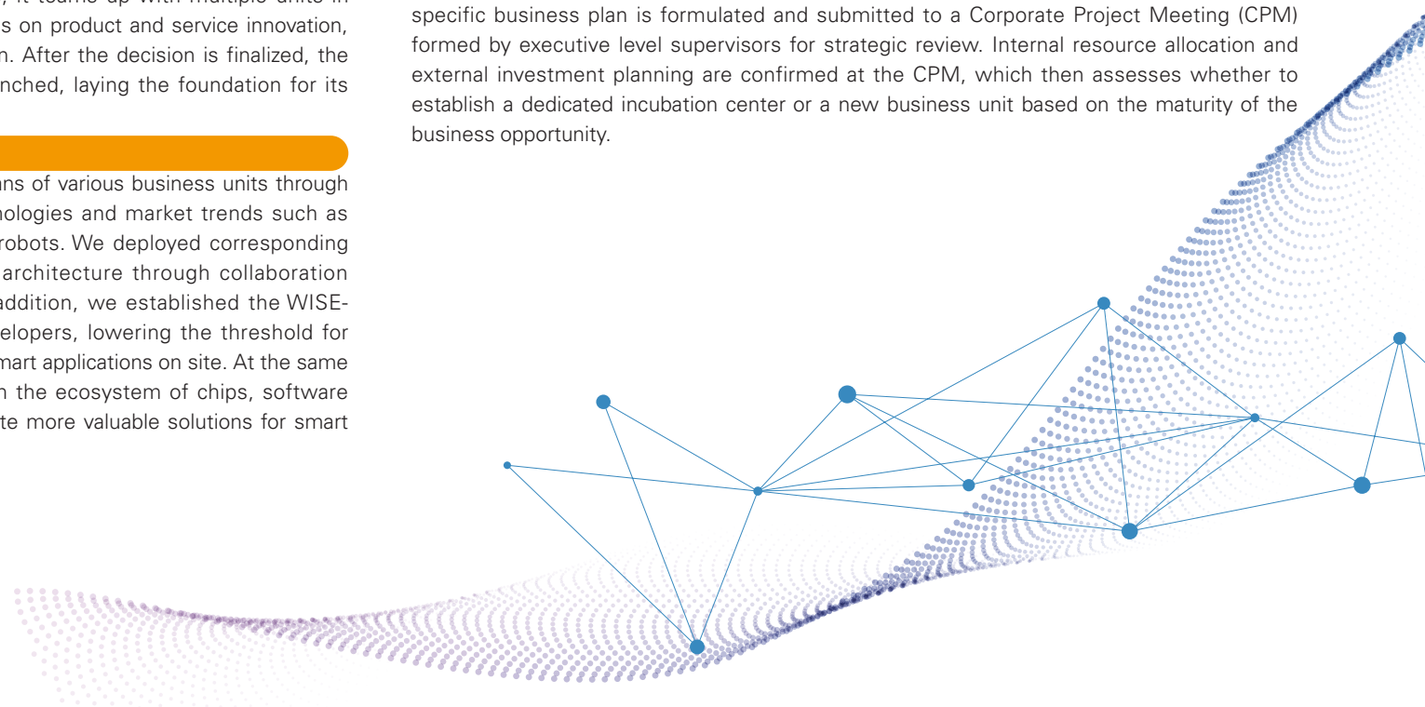
Emerging Business Opportunity (EBO) Development

Goals

Advantech's core business goals are based on our vision under the "Niche Business Unit Cluster" growth model, focusing on specific industries under the strategy to concentrate operations. In 2023, we expanded our original Emerging Business Opportunity (EBO) proposal management mechanism by integrating internal innovation incubation, external investment, and co-creation with academia and startups, thus forming the EBO development mechanism. This mechanism aims to identify innovative business opportunities beyond Advantech's core business, validate the feasibility of new business models and technologies, and expand our business while pursuing sustainable growth.

Method

In 2025, Advantech continued to develop EBO topics based on the "Vote for 2030" global event held in 2023, including 6 forward-looking topics, namely generative artificial intelligence (GenAI) industry applications, industrial robot technology, green energy and energy storage solutions, digital healthcare technology, machine vision applications, and industrial wireless communication. After in-depth market research and strategic evaluation of each topic, a specific business plan is formulated and submitted to a Corporate Project Meeting (CPM) formed by executive level supervisors for strategic review. Internal resource allocation and external investment planning are confirmed at the CPM, which then assesses whether to establish a dedicated incubation center or a new business unit based on the maturity of the business opportunity.



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Results

GenAI industry application solutions

To lower the threshold for adopting GenAI technology in the industry, Advantech launched the Edge Agent for users to quickly build AI pipelines without coding by dragging and dropping nodes on the interface, significantly shortening the development and deployment time and reducing the cost of implementation. This design allows front-line personnel with field experience to participate in the development of AI applications, facilitates talent cultivation and upskilling, and reduces duplicate development and resource waste through modular standardized processes, which will help improve energy efficiency and reduce indirect carbon emissions. At the same time, the visualized and traceable process framework improves the transparency and manageability of AI applications, and strengthens risk control and internal governance mechanisms.

Highlight Project
Edge Agent – Code-free GenAI Process Building Tool

This system not only seamlessly integrates various image sources to quickly launch image analysis, but also supports the real-time conversion of text to voice, and has an automatic reminder function for users to receive feedback in real time on site. More importantly, the system's built-in AI optimization tools such as RAG and contextual learning can directly access internal documents, operating experience, and real-time data, significantly lowering the threshold for GenAI model training and tuning, so that GenAI will not be limited to experiments and can be quickly applied in the field. This solution has been successfully implemented in Advantech's smart factory, which significantly shortened the AI deployment time from approximately 6 months to 3 weeks, significantly accelerating the application and actual benefits of GenAI technology.



Industrial robots

In response to the booming development of global robotics applications, Advantech established the AS&R Business Group in 2024. In 2025, we continued to focus on automated guided vehicles (AGVs), autonomous mobile robots (AMRs), large industrial unmanned vehicles (such as agricultural machinery, slow self-driving vehicles), and other application scenarios. At the same time, we have called on partners in the robot industry chain, such as chips, sensors, and software, to jointly focus on innovations of AI-powered robots and create flexible robot solutions compatible with robot operating systems (ROS). We have implemented the 3 major strategies of cooperation with the ecosystem, standardization, and participation in the developer community to realize a smarter, safer, and automated future applicable across-industries.

Highlight Project
Advantech X Nvidia Jointly Develop Robotic Controllers

Advantech uses the NVIDIA Jetson Thor module to develop ASR-A702 and AFE-A702 robotic controllers, which combine Robotic Suite, Isaac ROS/Sim, and Holoscan, plug and play, and support real-time sensing and ultra-low latency data flow to accelerate integration and deployment. The hardware features time synchronization, ESD protection, seismic resistance design, and OTA upgrade to ensure the stability and security of smart logistics, service robots, and mission critical unmanned applications.

Advantech AS&R Application Partners Summit



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Digital healthcare

Advantech's SIoT (Service IoT) business department has been deeply involved in smart healthcare for many years. In 2025, in response to the structural change in the global healthcare industry caused by AI, we announced that we would integrate edge computing, visualization equipment, smart carts, and eco design as a "platform enabler," laying out the roadmap for smart healthcare in the next 5 years, targeting 5 key areas for AI applications.

- Solutions that improve nursing efficiency, combining smart carts, process optimization, and electronic medication administration management
- Intelligent operating rooms powered by ICT technology enhance operating room collaboration through display technology, image streaming, and edge AI
- Added edge computing and AI capabilities to existing medical equipment, so that traditional equipment could be integrated and upgraded
- Establish clear categories for the infrastructure of healthcare AI and provide different levels of edge platforms based on compute capabilities and model requirements
- Hospital infrastructure, including smart energy management and eco design, to help hospitals achieve sustainable development goals.

Highlight Project

Integration of Technology and Management to Create an Efficient and Humane Clinical Experience



By the end of 2024, the number of clinics in Taiwan had exceeded 23,000, and smart healthcare had extended from large hospitals to clinics. Linkou Mitsui Dental Clinic has implemented Advantech's smart self-service registration and payment system to strengthen clinic management and risk control through digital processes.

Extended reading: Triwells Dental Clinic adopts self-service kiosk of Advantech

Green Energy and Energy Storage Solutions

Advantech's 2025 strategy focuses on six main areas: carbon management, energy management, smart facility management, green electricity, AI-powered energy control for air conditioning and air compressors, and generative AI applications. Through its iEMS smart energy management solution and industry-edge AI applications, Advantech aims to leverage AI to support enterprises' sustainable transformation towards low-carbon and digitalization.

Highlight Solution

iEMS Helps Yageo Become a Model for Manufacturing Transformation

In 2025, Yageo, a leading passive component manufacturer, officially deployed Advantech's iEMS ECOWatch smart energy solution at its Kaohsiung Nanzi plant. This system, through data collection and in-depth analysis, accurately identifies high-energy-consuming hotspots within the plant and uncovers potential energy-saving opportunities. Yageo has thus established scientifically based carbon reduction measures and performance indicators (KPIs), successfully transforming environmental sustainability goals into a core driving force for enhancing the brand's long-term competitiveness.



Yageo's Nanzi Plant Equipment Efficiency (OEE) Management Dashboard

Data/images cited from Business Weekly report on March 27, 2025-- Smart + Low-Carbon Sustainable Transformation: Advantech Assists Taiwanese Enterprises in Sustainable Operations

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Machine vision

With the development of advanced vision applications, Advantech is actively implementing AI image processing technology and engaging in co-creation with ecosystem partners to develop intelligent inspection solutions that integrate hardware, software, and services.

Highlight Project
Collaborating with Smasoft to
Jointly Build Resilient Supply and Brand Trust

Smasoft has deepened the long-term strategic cooperation with Advantech for co-creation across ecosystems through hardware integration. Advantech has become an important driving force of edge AI for Smasoft by providing funding and technical resources at an early stage. Both parties adopted the "software and hardware integrated" sales model and preinstalled AI software packages in GPU servers and IPCs, providing customers with ready-to-use total solutions.

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2025 Automation Taipei- Advantech x Smasoft

Industrial wireless communications

In 2025, Advantech continued to develop high-speed, low-latency, and high-reliability wireless technologies in the field of industrial wireless communications, including jointly developing industrial-grade Wi-Fi 7 modules and deploying validation methods, integrating private 5G and OT security solutions, and showcasing diverse industrial IoT equipment through a collaborative ecosystem, in order to accelerate the implementation of industrial IoT and smart manufacturing applications.

Highlight Project
Jointly Launching the Wi-Fi 7 Module Verification Method

Advantech accelerated Wi-Fi 7 compliance, shortened the certification cycle in multiple countries, The system verifies critical scenarios, such as multiple antennas, multi-streaming, and roaming switching to ensure the safety and reliability of factories, hospitals, and public facilities. At the same time, the integrated testing process is transparent and traceable, strengthening risk control and corporate governance, and ensuring the stable implementation of high-quality products.

Advantech Partners with Rohde & Schwarz to Deliver Compliant and Deployment-Ready Industrial Wi-Fi 7



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3.2.2 Innovative Products and Technologies

TSU

Goals

The executive level supervisor of R&D established the Meeting of Corp. Technology and Engineering (MCT) to horizontally integrate the management of core technologies of each business unit and promote the Technical Sharing Unit (TSU). We focused on 3 major strategies, including: engaging in the digital transformation of R&D, establishing a cross-Strategic Business Group (SBG) technology sharing intellectual property (IP) platform, and building a collaboration platform for core technology management.

Method

We established the Share TSU mechanism to enable sharing and interoperability among the R&D teams of each business group, creating synergy through the horizontal integration of their respective core technologies. The topics include "Engineering," which focuses on TSU R&D expansion and breakthroughs, including IP Sharing module sharing, and "innovation," which emphasizes forward-looking topics and advanced technology research, allowing business groups to co-create comprehensive designs, shorten R&D timelines, and enable product innovation.

Results

Advantech convenes the MCT every 2 months, which is chaired by the executive level supervisor of R&D, and focuses on 3 major technical strategic topics for long-term implementation. Please refer to the table below:

- **MCT/TSU technology strategy topics**

Establish MCT/TSU horizontal collaboration and technology sharing mechanisms

- We have leveraged the MCT as a cross-business unit technology governance and alignment platform, and collaborates with TSUs to promote the sharing of engineering practices and innovation issues.
- Established a cross-business group technology communication and feedback mechanism to quickly expand and reuse R&D know-how, failure experience, design specifications, and technical routes.

2025 results

- Established a sustainable cross-unit technical collaboration platform to improve cross-team collaboration efficiency and decision alignment speed.
- Accelerated consensus building on forward-looking issues and integrated technical resources to strengthen the implementation of R&D digitization and knowledge management.

Implement the "Smart Material Selection and Components Development Blueprint"

- Formulated the "Smart Material Selection and Components Development Blueprint" to recommend mainstream materials and support product design input and mass production.
- Reduced the risk of supply chain fluctuations and improved procurement efficiency through a scalable material use sharing strategy.

2025 results

- Strengthened customer trust by raising product specifications and mass production accuracy (improved the consistency of design/procurement/mass production materials).
- Reduced procurement costs and improved supply stability through centralized material use at scale.

Adopt GenAI/AI Bug Solution

- Applied GenAI in the new product development process to align target market demand with time to market (TTM) management.
- Introduced the AI Bug Solution to strengthen the closed loop of "Problem Prediction → Automated Compilation → Solution Suggestions," reducing the cost of rework and repetitive testing.

2025 results

- Improved R&D efficiency and shortened the development time by 2 months or more (depending on project conditions and the maturity of implementation).
- AI Bug & Solution, Data Sheet AI Agent, and PCB Layout AI Checker shortened cross-departmental bug review from 5-10 hours to about 3 minutes, and improved the accuracy of line diagrams to 90-95%, effectively reducing RD testing times and repeated correction, improving design quality and problem-solving speed.

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3.3 IoT Application Promotion and Education

Using the Resources of an IoT Leading Brand to Promote Industry-Academia Co-creation, and Bridge the Gap Between Education and Employment

Advantech's has invested industrial resources through the industry-academia collaboration mechanism to develop the "3 main pillars" aimed at cultivating IoT talent and bridging the gap between education and employment. Advantech applies "industry-academia co-creation" in the value chain to connect academia, internal employees, and partners in the industry ecosystem to jointly develop applications and solutions. This initiative guides the integration of Advantech's core competencies and resources to benefit society, while driving strong growth in the IoT industry. It also allows academia to direct research toward industrial development and create more job opportunities.

IoT and Education Integrated with Advantech's Core Business Advantages

Advantech provides the WISE-IoTSuite platform with flexible deployment to respond to the needs of different fields and industries based on cutting-edge technologies, such as Machine-to-Intelligence (M^2I), digital twins, industrial big data analytics, and AI. We are working with partners to create new value for the IoT industry and jointly build an open and inclusive ecosystem.

Supporting Advantech's Co-creation Business Model

Advantech is committed to driving the three-stage growth of AIoT based on the concept of co-creation. The first stage focuses on hardware innovation, while the second centers on IoT platform operations integrating IT, OT, cloud, and AI technologies, developing the IoT cloud platform "WISE-IoTSuite." We are now advancing into the third stage, "AIoT solution development and ecosystem expansion," and are addressing the needs of different fields by providing integrated AIoT solutions. Advantech encourages internal product and service development teams to engage in industry-academia co-creation initiatives, aiming to develop high-quality application services and build Advantech's ecosystem in the industrial IoT sector.

Goals and Vision

With the 3 pillars of "talent cultivation," "open innovation," and "alignment of education with employment," Advantech partners with leading universities in key strategic regions worldwide to cultivate key talent for the IoT and edge computing industries, serving as an incubation center for industrial innovation.

Aligning education with employment:

Advantech promotes the co-creation ecosystem by linking academic R&D capabilities with the industry's technological development needs. We foster innovation and cultivate talent through a progressive approach, starting with "industry-academia collaboration projects," followed by "internships for master's and doctoral students," to "transitioning to the industry."

- Industry-Academia collaboration projects

  Every year, Advantech partners with major universities based on key development trends in the IoT industry, and aims to link the industry's practical needs with academic research capabilities for innovation, creating a positive industry-academia collaboration cycle through inside-out and outside-in approaches.

  - **Inside-out:** We align our internal technology development roadmap with the AIoT R&D plans of schools. Then, we conduct proof of concept (POC) for innovative IoT applications by linking market demand to the R&D capabilities of schools, and combining internal and external (customer) scenarios in the field, developing and marketing products based on the results of industry-academia collaboration.
  - **Outside-in:** For university laboratories' research projects and developing applications with productization potential, we bridge them and internal teams to roll out co-creation plans. External innovations are utilized to inspire the internal development of new products and new technologies, which may further become an important source of innovation for new business units.

- Advantech founded the Intelligent System Research Center at National Yang Ming Chiao Tung University in 2015, and has accumulated over 68 projects. In 2025, Advantech completed the matchmaking for 6 industry-academia projects, including thermal technology, inspection mechanism for over-current protection (OCP) design in circuit diagrams, software layer container development, and VLM optimization on edge devices.

- To combine the capabilities of domestic industry and academia, Advantech launched three-year industry-academia collaboration projects with National Taiwan University of Science and Technology and National Taipei University of Technology in 2025.

  - Advantech and National Taipei University of Technology jointly established an R&D and talent cultivation center to focus on diverse applications and technologies, such as edge computing, AI, and the IoT. We also collaborated with National Taipei University of Technology's Frontier Institute of Research for Science and Technology and Center for Artificial Intelligence Research in forming a cross-disciplinary research team to jointly resolve industrial pain points and technology bottlenecks.

(News report: National Taipei University of Technology Partners with Advantech to jointly cultivate AI and edge computing talent)

  - Advantech collaborated with the College of Industry-Academia Innovation, National Taiwan University of Science and Technology, and formed cross-disciplinary research teams to solve industry issues in AI, IoT, information security management, energy, and public enterprises.

(News report: Advantech partners with National Taiwan University of Science and Technology to accelerate edge computing and AI innovation)

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Highlights

Cross-team collaboration in the development of an AI Agent for inspecting circuit diagrams, facilitating internal and external technical exchanges and talent cultivation

This comprehensive and large-scale project is planned with 3 sub-projects based on the research expertise of partnering faculty members. The sub-projects are implemented by 3 teams from National Yang Ming Chiao Tung University, National Taiwan University of Science and Technology, and National Taipei University of Technology. During the project period, cross-team collaboration meetings are held regularly to strengthen the exchange of research results and technological advancements, so that participants can not only gain an in-depth understanding of the contents of each sub-project, but also comprehensively grasp the overall project direction and different perspectives for research perspectives. This further achieves cross-team knowledge sharing and collaboration, and leverages the synergies from R&D.

- **Environmental:** The automatic inspection system for circuit boards uses AI and automation technologies to identify potential defects early in the design and verification stage, effectively reducing rework, scrapped work, and material waste. This reduces energy consumption and indirect carbon emissions in the R&D and manufacturing process. At the same time, it improves product design quality and reliability, extends the service life of electronic products, and reduces the generation of electronic waste. Overall, it will help improve resource utilization efficiency, support companies in implementing energy conservation and carbon reduction, circular economy, and environmental sustainability.



- **Social:** The project provides opportunities for academia to participate in forward-looking technology development, and facilitates talent cultivation for smart manufacturing and green technology.
- **Governance:** Companies can reduce R&D risks and more efficiently verify designs through collaboration with academic institutions, ensuring that products meet global green standards.

Talent cultivation

Domain know-how and cross-industry applications are the keys to cultivating IoT talent. Advantech thus took the initiative and established the AIoT Academy, an online learning platform, and will combine regional certification centers in the future to cultivate key IoT talent and expand into the educational applications market. (For more information on the AIoT Academy, please refer to Chapter 6 IoT Education and Industry-Academia Co-creation)

To bridge the gap between industry and academia, Advantech continues to strengthen collaboration with Taiwan's leading universities, design practice-oriented research topics based on industry needs, and work with academia to drive technological development. Advantech also plans student internship programs that allow students to accumulate practical experience in the industry and become ready-to-deploy IoT talent. This will further drive technological innovation in the industry, strengthen industry-academia collaboration, and facilitate the comprehensive development of the IoT ecosystem. (For more information on AIoT Innoworks, please refer to Chapter 6 IoT Education and Industry-Academia Co-creation)

AIoT Innoworks

Advantech provides online education and certification resources, an IoT platform, and industry mentors, and recruits students interested in IoT to form teams to develop innovative IoT applications on Advantech's platform. In addition to cultivating IoT talents, we also help target groups explore the potential innovative applications of IoT. (For more information on AIoT Innoworks, please refer to Chapter 6 IoT Education and Industry-Academia Co-creation)

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3.4 Co-creation with Customers and Partners

Name of material topic	Please describe the importance of this material topic to Advantech		
Co-creation with customers and partners	As a global leader in the IoT industry, Advantech is dedicated to providing exceptional products and services. Customer satisfaction has a direct impact on Advantech's brand value, long-term market competitiveness, and customer loyalty. It also impacts the interests of stakeholders (such as employees, customers, shareholders, and partners). Hence, we have developed a model of transparent, efficient, and resilient customer relationship management. Customer satisfaction and the ecosystem of partners are the digital central nervous system at the core of Advantech's competitiveness. Advantech utilized AI technology and data governance to not only improve operational stability, but also create long-term sustainability value together with partners, responding to environmental and social challenges with stable digital competitiveness that amplifies the overall creativity of the IoT industry.		
Management strategy	**I. Global strategic integration** ■ **Deepening the global transformation blueprint:** Continue to expand the scope of digital transformation, and incorporate global operation systems (e.g., Southeast Asia and Australia) into a unified management platform to achieve the goal of integrating cross-regional and cross-functional operations. ■ **Eliminating information islands:** Establish a customer-centric database ecosystem through the deep alignment of core CRM and after-sales service systems to ensure transparent data sharing across the world in real-time. **II. AI-driven and AI-enabled** ■ **Implementing AI-assisted decision-making:** Apply AI technologies in 3 major scenarios: customer insights, sales empowerment, and data democratization, creating an environment for efficient human-machine collaboration. ■ **Shifting to a profit center:** Use an AI opportunity analysis model to identify potential business opportunities from technical consultations, and transform customer services from passive support into a core engine that actively drives revenue growth.	**III. Co-creating value with ecosystem partners** ■ **Systematization of the PRM platform:** Continue to establish and optimize the partner management platform, systematically link orders, contracts, and marketing budget management, and improve the transparency and accountability mechanisms for channel governance. ■ **Refining distribution system management:** We view customers and distributors as partners, and aim to work together in the market through the co-creation mechanism; in addition, we provide diverse online training and digital tools to enhance our collective competitiveness. **IV. Data governance and privacy security** ■ **Building a resilient information security network:** Adopt multi-factor authentication (MFA) and implement rigorous identity verification mechanisms to ensure the security of customers' assets worldwide. ■ **Implementation of international data standards:** Implement an AI verification mechanism to convert data from around the world into the international standard format E.164, ensuring the quality and compliance of data governance. ■ **Comprehensive privacy protection:** We are committed to continue strengthening information protection, ensuring that customer privacy is fully protected in all nodes of the digital journey.	**V. Customer service quality and satisfaction** ■ **Improving service response efficiency:** Establish a unified global case handling process to ensure seamless collaboration across time zones and levels, and strive to shorten the processing time of cases. ■ **Optimizing the feedback mechanism:** Monitor customer needs in real time through the satisfaction survey on the official website and digital portal combined with AI analysis and internal communication, and initiate the cross-unit optimization process for items with low scores. Increase response speed through customer satisfaction surveys, AI analysis, and internal communication. Improvements to the customer feedback mechanism include: (1) Lower the risk of customer dissatisfaction: Data collection enables adjustments to be made to products and services in a timely manner. (2) Improve service quality: Strengthen the technical support team and provide customized solutions. (3) Strengthen internal competition mechanisms: Evaluate and organize RBU customer satisfaction evaluations in the future to raise internal service awareness. ■ **Empowerment and professional support for talent:** Strengthen the technical support team, use AI to perform repetitive tasks, allow professional talents to focus on creative and customized solutions, and increase the depth of services. **VI. Sustainable investment in IoT business** ■ **Focusing on core development:** Advantech is committed to developing the Internet of Things (IoT) and continues to invest in IoT platforms and edge AI solutions to drive digital transformation and green upgrade in the industry.
Policy or commitment	Advantech is committed to maintaining high quality customer services, and continuously monitors customer satisfaction indicators to improve the customer experience and ensure our sustainability.		
Positive impacts	■ Increases brand loyalty to ensure a competitive advantage in the market.	■ Strengthens the confidence of stakeholders and increases trust from the market.	■ Improves the image of corporate social responsibility through the ESG transparency reporting system.
Negative impacts	■ Lower customer satisfaction might affect our reputation.	■ Higher risk of market loss might affect revenue.	■ Poor service might lead to customer complaints, compliance risks, and goodwill impairment.

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Name of material topic	Please describe the importance of this material topic to Advantech		
Actions in response to negative impacts that occur	■ In response to low customer satisfaction 1. Conduct in-depth diagnosis of the 5 dimensions TQRDC in accordance with the S-002 Management Procedure. 2. Establish VIP (KA) exclusive service mechanisms to accurately capture key pain points through in-depth interviews.	■ In response to higher market loss risk 1. Strengthen supply chain risk warning and safe inventory management to ensure the resilience of product delivery. 2. Integrate customer experience data into the knowledge management platform to optimize design specifications for similar models.	■ In response to poor service and complaints 1. Implement the CAPA (corrective and preventive actions) mechanism and ensure that the improvement completion rate reaches 100%. 2. Track data through digital systems (QFS/RMA) to realize closed-loop quality management throughout the life cycle.
Overview of target achievement in 2025	■ **Customer satisfaction:** Revenue from sampled customers accounted for 84.00% of total revenue, and the average customer satisfaction score was 91.55 points. ■ **Digital service upgrade:** • Successfully incorporated Southeast Asia and Australia into Salesforce management. • Completed the system migration for 15 after-sales service teams to ensure uninterrupted services. • Officially launched PRM Dashboard Phase 1 to increase the transparency of channel governance ■ **Quantitative indicators achieved:** • Customer satisfaction: The average satisfaction score for the official website and digital portal was 4.053 points (five-point scale). • AI application results: AI generated 50 high-quality articles. The coverage rate of the AI product recommendation system on the official website reached 100% and the conversion rate was 5.41%. • Lead conversion: The Chatbot AI model successfully identified and converted 799 high potential leads.	■ **Improved platform participation:** 4,607 people logged into the MyAdvantech platform and 408 people placed orders online. ■ **Digital channel revenue growth:** The percentage of revenue accounted for by online revenue continued to increased compared to 2024 to 20.6%. ■ **Channel governance system:** Functions of the Partner Relationship Management (PRM) Dashboard Phase 1 were officially launched in the fourth quarter of 2025, systematically linking orders, quotations, and project information. ■ **Electronic contract management:** The signing of approximately 75 electronic contracts was completed in Europe through the e-Contract function, significantly reducing communication costs. ■ **Digital platform traffic:** The official website has accumulated 4,517,244 visits and successfully converted 28,916 new members. ■ **Integrated marketing at COMPUTEX:** During the exhibition in 2025, the branding pavilion attracted more than 25,000 visitors, and the total number of views of the live stream exceeded 200,000.	■ **Benefits from exhibitions worldwide:** Advantech participated in 94 international exhibitions throughout the year, with an average of nearly 400 opportunities obtained at each exhibition, and the cost of a single opportunity (US$96) was far lower than the market average. ■ **Real-time interaction upgrade:** The Live Chat mechanism was introduced in July 2025, and a total of 5,104 service conversations were completed by the end of the year. ■ **Global system integration:** Successfully incorporated Southeast Asia and Australia into the scope of salesforce management and further implemented the "ONE Advantech" strategy. ■ **Service process revolution:** Advantech led over 15 after-sales service teams around the world to relocate their system to Service Cloud, reducing the average processing time of cases by 25%. ■ **Profits brought by AI:** Successfully converted 799 leads from technical consulting through the AI business opportunity analysis model, driving revenue and profits. ■ **Transitioning to human-machine collaboration:** After the migration of the chatbot, nearly 70% of online consultations are initially handled by an AI assistant, ensuring uninterrupted services around the clock.
2026 targets	Customer satisfaction survey: ■ Revenue from sampled customers accounts for at least 85% of total revenue ■ Average customer satisfaction score of 90 points and above ■ Established a VIP (KA) customer satisfaction collection/visit mechanism (3 customers) Digital service upgrade: ■ **Introduction of the SDR Agent:** Formally introduced the SDR mechanism to automate the preliminary selection of business opportunities, and shorten the conversion cycle. Advancing from semi-manual to semi-automatic assignment, with the ultimate goal of full automation. ■ **Customer Insights Agent upgrade:** Combine Perplexity with internal data to automatically generate high-dimensional customer personas, and effectively present more dimensions of data and the customer's digital activity history to the sales agent. ■ **Introduction of new areas in the SF ecosystem:** Advantech China has adopted the Salesforce ecosystem (Sales Cloud) to strengthen the integration of RBU data and information. Advantech InterCon was added in the Marketing Cloud, and the ASEAN region was added in the Marketing Cloud and Service Cloud.		

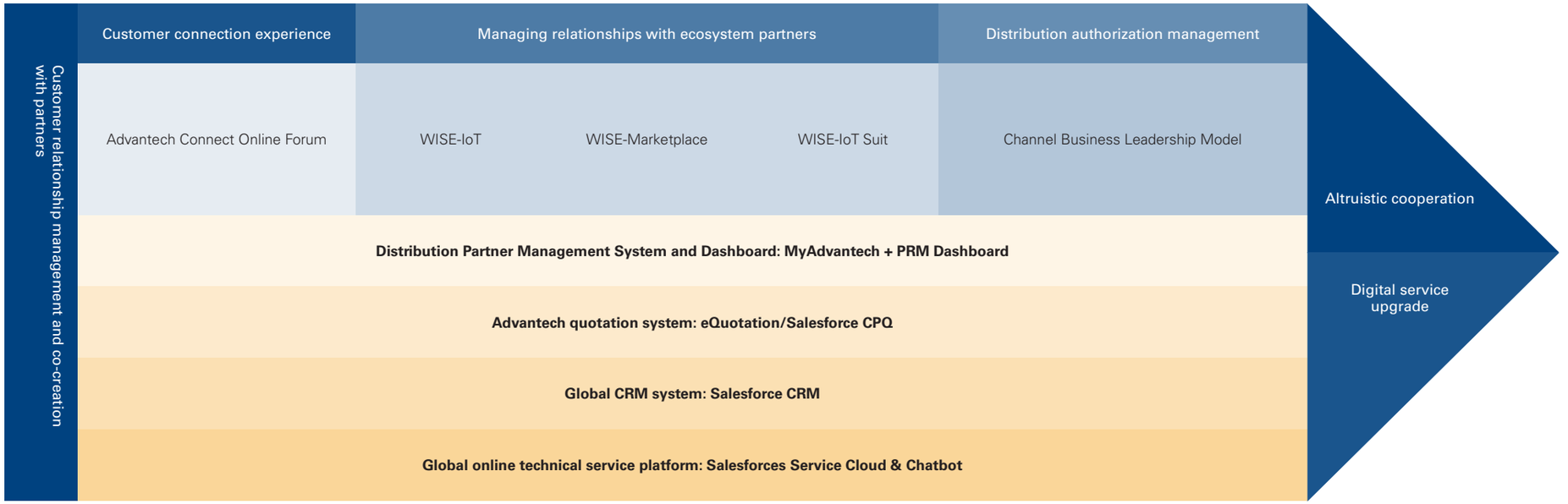
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2030 targets	Distributor management The overall revenue from global distribution channels continues to grow to over US$650 million or with a CAGR exceeding 10%. Sector-focused distribution partners and premium distribution partners account for over 50% of revenue and volume.	Digital service upgrade: Incorporate supply chain management into Salesforce and integrate key processes of front-line operations and inventory management. This will achieve digitalized and transparent order processing, inventory monitoring, and logistics management in real time, and is expected to improve operational efficiency while reducing resource waste and carbon emissions, thereby achieving environmental protection and corporate governance goals. The CRM achieves a 360-degree perspective of customers, and integrates various systems and interaction data for the sales team to gain a comprehensive understanding of customer needs and provide more accurate and personalized services. This not only increases customer satisfaction, but also provides solid support to Advantech in terms of data transparency and decision optimization.	Customer satisfaction survey: ■ Revenue from sampled customers accounts for at least 85% of total revenue, and the average customer satisfaction score is at least 91 points. ■ Establish a global customer satisfaction benchmarking mechanism to ensure long-term competitiveness. ■ Deepen our commitment to ESG and ensure transparent and sustainable customer services.
Key action plans or programs in 2025	■ **Introduction of the SDR Agent:** Formally introduced the SDR mechanism to automate the preliminary selection of business opportunities, and shorten the conversion cycle. ■ **Customer Insights Agent:** Combined Perplexity with internal data to automatically generate high-dimensional customer personas, and shortened the data compilation time from hours to minutes.	■ **SCM-oriented demand forecast:** Established a digital governance system based on Customer 360 to achieve more rigorous operational planning and reduce inventory pressure. ■ **AI content creation engine:** Adopted the generative engine optimization (GEO) strategy to resolve pain points in content creation and enhance brand authority.	Customer satisfaction: ■ Improved data analysis through the Mailbee system in the form of an EDM page. ■ Optimized supply chain management to ensure on-time product delivery. ■ Strengthened customer care mechanisms and established VIP (KA) exclusive services.
Effectiveness evaluation	■ **Operational efficiency improvement:** Integration through Service Cloud improved the efficiency of case handling. ■ **Data democratization:** Sales agents are able to directly inquire about complex ERP data in natural language, lowering the technical threshold.	■ **Substantive economic contribution:** AI applications not only provide a better experience, but also directly drive revenue growth, verifying the value of digital tools as the core engine of operations. ■ The improvement in customer satisfaction is evaluated based on the annual customer satisfaction score.	■ The results of customer satisfaction surveys and the records of improvement actions are reviewed on an annual basis during management reviews in accordance with "Q-005 Management Responsibility Communication and Review Procedures," and a regular internal audit mechanism is established to ensure that service standards are implemented. The results and records are provided to the ESG Office for preparing ESG reports. ■ We will look into engaging external institutions to conduct independent reviews to verify the effectiveness of customer satisfaction management.
Stakeholders affected by this material topic and actions taken by Advantech	■ Employees: Enhanced service training and tracked customer satisfaction KPIs. ■ Customers: Established a real-time customer service system to improve response efficiency. ■ Suppliers and contractors: Improved product delivery transparency to ensure customer satisfaction. ■ Shareholders and investment institutions: Disclosed action plans to improve customer satisfaction through the annual ESG report. ■ Government/Associations/Media: Responded to related inquiries and provided sustainability service reports.		

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3.4.1 Co-creation with Customers and Partners

3.4.1.0 Managing Relationships with Ecosystem Partners



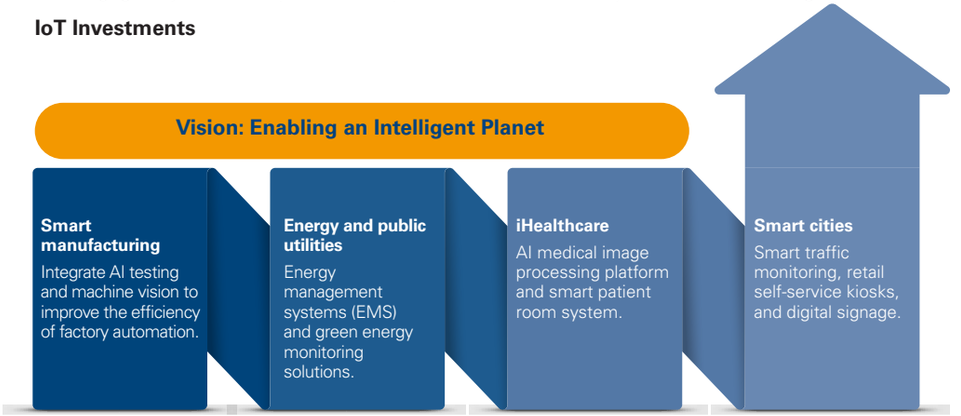
Promote innovation	Enhance competitive advantages	Expand market and business opportunities	Resource integration and risk sharing	Facilitate sustainable development	Improve brand image and trust
■ Gather professional knowledge in different fields and inspire innovative ideas and technological breakthroughs through resource sharing. ■ Accelerate product R&D and business model innovation to enhance market competitiveness.	■ Create a stable and mutually beneficial ecosystem to effectively respond to rapidly changing market needs and challenges. ■ Work together with partners to improve supply chain efficiency and reduce operating costs.	■ Enter new markets or fields through cooperation to diversify our business. ■ Develop more application scenarios and services to increase sources of revenue.	■ Consolidate funds, technology, and manpower and diversify operational risks through ecosystem value sharing, in order to reduce the pressure on a single company and improve overall operational stability. ■ Increase the transparency of channel governance and improve the quality of internal controls and risk management capabilities through the PRM management dashboard that systematizes and visualizes operational information. The dashboard serves as an important digital foundation for corporate governance and sustainability.	■ Collaborate with partners to work towards ESG goals and jointly create sustainability value. ■ Solve common issues in the industry, such as carbon reduction or circular economy practices, through the co-creation model.	■ Show the sense of responsibility of Advantech and its partners to pursue long-term value and gain market trust and recognition. ■ Strengthen our role and position in the ecosystem to secure our leadership in the industry.

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Investment in Innovation

Advantech has explored and invested in IoT startups over the years, and supports startups in Taiwan, Japan, China, Europe, and the United States through strategic cooperation, direct investment, or indirectly through external regional IoT funds. We link together technologies, products, and market expansion through strategic cooperation agreements and investments, and engage in joint development with partners in the IoT ecosystems of various regions.

IoT Investments



In terms of investments made by the IoT fund, in addition to investments made by existing dedicated funds, Advantech has partnered with even more investors with industry insights, such as China's Midea Capital and Japan's Global Brain, to make early investments in startups in key fields, including edge AI and computing, smart equipment, and smart manufacturing, actively exploring long-term development opportunities for the future of the Group's business.

In terms of direct investment in the smart space, smart building, and energy-saving industries, we made an additional investment in the startup Adveco, and continue to empower it to become a solution provider. In the field of smart healthcare, we directly invested in Medimaging Integrated Solution to jointly develop AI medical imaging solutions. For example, we used AI to enhance optical coherence tomography technology.

Featured Case Study 1:
AAMA AIoT Enterprise Co-creation Program

To advance the development of the AIoT industry ecosystem, Advantech has partnered with Chunghwa Telecom, and Asia America Multi-Technology Association (AAMA) to jointly implement the "AAMA AIoT Co-creation Program." Startups that participated in the program in 2025 focused on the application of edge AI and generative AI in healthcare, manufacturing, retail, and agriculture. We discovered promising startup teams through the selection mechanism, and jointly explored AIoT applications, developed solutions, and expanded markets.

Case Study 2
The Pan Wen Yuan Foundation presents awards to outstanding research and technology talent

Advantech has long supported the Pan Wen Yuan Foundation to reward outstanding Chinese talents for technology research and industrial applications in electronics, information, and communications in Taiwan and overseas. In 2025, the AIoT Innovation Award was awarded to a team formed by the Industrial Technology Research Institute's Central Region Campus. The team is developing a baseball court imaging system, using high-speed cameras to film the movement of baseballs and players during games. It combines computer vision algorithms to establish a platform for analyzing data that is impacted, and realize 3D trajectory, motion reconstruction, and match data analysis.



Group Photo of Winners of the 4 Major Awards Presented by the Pan Wen Yuan Foundation in 2025

Results Presentation

Sponsored unit	Supported field	Supported benefits or co-creation model
Asia America Multi-Technology Association (AAMA)	Smart healthcare, smart manufacturing, smart retail, and smart agriculture	In partnership with Chunghwa Telecom, 11 startups were recruited through industry-specific proposals and guidance, and co-creation solutions were discussed with 6 startups.
Garage+	Industrial IoT and industrial AI applications	We supported Epoch School in offering entrepreneurship training for college students. The program recruited 87 college students, organized 20 workshops and training events, and provided 100+ one-on-one consultations.
Pan Wen Yuen AIoT Innovation Award	Industrial IoT	A total of 13 startup/school teams for IoT applications were recruited, and teams that developed innovative IoT applications were selected. Bonuses, industry mentors, and practical guidance were provided for the industrial application of technologies.

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3.4.2 Customer Relationships, Distributors, and Channel Management

Global Customer Relationship Management System

Advantech continues to deepen its roadmap for global digital transformation. After the successful deployment of Salesforce in the United States, Europe, Asia-Pacific, and Latin America, we officially included Southeast Asia and Australia into the scope of management using Salesforce in 2025, making the global operation system more complete and further achieving the goal of integration towards "ONE Advantech." In terms of corporate governance and data security, Advantech has implemented an even more proactive and rigorous mechanism. In response to the global information protection requirements, we have adopted multi-factor authentication through Salesforce, building a more resilient information security network while increasing system flexibility to ensure the security and compliance of customers' assets worldwide. The CRM system has become a digital central nervous system for business services. Under the following projects, Advantech is integrating AI technology development with the establishment of a digital ecosystem, and is committed to developing a transparent, efficient, and sustainable customer relationship management model, responding to long-term challenges of the environment and society with robust digital competitiveness.

Global Customer Relations Management System - C360 + CDP Agent

Advantech continues to deepen its Customer 360 plan, and has integrated the data of the ERP and quotation systems, establishing a solid data niche on the Salesforce platform. The centralized data gives sales and management teams real-time insights into key customer indicators, including the RFM model, average order transfer rate, discount rate, and number of days on market automatically calculated by the ERP system. At the same time, we established exclusive indicators for channel partners, such as the percentage of sales with special discounts and partner discount trends, to effectively implement resource conservation and precision governance.

On this data foundation, we further introduced the CDP Agent this year, leading our business model from "data integration" to "AI enablement." The application of the CDP Agent achieved value shifts in 2 dimensions: The first is the "efficiency revolution." AI can automatically summarize customer backgrounds, industry applications, and real-time trends, and provide transparent sources of reference. In the past, the time it took to manually compile the data using search engines was counted in hours. Now it takes minutes, solving the pain point of small- and medium-sized customers lacking the data. The second is "decision-making upgrade." AI predicts growth potential by analyzing market trends, actively reminds sales agents of the technology transformation needs of specific industries, and accurately provides a suitable product portfolio. This transformation has allowed sales teams to shift from passively receiving orders to proactively creating business opportunities, and uses AI to drive our sustainable competitiveness.

Global Customer Relationship Management System - AI Application Scenarios and Tools

With AI-driven decision-making, data has become even more valuable as it can improve AI applications on the CRM platform as Advantech adopts GenAI technology with the "Customer Insights Agent" at the core. We integrated CRM, ERP, and external network information to apply AI in 3 major scenarios: "customer insights," "sales empowerment," and "data democratization," aiming to create an efficient working environment for human-machine collaboration and fulfill our commitment to digital transformation and sustainability.

- Customer Insights Agent: Network-wide data integration to build precise customer personas

Manually collecting data was a time-consuming task of sales agents due to fragmented market information. We developed the Customer Insights Agent, which combines the Perplexity search engine with internal CRM data, to automatically generate high-dimensional customer analysis.

- Sales empowered by Gen AI: Optimizes communication efficiency in human-machine collaboration

To solve the pain point of sales teams needing to frequently write cold e-mails each day, we introduced Gen AI-assisted content generation and developed an efficient collaboration model of "AI generated framework (80%) + manually editing details (20%)."

- AI data scraping: Removing technical thresholds to realize data democratization

To lower the technical threshold for sales agents to obtain data and reduce their dependence on administrative personnel, we use natural language processing technology to enable users to directly inquire about complex ERP data in a conversation.

ESG	Description of key benefits
Environmental	**Carbon reduction through digitalization** Precise AI predictions and customer screening reduce the carbon footprint of ineffective visits and business trips. Highly digitalized operating procedures further achieve paperless office environments.
Social	**Employee empowerment and satisfaction** AI is used to perform highly repetitive data collection tasks with low added value (e.g., manually pulling orders and writing letters), allowing employees to focus on creative and strategic work, which improves their sense of achievement and satisfaction.
Corporate governance	**Data transparency and compliance** Information scattered in Outlook and personal computers are collected into the platform for management, eliminating information islands. Having AI generate sales descriptions ensures Advantech's compliance and a consistent brand image.

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Global Customer Relations Management System - SDR

Advantech officially introduced the SDR Agent mechanism in 2025 to further drive global sales momentum and maximize the value of data. The in-depth integration of Salesforce and AI technology enables the SDR team to accurately analyze potential customer needs, and perform efficient screening and preliminary development at the front end of the business, ensuring that every lead can receive the most immediate and professional responses. This transformation not only shortens the cycle from "first contact" to "actual conversion," but also shows Advantech's determination to establish standardized automatic development processes in different regional markets. We utilize AI prediction models to enable SDR to focus on high-value customer interactions and improve the transparency and accuracy of information flow. This shows that Advantech's use of digital tools has evolved from simple data management to a core engine that actively drives revenue growth and digital empowerment.

Global Customer Relationship Management System - Data Security and Privacy Protection, Phone Number Verification

Advantech plans to officially launch the "smartphone verification mechanism" in June 2026 to further optimize the accuracy of global customer data and strengthen privacy protection. The purpose of this mechanism is to improve the quality of data governance from the source, and ensure the authenticity and validity of contact information in the CRM system through automated global format identification and real-time verification technology. This technology is not only able to correct invalid data at an earlier stage, but also has an automatic country code detection function to convert data from around the world into the international standard format E.164. High-quality accurate data will directly empower the Service Cloud platform, and significantly improve the response speed and reliability of global services.

Global Customer Relationship Management System - SCM-Oriented Demand Forecasting

To strengthen the supply chain's resilience and improve global resource allocation efficiency, Advantech launched an SCM-oriented demand forecasting system in November 2025, and successfully developed a digital governance system based on Customer 360. This system uses real-time revenue insights and lead tracking mechanisms to accurately identify potential trends and analyze and predict gaps, thereby making operations planning more rigorous. In terms of production capacity allocation, Advantech dynamically allocates resources based on the priority of product demand, ensuring that resources are precisely invested in high-value production lines, reducing excess inventory and resource consumption from the source. This not only significantly improves operational agility, but also achieves the long-term governance goals of precision production and sustainability.

Distributor Management Platform

MyAdvantech/PRM Usage and Quantitative Indicators in 2025

Advantech's distributor management platform, MyAdvantech (MyA), has accumulated a large number of users, including employees and distributors, since it was launched. Users can place orders on MyA, view inventory and price information, and track the status of orders. In 2025, 4,607 distributors logged into MyA, with 408 distributors placing orders.

In addition, the functions of partner relationship management (PRM) modules are as follows: In 2025, approximately 75 electronic contracts were signed using the "European Distributor Electronic Contract Signing" function in Salesforce. The Channel Dashboard on MyA provides information on contract, orders, products, payment status, and projects to distributors that have signed a contract.

Distributor Management Platform - Online Customer / Online Revenue

■ Online Customers

	2023	2024	2025
% of total customers using your online services solutions/sales platform	27.9	15	9

■ Online Revenues

	2023	2024	2025
% of revenues generated online (e.g. through direct sales, advertising, etc.)	14.8	19.4	20.6

Distributor Management Platform - Distributor Management Dashboard and Evolution of Daily Management Practices

Advantech continues to develop the PRM Dashboard to deepen channel governance and corporate sustainability. The dashboard serves as an important digital foundation for increasing the transparency of customer, distributor, and channel management. Phase 1 functions of the platform were officially launched in the fourth quarter of 2025, and systematically link core data, such as orders, quotations, projects, product portfolios, and contract management, effectively eliminating the information gap across systems and across regions, and establishing a consistent and traceable cooperation perspective that is updated in real-time. We will continue to implement Phase 2 in 2026, including the reward planning module and marketing budget management functions, which will become the key management mechanism for Advantech to integrate global channel operations and collaborate with partners.

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The PRM platform not only supports the visualized management of partner performance and operational indicators, but also helps identify potential risks in real time, improve internal control quality and compliance efficiency, and strengthen Advantech's accountability mechanism in channel governance. The digitalized and systematic collaboration framework makes it possible for Advantech to more accurately allocate resources, formulate long-term plans, and build partnerships based on trust, transparency, and common goals. The introduction of this platform further fulfills Advantech's commitment to governance, accountability, and sustainable development, and allows channel operations to move from being transaction-oriented to co-creation of long-term value.

Distributor Management Platform - Electronic Contract and Signature Management

In 2025, the team continued to optimize functions of the distributor management platform. One of the functions is electronic signature management for annual contracts with distributors. The team previously implemented electronic contract signing in Europe on a trial basis, exploring functions and business processes. The electronic contract features utilized across Europe have been gradually refined and have matured significantly in recent years. Ensuring that data is linked in real time, the system is also capable to automatically select contract templates and generate contract files based on the fields filled in by sales agents. Contract preview and auto save functions were also added for sales agents to double check if the contents of contracts are correct. The system also reduces the cost of communication between distributors, sales agents, and headquarters management personnel, and significantly improves efficiency.

The team launched a function expansion plan in 2026, and has leveraged MyAdvantech's large number of internal and external users to further expand the influence and benefits of the platform. The function was officially launched in Taiwan and South Korea in late January 2026. We plan to make the electronic signature function for distributor contracts available in more regions.

Official Website

Usage and Quantitative Indicators in 2025

During the reporting year, the total number of visits to the official website reached 4,517,244, indicating that the official digital platform has become the main channel for external users to obtain information on products and services. A total of 28,916 visitors were successfully converted into members through the official website's navigation and registration mechanism, effectively improving the basis for customer relationship management and access to subsequent services.

In addition, to respond to user needs in real time and improve the digital interaction experience, Advantech officially launched the live chat mechanism in July 2025. As of the end of the year, a total of 5,104 conversations were recorded, improving the efficiency of two-way communication and the accessibility of services.

The aforementioned digital indicators reflect that increasing information transparency, customer participation, and service accessibility through digital services remains an important foundation for Advantech to achieve digital sustainability and good governance.

In-depth Interaction with Customers at COMPUTEX

Advantech returned to COMPUTEX in 2025 with the theme of "Edge Computing & WISE-Edge in Action," and developed a series of integration activities that focused on customer participation and in-depth exchanges. Advantech engaged in multiple levels of dialogue with industry partners and customers through in-person exchanges, digital interactions, and global live streaming.

- Edge Computing & WISE-Edge in Action Conference 2025

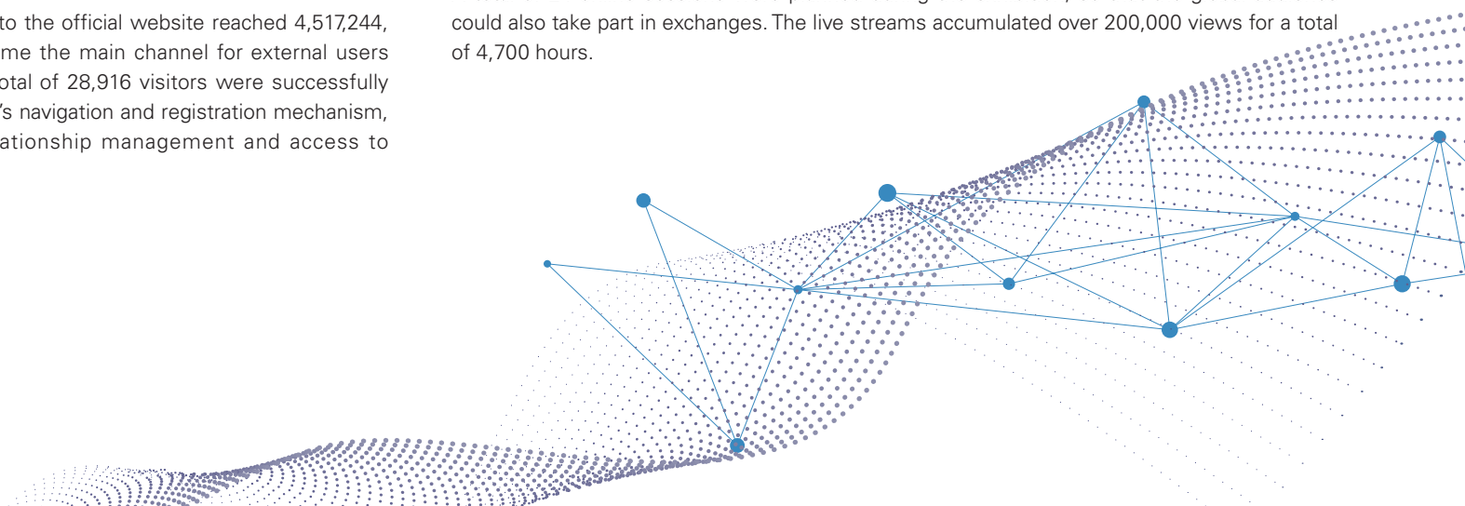
The forum focused on the perspectives of industry leaders and gathered together over a thousand industry experts and customer representatives to discuss edge computing applications and future strategies. With over 15,000 viewers worldwide participating in person and via live stream, industry perspectives were no longer limited by location, ultimately amplifying real-time interactions and our influence on customers globally.

- Branding Pavilion

The branding pavilion presented a variety of solutions for AI edge computing divided into 10 topics under 3 main themes. It attracted over 25,000 visitors to experience the solutions during the exhibition. The technology demonstrations, on-site explanations, and co-creation with partners allowed visitors to not only "view," but also participate in and understand application scenarios.

- Live Stream × 24 Sessions

A total of 24 online sessions were planned during the exhibition, so that the global audience could also take part in exchanges. The live streams accumulated over 200,000 views for a total of 4,700 hours.



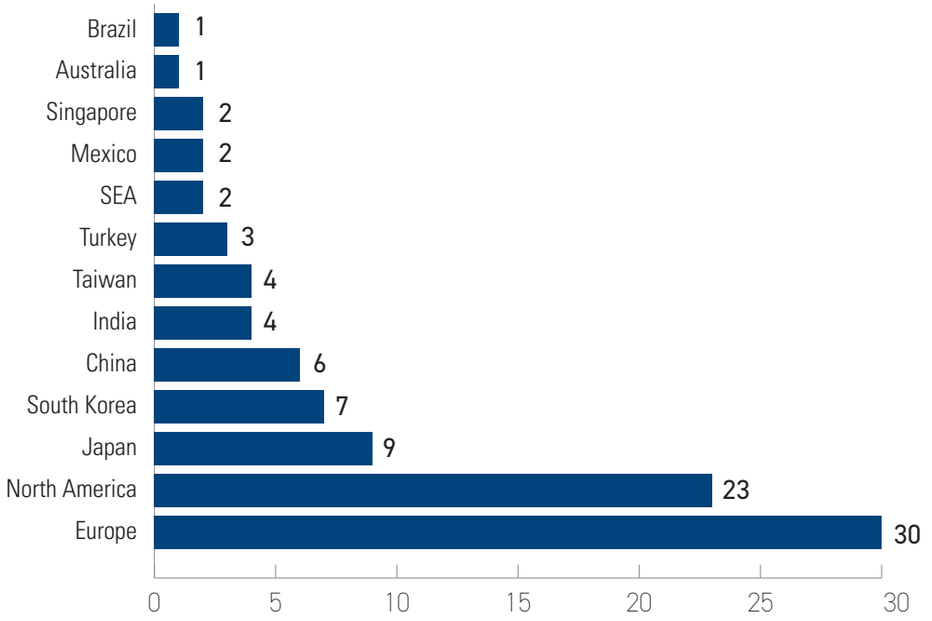
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Report on Exhibitions Worldwide in 2025

Exhibitions worldwide are important venues for Advantech to promote sustainability governance, and also key platforms for promoting green transformation and exchanging sustainability values in the industry. By participating in international exhibitions, we not only showcase energy-saving, efficient, and low-carbon edge AI and smart application solutions, but also deepen exchanges and implementation of sustainability concepts through interactions with customers, partners, and industry chains from around the world. At the same time, exhibitions allow us to keep abreast of market demand and regulatory trends in each region, further promote responsible innovation, optimize supply chain management, and increase brand transparency and trust, transforming ESG goals into concrete business results and long-term competitiveness.

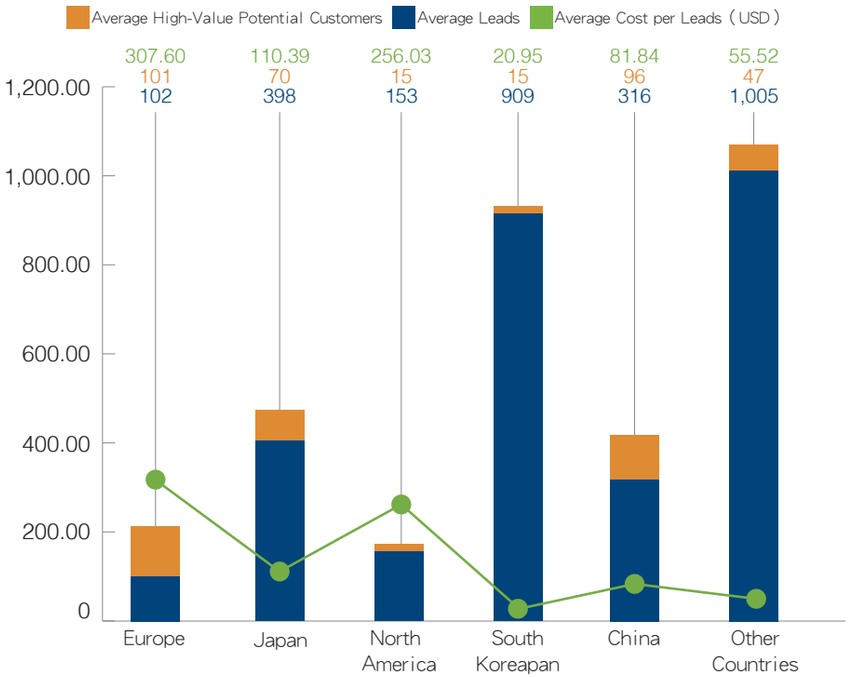
However, participating in exhibitions has always been a marketing activity that requires more resources. A study found that the average cost per lead from exhibitions is approximately US$811. Despite the considerable investment required, relationships built through face-to-face interactions in the B2B market often lead to higher quality leads with greater potential, and have greater long-term business value compared to those purely from online channels. Therefore, through precision strategies and effective management, exhibitions can also become an important investment that is both an efficient use of resources and provides sustainability value.

As AI applications become more and more mature, a large number of AI solutions could be seen at major exhibitions this year. As an important leader in edge AI computing, Advantech actively participated in 94 international exhibitions around the world in 2025, which were concentrated in markets in Europe, North America, and Japan. Overall, we obtained on average nearly 400 leads at each exhibition, and the cost per lead at each exhibition was approximately US$96 (88% lower than the US$811 in the previous study. Within those leads, about 60 leads were high-value potential customers, showing that the strategy to participate in sustainability-oriented exhibitions not only improves marketing efficiency, but also supports Advantech in achieving sustainability governance goals.



*Note: https://www.amraandelma.com/cost-per-lead-statistics/

Distribution of Exhibitions Worldwide



*Note: https://www.amraandelma.com/cost-per-lead-statistics/

Leads and Expenses from Participating in Exhibition Worldwide

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Examples of AI on the Official Website Interacting with Customers Worldwide

I. AI product recommendation system on the official website

Advantech launched the AI product recommendation engine on the official website in 2025, aiming to optimize customer search paths through data-driven logic and shorten decision-making time. The system flexibly uses different logic, such as "Similar Items" and "Bundle Sets," based on the attributes of different product lines, ensuring that customers around the world can obtain highly relevant extended recommendations when exploring complex product specifications, helping customers more efficiently find the right products.

- Implementation schedule: 2025/07
- Coverage of the products page on the global official website: 100%
- Click-through rate (CTR): 3.63% (as of Dec 31, 2025)
- Conversion rate of recommended products (price inquiry rate post-click): 2.94% (as of Dec 31, 2025)
- Application value: Advantech ensures that customers worldwide enjoy a consistent digital guidance experience through 100% coverage, effectively transforming data traffic into actual leads, and strengthening the front-end performance of the digital sales funnel.

II. AI content creation engine: Taking the lead in deploying GEO and precision selection strategies

In response to paradigm shift in search brought by the rise of generative AI, we introduced the "AI Content Creation Engine" in July 2025, and not only optimized traditional search engine optimization (SEO), but also took the lead in deploying generative engine optimization (GEO). This system aims to solve the core pain points of business groups in content creation: Including the lack of data to support the topics that are selected, difficulty in accurately matching customer search intentions, and employees in certain regions lacking resources. This automated workflow optimizes the structure of content and the depth of perspectives, lowering the threshold for producing professional content, while ensuring that every output accurately responds to the questions of potential customers, and that the responses from the brand's AI have high authority.

- Technology framework and tools:
  - Intentions analysis and selection: We integrated DataForSEO data to analyze the potential traffic from keywords and the competition landscape, help eliminate biases in experience-oriented topic selection, and accurately target keywords with high commercial value.
  - Human-machine collaborative generation: Use Copy.ai and Perplexity to define the brand tone and core discourse, and use Claude to assist in the generation of long valuable articles.
  - Automated governance: The entire process is connected through the Make platform and two manual checkpoints are set to ensure that the contents are aligned with the business strategy and consistent with the brand.
- Implementation results and innovation value:
  - Implementation schedule: Officially released to business groups after testing in July 2025.
  - Content output: 50 in-depth and high-quality articles have been output and published to effectively increase the abundance of information on the website.

3.4.3 Customer Satisfaction Survey

I. Governance structure and system establishment

- Advantech established a systematic customer satisfaction management mechanism, and incorporated it into our operations governance structure in accordance with the "S-002 Customer Service and Satisfaction Management Procedures."
- Customer satisfaction results are regularly reviewed by RBUs, and the trends and risks are reviewed in senior management meetings as the basis for improving operations and resource allocation.
- Customer satisfaction indicators have been incorporated into the performance management mechanisms of each business unit and linked to annual business targets.

II. Scope of survey and coverage

In 2025, Advantech conducted a sampling survey on customers worldwide that placed orders, covering:

- China
- North America
- Europe
- Taiwan
- South Korea
- Japan

Number of companies surveyed: 17,368 customers, revenue coverage: 84%, significantly higher than the 16.98% in 2020. The significant difference in revenue coverage in 2020 and 2025 is due to: In 2020, the revenue coverage rate was calculated based on items sold to KA customers. From 2022 to 2025, the method for calculating revenue coverage rate was adjusted to all customers of Advantech.

III. Survey methods and assessment model

We adopted the TQRDC model for assessment based on 5 dimensions:

- Technology
- Quality
- Responsiveness
- Delivery
- Cost

Survey methods include:

1. Quantitative scores of online and paper questionnaires
2. In-depth interviews with key customers
3. Reference third-party market evaluation data
4. Conduct a comprehensive survey once a year and set up an annual review mechanism

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IV.Performance in 2025

1. Overall satisfaction in 2025: 91.55 points
2. Average score for the 5 dimensions (out of 5 points):

Item	Product quality	Delivery quality	Sales services and price	Technical services	After-sales services
Average score (out of 5 points)	4.61	4.61	4.51	4.57	4.60

The score for all aspects was above 4.5 points, and the overall score was maintained above 90 points. Although selling price and list price slightly declined in 2025 due to fluctuations in global supply chains and changes in prices of storage devices, overall customer trust remained stable.

V. Trends in customer satisfaction in the past 5 years (2020–2025)

Year	2020	2021	2022	2023	2024	2025
Satisfaction (points)	95.16	94.83	92.66	93.16	93.15	91.55
Revenue from sampled customers as a percentage of total revenue	16.98	17.45	60.76	76.73	81.37	84.00

*Revenue percentages for 2025 are calculated based on the period from December of the previous year through November

VI. Reason for the slight decrease in satisfaction in 2025

The slight decrease in overall customer satisfaction in 2025 compared to the previous year was mainly due to:

1. Global supply chains still being impacted by geopolitics and logistics fluctuations, which pose a challenge to the stability of delivery.
2. Fluctuations in the market price of storage devices and certain key components have affected the assessment of selling price and list price.
3. Demand in some regions has slowed, and customers have become more sensitive to prices.

Despite fluctuations in the external market environment, Advantech's overall satisfaction score remained above 90 points, showing that we continue to have the trust of customers in the quality of our core products and technical service capabilities.

We have taken a number of cross-departmental improvement measures for items that showed a change in score, including:

- Strengthening supply chain risk management and the safety stock mechanism.
- Optimizing price transparency and the quotation process.
- Improving the accuracy of regional delivery forecasts.
- Enhancing communication and feedback mechanisms for key customers.

We expect our performance in related dimensions to gradually improve and recover thanks to the abovementioned measures in 2026.

VII. Improvement mechanism (PDCA closed loop management)

Advantech continues to make improvements through the PDCA cycle:

- Plan: Analyze regional differences and dimensions with low scores
- Do: Launch improvement plans
- Check: Track trends on a quarterly basis
- Act: Standardize successful improvement plans

If the score for a dimension is lower than the internal threshold, an improvement plan must be proposed and its completion rate must be tracked.

VIII. Future goals

- Maintain overall satisfaction ≥ 90 points
- Increase survey coverage ≥ 85%
- Improve the score for each dimension to ≥ 4.5 points
- Completion of improvements for dimensions below the threshold reaches 100%

Continue to improve customer satisfaction and brand loyalty through digitalized management and closed-loop improvement mechanisms.

IX. Management and maintenance of relationships with other customers:

- **Incorporate customer feedback into product and service development processes**

  Advantech uses diverse and systematic channels to systematically collect and integrate customer feedback, and effectively incorporate relevant information into the product and service development process. Customer feedback sources include practical opinions collected by sales agents and AE/FAE during projects and the technical support process, regular customer satisfaction surveys conducted by QPM, and quality and service data from quality systems (such as QFS, RMA, and AE Remine systems).

  The aforementioned feedback information is categorized by nature and provided to relevant units, such as product planning, R&D, quality, and supply chain, as the basis for product design optimization, specification adjustment, process improvement, and service process refinement. QPM reviews and tracks common and high-risk issues through cross-departmental meetings to ensure that improvement measures are actually implemented.

  In addition, Advantech also uses data analysis and internal knowledge management tools to compile customer feedback and problem trends, which serve as an important reference for new product development and similar model design, continually enhancing product quality and the overall customer experience. As Advantech mainly adopts the B2B business model, customers are mainly corporations, so service issues directly related to consumers (such as special consumer service mechanisms) are less applicable. However, we still provide friendly professional service support in real-time based on customer needs.

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Product handling and service complaint process

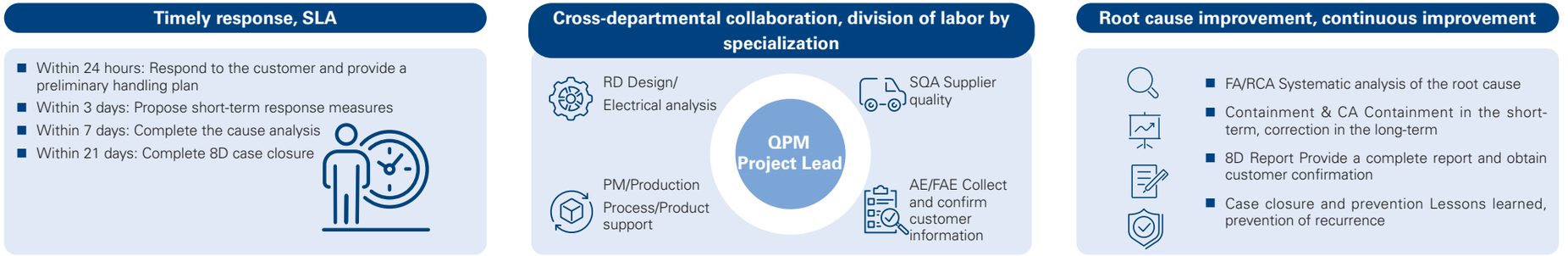
At Advantech, we have established a complete and systematic product handling and customer complaint management process, and incorporated it into our overall quality management system. All customer complaints and abnormal product cases are handled by relevant units in accordance with procedures. After receiving a customer complaint, we will actively confirm with the customer that we have received their complaint, and explain our subsequent handling process and contact person to ensure that both parties have the same information. Cases are then logged, categorized, tracked, and analyzed through a systematic platform. When necessary, on-site, face-to-face assistance is provided to customers to ensure timely responses and effective issue management.

In addition, if the customer has no special requirements, we will handle the customer complaint according to internal procedures, including completing temporary prevention measures within 3 working days, completing cause analysis within 7 working days, and completing corrective measure reports within 21 working days, improving the efficiency of problem handling for higher customer satisfaction.

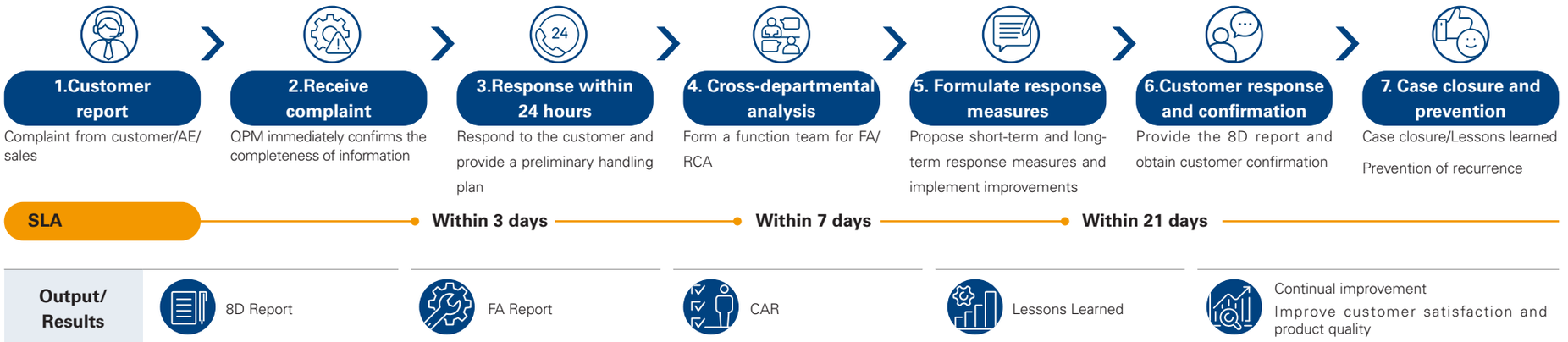
During the process of handling, quality, R&D, manufacturing, supply chain, and sales units will engage in cross-departmental collaboration based on the nature of the problem, analyze the root cause, and propose corresponding corrective and preventive actions (CAPA). The project management mechanism is activated for major or repetitive issues, and QPM coordinates and tracks the progress and effectiveness of improvements.

Advantech's customer complaint handling, quality improvement, and continuous improvement mechanisms have been incorporated into our overall quality management system and meet the requirements of international management systems, such as ISO 9001, ISO 13485, and AS9100. When third-party verification institutions conduct external audits and re-certification reviews each year, they check and confirm the effectiveness of our quality improvement mechanisms, the effectiveness of CAPA, the customer complaint handling process, problem recurrence prevention measures, and continuous improvement results, in order to ensure that the system continues to operate effectively and meet international standards. We continually improve the quality of customer services, the efficiency of problem handling, and the maturity of overall operations management through the annual external audit mechanism.

Rapid response, cross-departmental collaboration, root cause improvement, prevention of recurrence



Customer Complaint Handling Mechanism and Process



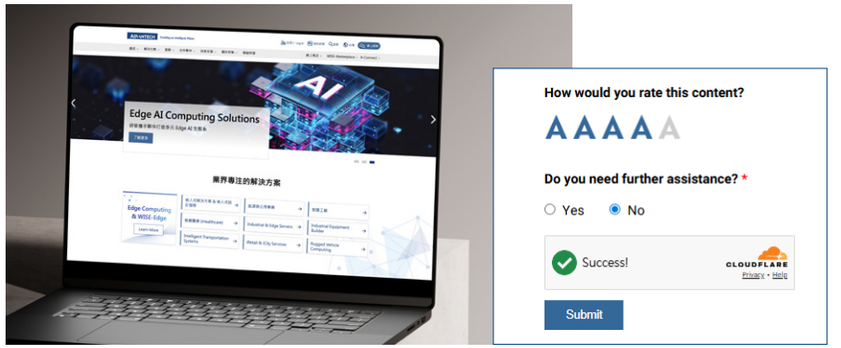
Customer Complaint Handling Mechanism and Process

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Satisfaction with Official Website and Customer Portal

We focus on the customer experience and introduced a satisfaction survey mechanism on the official website and customer digital portal, using a five-point scale to monitor the customer experience at key nodes in their digital journey. Should we receive a feedback score below 3 points, we will actively gather customer suggestions and launch a cross-departmental optimization process to complete improvements on schedule. The sales team will maintain continuous tracking of the results.

The 2025 survey collected a total of 47,707 customer opinions, with an overall average satisfaction score of 4.053 points, and 100% of items received a score of 4 points or higher. This shows that customers highly recognize the quality of our digital services. Going forward, we will continue to improve the customer experience on the digital portal, create a more intuitive, efficient, and interactive online service environment, and offer a digital experience that delivers greater value to customers.



Satisfaction survey on the official website

3.4.4 Customer Service

Global Online Technical Service Platform

Amid the wave of digital transformation, Advantech understands that sound "customer data governance" is the key to improving service resilience. In 2025, we dedicated our efforts to aligning the global after-sales service system with our core CRM system, aiming to create a customer-centric database ecosystem. By breaking down the barriers between systems, we successfully linked ticket data to customer data one-to-one, achieving real-time and transparent data sharing across departments. This not only enables more efficient internal collaboration, but also ensures that we are able to immediately accurately identify and respond to the needs of each customer, fulfilling our commitment to data-driven service optimization.

Based on the aforementioned strategic goals, Advantech led more than 15 after-sales service teams across the globe to successfully complete the migration from Zendesk to the Salesforce Service Cloud in 2025. This migration is not simple a transition between tools, but a comprehensive upgrade of the after-sales service process. During the migration process, the project team implemented rigorous risk control and phased testing to ensure the uninterrupted services of close to 150 global service personnel. After the adoption of Service Cloud, we further established a unified global case handling process. This process allows customer service personnel to access the complete activity history and past interaction records of customers in real time, significantly reducing the average time for handling cases by 25%, showing that digital transformation provides substantial protection for customer rights and interests.

As we continue to optimize service processes, we are also expanding the application of AI technology in the chatbot on the official website. The "AI Lead Analysis Model" that we developed internally enables us to more accurately identify sales opportunities with high potential from the large amount of technical consultations. The model produced outstanding results this year, successfully converting 799 leads from online service conversations, which directly generated US$114,352 in profits. This result shows that the customer service department is not only the center for solving problems, but also a value creation engine that drives our revenue growth. Going forward, we will continue to optimize AI performance and maximize the business value of every customer interaction while improving service satisfaction.

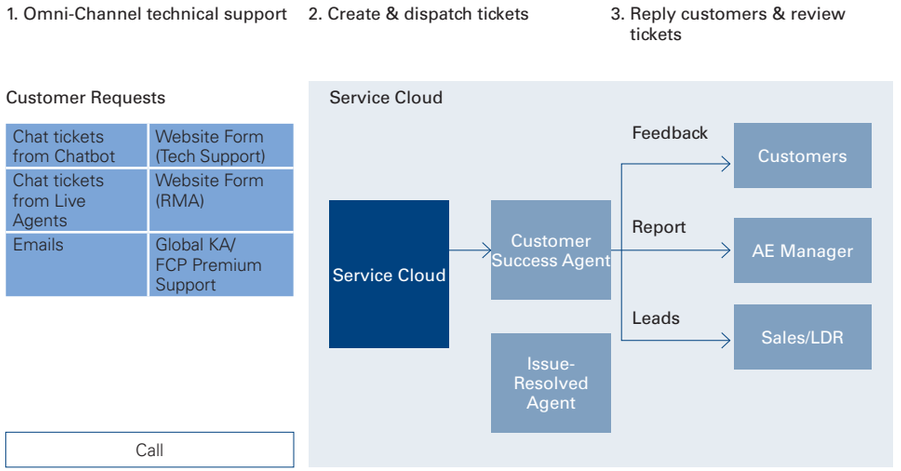
Service Cloud

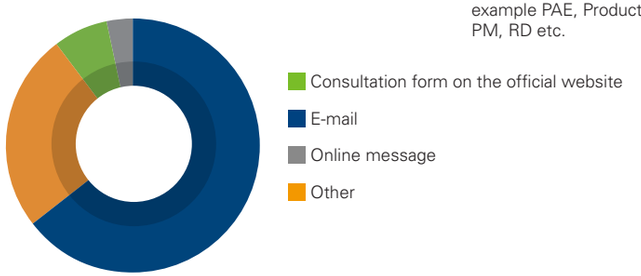
Based on discussions on digital transformation strategies, Advantech successfully completed the migration of the after-sales service ticket system to Salesforce Service Cloud in 2025. For Advantech, this project was not only an iteration of the ticket system, but also a revolution to standardize global service processes. We have torn down the information barriers and communication barriers between each region and the headquarters through a unified platform language, ensuring that every application engineer (AE) worldwide can provide an efficient and consistent service experience on the same basis.

In addition to customer data governance, Advantech also dedicated its efforts to eliminating information barriers between cross-functional teams in 2025, and built a bridge for cooperation to connect Advantech's internal and external service processes across all channels. In the past, front-line application engineers (AE/FAE) and back-end product application engineers (SBU PAE) often used different operating systems, resulting in information gap and communication delays when discussing internal issues. In 2025, we successfully eliminated the communication barriers between cross-functional teams and successfully assisted the first Product AE (PAE) team in adopting Service Cloud. This marked the official inclusion of the "global internal support system" into the platform for unified management:

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- Internal (From the perspective of SBU PAE): The back-end product technical team can directly receive technical challenges from around the world in Service Cloud, and can view the complete customer communication process without needing to switch systems, significantly reducing the cost of time spent on repeated inquiries.
- External (From the perspective of RBU FAE): Front-line engineers can track the progress of back-end processing in real time, achieving transparent case handling and seamless collaboration. This integration successfully eliminated communication barriers between teams and increased the efficiency of cross-time zone and cross-level collaboration to an unprecedented level.





Number of Technical Service Tickets in 2025

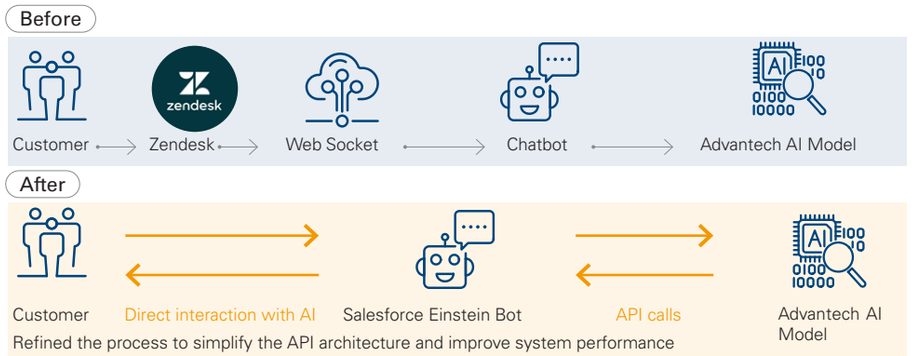
Customer Service – Chatbot Everywhere

As the global ticket system was successfully migrated to Service Cloud, the AI Chatbot backend architecture of Advantech's official website was also migrated to the Salesforce system. This symbolizes that Advantech's customer services have officially entered a new phase of "ChatBot Everywhere." In the past, there were often system breakpoints between live chat and back-end technical support. In 2025, while we were migrating the ticket system, we successfully linked the complete service chain from "real-time consultation" to "deep technical support" through the unification of the underlying framework.

The greatest benefit of the migration was that it synchronized information for service teams. Now, not only AEs and FAEs, which are responsible for deep technical issues, but also online customer service personnel on the front line have access to a complete 360-degree view of customers on the same platform. Customer service personnel can view a customer's past tickets and product purchase history mid-conversation, sparing the customer from having to explain their issue again. As a result, problem-solving becomes significantly faster and more accurate.

From July to December 2025, after the chatbot service was migrated to Service Cloud, we received a total of 5,104 online consultations from around the world. The AI assistant initially responded to customers in nearly 70% of the online consultations. This figure shows that Advantech's AI assistant has mature language understanding capabilities, and can effectively handle common inquiries about product specifications, provide guidance for driver download, and handle other standard issues. This human-machine collaboration model of "initial consultation by AI with human experts for support" not only ensures that customers worldwide can enjoy immediate response services around the clock, but also allows valuable human resources to focus on handling highly complex and high-value technical challenges and leads.

The integrated chatbot has become a powerful tool for exploring potential leads. Combining the aforementioned AI lead analysis model, the system can determine purchase intention from conversations in real time, and directly guide high-potential customers to the relevant contact person. This shift from passively providing services to actively acquiring customers is how Advantech transformed its service center into a profit center.



Project Improvement Flowchart



04 Green Operations

4.1 Eco Design and Sustainability Liability of Product

4.2 Climate Change Strategy and Actions

4.3 Greenhouse Gas (GHG) Inventory and Energy Management

4.4 Environmental Management

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4.1 Eco Design and Sustainability Liability of Product

Name of material topic	Importance of this material topic to Advantech
Eco Design and Sustainability Liability of Product	■ Advantech regards eco design and product sustainability as both risks and opportunities. Facing strict regulations and market demands, we need to strengthen R&D in the short term to overcome technology barriers, and drive supply chain transformation in the medium and long term to enhance our competitiveness and create environmental and economic benefits.
Policy or commitment	■ Advantech responds to SDG 9 (Industry, Innovation and Infrastructure) and SDG 12 (Responsible Consumption and Production) by setting goals and implementing standards for product raw materials, design, manufacturing, and environmental management, dedicating our efforts to producing eco-friendly products to minimize our impact on the environment.
Positive impacts	■ **Improve corporate image:** Low-carbon products shape Advantech's sustainability image, meet the environmental sustainability requirements of international markets, strengthen marketing in low-carbon markets, and expand the customer base. ■ **Implement product carbon footprint calculation:** Carbon reduction targets are achieved together with the supply chain by making carbon footprint transparent, effectively meeting regional environmental regulations and carbon reduction requirements, while enhancing our competitiveness in pursuing green opportunities to support market expansion. ■ **Green product innovation and sustainable raw material application:** We effectively increase brand value and realize long-term advantages by forming a green supply chain, choosing eco-friendly materials, optimizing logistics, and reducing waste.
Negative impacts	■ **Supply chain risks:** Supply disruptions resulting from financial difficulties, natural disasters, political factors, or climate events impact production plans and delivery schedules, resulting in a decline in customer trust and a weakening of market competitiveness. Adjustments made in response to energy-saving and carbon reduction requirements may lead to increased raw material costs and management complexity. ■ **R&D and technology risks:** Green product certification and R&D of low-carbon technologies require a considerable amount of funds and time. These are influenced by differences in certification standards and technological uncertainties, which may result in delayed market launches and weakened market competitiveness. At the same time, the use of compliant materials may affect design costs. ■ **Impact on sales after product launch:** High costs and delays related to green product certification and the R&D of low-carbon technologies may result in low market acceptance and higher revenue dependency risks after launch, weakening brand competitiveness and sales performance.
Actions in response to negative impacts that occur	■ Introduce green packaging materials and eco design, establish a green packaging material supply chain in conjunction with a recycled materials supply chain for mechanical components and dedicated material number classification system. Regularly review the environmental certifications of supply chain materials, and carry out management based on Advantech's definition of recycled materials. ■ The cost increase associated with using energy-saving key components will be managed through centralized selection and procurement by the procurement and parts management units, increasing common components and reducing costs. ■ Establish internal energy-saving standards by integrating hardware-level energy-efficient designs and energy-saving software development into x86 architecture systems to comply with carbon reduction trends and requirements.
Overview of target achievement in 2025	■ Continued to ensure that 100% of raw materials comply with international environmental regulations and Advantech's standards for regulated substances. ■ 87.07% of new eco design products received the silver medal. ■ Mass-produced eco design products with the silver medal or products with Advantech's energy-saving label accounted for 18.73% of annual revenue. ■ 40% of new products in specific product lines meet Energy Star requirements or have obtained the internal energy-saving gold medal. ■ Implemented SW Utility in x86 Windows Image for 100% of new products in specific product lines.

Name of material topic	Importance of this material topic to Advantech
2026 targets	■ Continue to ensure that 100% of raw materials comply with international environmental regulations and Advantech's standards for regulated substances. ■ At least 90% of new eco design products achieve the silver medal. ■ Mass-produced eco design products or products with Advantech's energy-saving label account for 20% of annual revenue. ■ 5% of new eco design products achieve the gold medal. ■ Adopt and apply recycled materials in specific products, and increase the percentage of new products that use recycled materials to 10%.
2030 targets	■ Continue to ensure that 100% of raw materials comply with international environmental regulations and Advantech's standards for regulated substances. ■ 30% of new eco design products achieve the gold medal.100% achieve the silver medal (excluding certain models). ■ Mass-produced eco design products or products with Advantech's energy-saving label account for 40% of annual revenue. ■ Continue to adopt and apply recycled materials in specific products, and increase the percentage of new products that use recycled materials to 50%.
Key action plans or programs in 2025	■ Implemented the Hazardous Substances Reduction Plan for raw materials and recycled materials, required all new models to use low halogen materials, and increased the usage ratio. At the same time, used recycled plastics and metals in the mass production of major products, continued to expand applications, and set targets. ■ Comprehensively implemented short/medium/long-term goals for sustainable packaging materials, and prioritized and required the use of sustainable materials for product packaging. ■ Continued to implement process waste reduction and hazardous substance management, fully complied with international environmental regulations, and strengthened the ban on high-risk substances. At the same time, we increased the recycling rate and effectively reduced waste by recycling solder dross and PE waste. ■ Adopted the energy star energy-saving design for new products in specific product lines, continued to promote eco design, and utilized the energy-saving functions of R&D software modules to improve product energy efficiency. ■ Established the Advantech Global Product Recycling Guidelines to implement the concept of extended producer responsibility (EPR) and circular economy. Reviewed the product recycling mechanisms in each region, and carried out recycling according to local recycling methods in different regions through RMA units with the goal of increasing actual product recycling volume.
Effectiveness evaluation	■ Eco Design Committee: The Project Process Management Department calls together relevant departments to jointly carry out standard formulation, implementation, and management, and revise the Advantech Eco Design Standards according to international trends. ■ Regular review and adjustment: The ESG-Environment Task Force reviews the progress of targets every 2 months, ensuring the effectiveness of implementation and strategies. ■ External professional support: Consultants and lecturers are invited to provide guidance to ensure that internal processes comply with policy and regulatory developments.
Stakeholders affected by this material topic and actions taken by Advantech	■ Information disclosure and communication: Collect the opinions of stakeholders through diverse channels to ensure transparency. ■ Sustainability issue assessment: Analyze operational impacts and risks, identifying and giving priority to material topics. ■ Annual reports and verification: Publish a sustainability report every year and have it verified by an external verification body. ■ Continual internal and external communication: Strengthen the implementation and results of eco design and sustainability responsibilities.

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Annual Actions, Performance, and Future Goals

Set the target for recycled material use and implement circular economy

Set percentage targets for the use of recycled materials, and integrate product design with recycling mechanisms to improve recycling efficiency and implement circular economy.

Energy Star target setting

Introduce Energy Star energy-saving design requirements for specific product lines and obtain the internal energy-saving gold medal.

Optimization of eco design products

Continue to standardize the eco design product silver medal standard as a mandatory requirement for Advantech's new model development, and actively design and develop gold medal models of eco design products.

Energy saving SW utility development

Use energy-saving software to improve hardware energy efficiency, and adopt the new product x86 Windows in models of specific product lines.

Performance in 2025

87.07% of new products

Percentage of eco design products that have obtained the internal silver medal.

18.73% of revenue

Percentage of revenue accounted for by mass-produced products with the silver medal for eco design products or with Advantech's energy-saving label.

40% achievement rate

Percentage of new products in specific product lines that meet Energy Star requirements or have obtained the internal energy-saving gold medal.

95% achievement rate

Percentage of low-halogen plastic mechanical parts in products sold each year.

2.08% of materials in new products are recycled materials

Percentage of products made from recycled materials in newly developed models.

37.88% of waste recycled

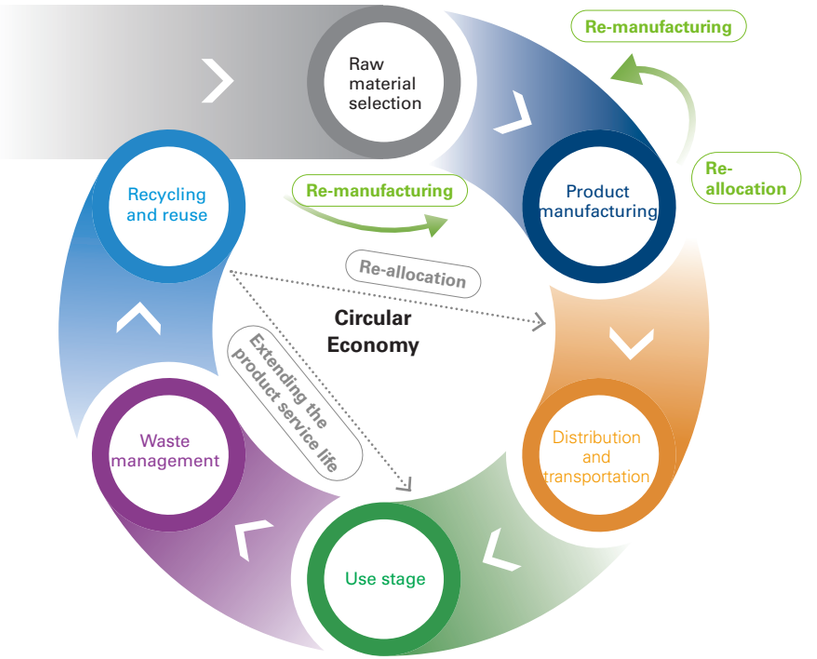
PE waste is recycled by factories and converted into 100% recycled PE products (e.g., packaging film and product packaging PE bags).

4.1.1. Product Eco Design and Lifecycle Management

At Advantech, we follow the concept of product lifecycle and use life-cycle assessment (LCA) and product carbon footprint to quantify the impact of our products on the environment. The assessment covers carbon emissions across all stages from raw material selection, manufacturing, transportation, use, to final disposal. We further set carbon reduction targets and take corresponding actions to incorporate the targets into business management goals.

In addition, we have formulated green product design management guidelines and standards, and utilized the product life cycle to guide the Product Division to design green and innovative products.

We announced our sustainable product strategy and began implementing circular economy at our headquarters in Linkou Smart Campus in 2025. We adopted the 3 core principles of "reuse," "extend service life," and "recycling and design," and have used innovative methods to transform waste into reusable resources, which are gradually incorporated into each stage of the product lifecycle for recycling and sustainability management.



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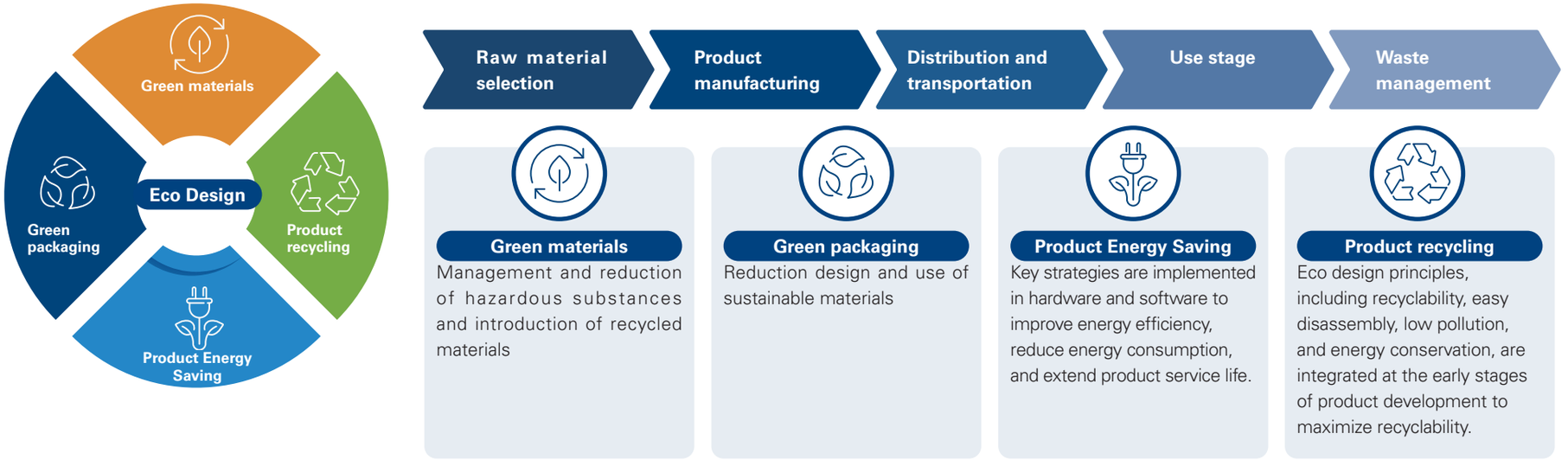
- **Table 4.1.1 LCA of Eco Design Products**

Stage in product lifecycle	Eco design guidelines	Regulations, standards, and guidelines	Results and benefits (Achievements as of 2025)
Raw material selection	Green materials Green packaging Product recycling	1. Advantech GPM Regulatory Substance Standards 2. Advantech Eco Design Standards 3. Advantech Sustainable Packaging Design Strategy 4. Advantech Green Policy - Hazardous Substances Reduction Plan	**Management and reduction of hazardous substances and introduction of recycled materials** 1. As of the end of 2025, the external mechanical parts of all newly developed models are required to meet Advantech's low halogen requirements, and 93% of plastic mechanical parts in products sold throughout the year met low halogen requirements, while 5% of PCB boards met low halogen requirements. 2. In 2025, recycled plastics and metals were successfully introduced into 3 benchmark products, including fanless embedded computers (ARK-1125C, ARK-1222) and monitor computers (GSC-7153W); mass production of the models commenced in 2025. * The external mechanical parts of medical devices (POC-6) contain 30% recycled plastics. Medical devices face the challenge of more rigorous chemical resistance tests, which are currently under development. 3. Based on their usage and feasibility assessment, recycled materials are incorporated and applied in specific products to increase the percentage of recycled materials used. We have set the target percentage of recycled materials used as raw materials for specific products. 4. Comprehensively implemented short/medium/long-term goals for sustainable packaging, and prioritized and required the use of sustainable materials for product packaging.
Product manufacturing process	Green materials Green packaging Product recycling	1. Advantech GPM Regulatory Substance Standards 2. Advantech Eco Design Standards 3. Environmental, Occupational Health and Safety Policy	**Process hazardous substance management and recycling** 1. Reduced the amount of waste and pollution generated and prohibited the use of hazardous substances in the manufacturing process. Advantech is 100% compliant with international environmental regulations and enhanced the ban on ozone-depleting substances and endocrine-disrupting chemicals that may harm human health. 2. In 2025, Advantech's Taiwan Plant successfully recycled and reused solder dross through solder dross separators with a recycling rate of 74.48%, and reused a total of 3.85 tons of solder dross, effectively reducing hazardous waste. Please refer to Chapter 4.4.2 "Energy and Resource Use and Waste Management" for details. 3. We recycled a total of 6.8 tons of PE waste at our Taiwan Plant in 2025, and used it to produce approximately 2.58 tons of 100% recycled PE products (packaging film and product packaging PE bags), achieving an overall waste recycling rate of 37.88%, effectively reducing waste through recycling. This is the starting point of Advantech's waste recycling and re-manufacturing.
Delivery and transportation	Green materials Green packaging	1. Advantech Eco Design Standards 2. Advantech Sustainable Packaging Design Strategy 3. Environmental, Occupational Health and Safety Policy	**Green packaging material optimization and logistics packaging material recycling** 1. According to the guidelines for green packaging materials in the Advantech Eco Design Standards, Advantech uses at least 80% recycled fiber materials for cardboard boxes, reduces packaging materials, improves packaging design, and optimizes packaging sizes to reduce the environmental impact of transportation. Advantech has planned short-term and long-term targets in advance under the PPWR, and completed the implementation of PPWR before the time limit to ensure that we are fully compliant with requirements. 2. Recycled cardboard boxes used by suppliers for incoming, outgoing, and installation processes to reduce disposable cardboard waste. (Reduced by approximately 18,400 cardboard boxes/year, or by 18.4 tons/year.) For details, please refer to: 4.4.2. Energy and Resource Use and Waste Management 3. The size and weight of Advantech's new products are reduced through eco design. Starting in 2025, air transport of products overseas uses 10% sustainable fuel, reducing carbon emissions from transportation. 4. Comprehensively implemented short/medium/long-term goals for sustainable packaging, and prioritized and required the use of sustainable materials for product packaging.
Product use stage	Product Energy Saving	Advantech Eco Design Standards	**Product Energy Saving** We continued to implement eco design in 2025, and used the Energy Star energy-saving design for new products of specific product lines. Among them, 40% were completed and passed internal tests the same year, which meets regulatory requirements. Energy-saving functions were added to the R&D software module in 2024 to improve product energy efficiency. Successfully developed energy-saving functions based on existing software product modules, and successfully introduced them into x86 Windows system products (AIR-150). After measuring energy consumption in the maximum energy-saving scenario, the product can reduce carbon emissions by approximately 242.4 metric tons each year, effectively reducing the impact on the environment, and significantly increasing the overall coverage of our energy-saving products. The functions were introduced into 100% of new products of specific product lines in 2025.
Product waste recycling management	Product recycling	1. Advantech Eco Design Standards 2. Advantech Global Product Recycling Guidelines	**Easy-to-dismantle and easy-to-recycle design of products and waste management** 1. Designed products that are easy to disassemble and recycle, calculated the percentage of recyclable products by product category, which averaged 97% in 2025, exceeding the requirements of the WEEE Directive. 2. Product waste disposal: Established the Advantech Global Product Recycling Mechanism to implement the concept of extended producer responsibility (EPR) and circular economy. Since 2025, Advantech has received recycling requirements through the RMA system and customer service contact persons, and has handled recycling according to local methods in different regions. The actual recycling volume increased by 25 tons globally, and the actual recycling rate of products reached 15.8% globally.

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Green Product Design Management and Standards Setting

At Advantech, we have established standards in accordance with international environmental regulations and international assessment tools (e.g., the Electronic Product Environmental Assessment Tool (EPEAT) in the U.S.) for 4 product aspects: (1) green materials, (2) green packaging materials, (3) product recycling, and (4) Product Energy Saving. We have evaluated the environmental impact in each stage of the product life cycle, and formulated the Advantech Eco Design Standards that comply with international regulations and improve energy efficiency, promote ecological design, and reduce environmental toxic hazards based on the experience from serving brand customers.



- **Figure 4.1.1 Product Lifecycle and Advantech's Green Product Design Aspects**

Advantech: Developing Intelligent Solution to Comprehensively Monitor the Carbon Footprint of Self-developed Products

As the world moves towards net zero emissions and carbon neutrality, the IPC industry not only needs to provide high-performance and low-power solutions, but also needs to take action to reduce carbon emissions in order to meet the sustainability requirements of customers, investors, and international markets. Following the EU's implementation of the Carbon Border Adjustment Mechanism (CBAM), the implementation of carbon disclosure policies in various countries, and growing emphasis from multinational corporations, the transparency of carbon footprint will become crucial to international competitiveness.

Advantech thus launched the product carbon footprint inventory project in 2023, and obtained the first certification that integrates the carbon footprint of computer products, ISO 14067, in the same year. We evaluated the depth of material selection for products through the product lifecycle assessment (LCA), and identified the top 5 key materials with the highest carbon footprint. In addition, we completed the carbon footprint inventory methodology for our products in the same year, and laid the foundation for the internal development of product LCA. Starting in 2024, we successively completed the carbon footprint inventory for representative products across business groups, and began developing an internal product carbon footprint inventory intelligence platform, developing our own intelligent solution for calculating the carbon footprint of products, and applied it to green product design projects.

We are actively developing a product carbon footprint calculation system. It not only helps monitor product carbon emissions throughout their lifecycle but also aligns seamlessly with carbon pricing and reduction strategies. This system adopts the LCA methodology and references international standards, such as ISO14040, ISO 14067, and GHG Protocol. The system integrates Advantech's internal systems for raw materials, supplier information, and production management, connects to external APIs, and utilizes AI technology to establish a carbon footprint coefficient database for raw materials. This enables the system to quickly calculate the product carbon footprint and generate carbon footprint reports, which can be used to assess the emissions in each stage of the product lifecycle. The calculation of carbon footprint was completed for all products on the market in the current year, accounting for approximately 100% of overall revenue.

This not only simplifies the cumbersome manual calculation process, but also helps Advantech quickly identify product emission hotspots, laying the foundation for future carbon footprint reduction. This system has enabled us to identify products with high-carbon emission risks in advance, so that we can actively adjust our design and production strategies. It also meets the needs of customers worldwide for product carbon footprint information, further consolidating our leadership in sustainability.

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4.1.2. Product Liability

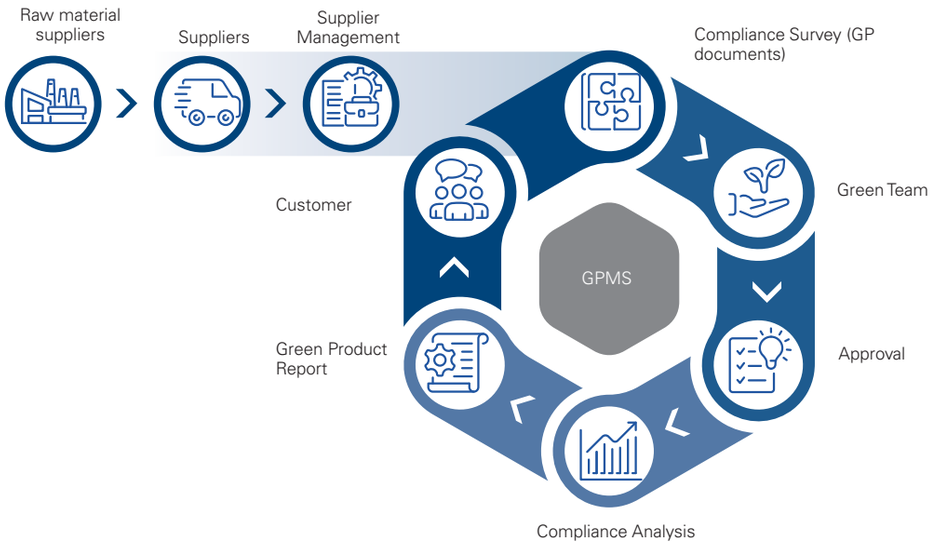
At Advantech, we incorporate eco and circular design principles into the product lifecycle during the product development process, and focus on actual implementation strategies, goals, and directions. We continue to engage in the R&D of innovative green products and solutions, and provide efficient and reliable energy-saving solutions and services, while reducing waste from the source. We will continue to uphold the concept of eco design, introduce low-carbon material options, extend the service life of products, and increase product value. Our products do not contain hazardous substances and are easy to disassemble and recycle. We are increasing the percentage of recycled materials used, and implement "reduce, reuse, and recycle" to promote the responsibility of corporate producers, so as to support the achievement of SDGs.

Raw Material Selection

To mitigate the negative environmental and social impact of raw material use, Advantech established the "Advantech Green Policy – Hazardous Substances Reduction Plan" and the "Sustainable Raw Materials Management Policy" to implement sustainable procurement and optimize supply chain management efficiency, further contributing to the target of net zero emissions by 2050. In line with this policy, we prioritize the use of raw materials with minimal environmental and social impact across all business activities, including R&D, procurement, production, operations, and services.

- Green materials and hazardous substance management

  Every year, Advantech reviews the current status of hazardous substance management based on international regulations, the IEC 62474 electronic industry standard, customer requirements, and environmental trends. The Advantech Green Policy – Hazardous Substances Reduction Plan was established on this basis, and goes beyond international regulation requirements, controlling over 500 chemical substances as of 2025. We regularly update the Advantech Green Product Hazardous Substance Management Regulations, and manage it through the Green Product Management System (GPMS). Advantech is also a Sony Green Partner, and our main factories have implemented the IECQ QC 080000 system. Upholding the spirit of rigorous quality management, we continue to control every aspect of product liability, ensuring that all Advantech products comply with relevant regulatory requirements. At the same time, we have incorporated regulatory substance standards when implementing the recycled material mechanism, and managed hazardous substances from the source at the same time. Therefore, we manage 100% of the health and safety issues arising from product production through the source management mechanism for parts. In 2025, Advantech's parts and finished products did not violate any international directives on the restriction of hazardous substances, and there were no incidents related to exceeding the threshold for prohibited or restricted substances.



- **Figure 4.1.2 Green Product Management System (GPMS)**

Raw material source management	■ Select qualified suppliers and upload and manage green data of the supply chain ■ Establish the Advantech GPM Regulated Substances Standard ■ Confirm the compliance of parts through the approval process, which is then verified by a trained green auditor.
Risk assessment of substances and parts	■ Evaluate the use of substances in Advantech products ■ Confirm the compliance of parts in response to the latest regulations
Product compliance report	■ Evaluate the RoHS & REACH compliance of Advantech products ■ Evaluate compliance with other regulations
Information system connection	■ Green Mark management
Supply chain information communication	■ Announcements of relevant information by Advantech ■ Notification of regulatory updates and customer specifications
Conflict minerals investigation	■ Complete conflict minerals reporting forms as required by the RBA ■ Maintain an up-to-date list of smelters to quickly initiate investigations and generate compliant reports

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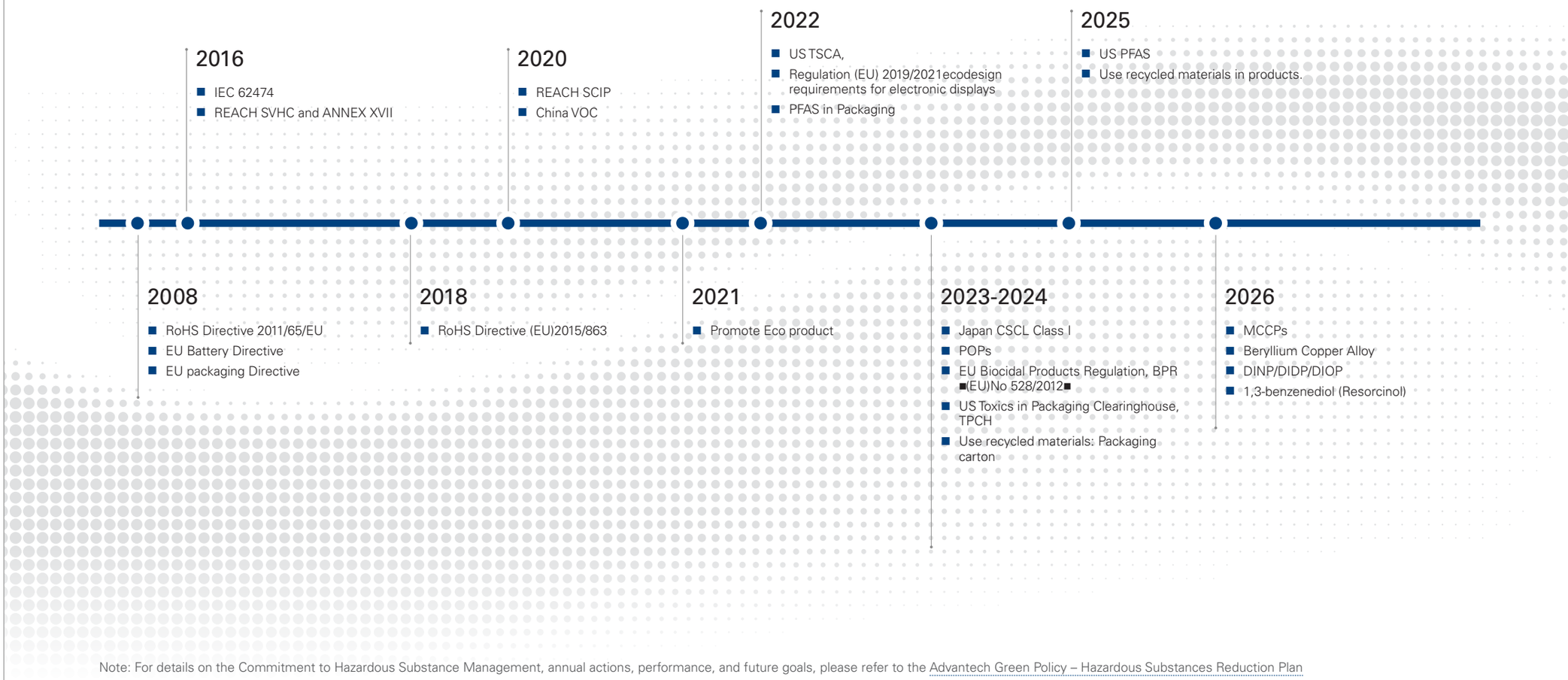
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Advantech is committed to reducing hazardous substances in products and processes, and uses prevention principles and risk management mechanisms to gradually eliminate or replace substances that pose potential risks to the environment and human health. The main measures are as follows: (1) Inventory of substances of very high concern and risk assessment; (2) raw materials and process optimization; (3) eco design introduction; (4) supply chain collaboration, education and training; (5) higher self-management standards. We continue to plan and control prohibited hazardous substances every year, and require all newly developed models and materials to be 100% compliant. We also plan to ban the use of MCCPs and beryllium copper alloy in specific parts in 2026.



Note: For details on the Commitment to Hazardous Substance Management, annual actions, performance, and future goals, please refer to the Advantech Green Policy – Hazardous Substances Reduction Plan

- **Figure 4.1.3 Advantech Green Policy - Hazardous Substances Reduction Plan**

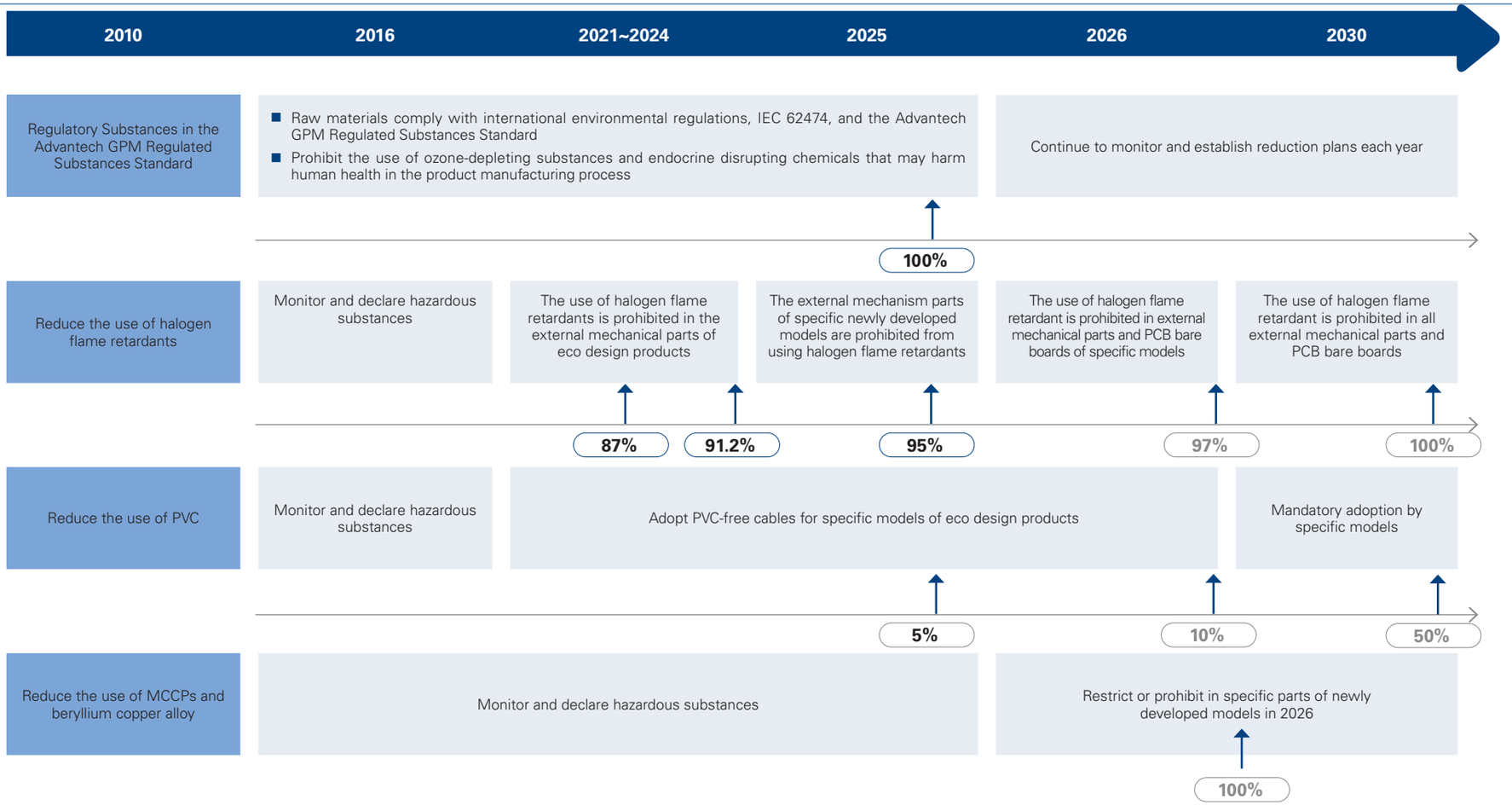
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Results of the Hazardous Substances Reduction Plan in 2025

Continued to ensure that 100% of raw materials comply with international environmental regulations, IEC 62474, and the Advantech GPM Regulated Substances Standard.
(All raw materials are disclosed and declared according to IEC 62474, and account for 100% of product revenue.)

Introduced alternative materials and established a green materials database to provide R&D units with a selection of materials, prohibited the use of 95% halogen flame retardant and the use of 5% PVC-free wire materials in specific models. We planned targets for the 2026 reduction plan and long-term targets for 2030 at the same time. Please refer to Figure 4.1.4 Results and Future Goals of the Advantech Green Policy – Hazardous Substances Reduction Plan.

- **Figure 4.1.4Results and Future Goals of the Advantech Green Policy – Hazardous Substances Reduction Plan**



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Sustainable raw material management

Advantech's raw material procurement strategy not only considers cost and benefit, but also determines procurement priorities based on the sustainability risk assessment, ensuring the effective implementation of sustainability management. We work with suppliers to increase the transparency of raw material sources, assess the potential environmental and social impacts of their development and production processes, and select the most appropriate raw materials for Advantech based on the results of supplier sustainability risk assessment.

In the third quarter of 2024, Advantech launched the sustainable raw material project to evaluate the use of recycled materials by tracing the source of raw materials. Moreover, recycled materials were used in the trial production plans for products of major business groups. The project was extended into 2025 and successfully achieved all established goals, including compiling statistics on raw material sources, evaluating the results of using recycled materials in structural parts of products on a trial basis, and drafting preliminary targets for future implementation. Contents include the successful use of recycled plastics and recycled metals in benchmark products, and commencing the mass production of related models. Based on their usage and feasibility assessment, recycled materials were incorporated and applied in specific products to increase the percentage of recycled materials used. We have set the target percentage of recycled materials used as raw materials for specific products. Furthermore, we set the target for the percentage of specific products that use recycled materials to reach 10% in 2026. In terms of raw material traceability, considering the characteristics of Advantech's products, we prioritize the top 3 raw materials by usage volume for implementing control: plastics, steel/iron, and aluminum. These 3 recycled materials were introduced in the sustainable raw materials trial production project. Furthermore, in addition to managing the mechanical parts of products, we also conducted a traceability survey for packaging materials.

- **Table 4.1.2 Overview of Raw Material Use in 2025**

Raw material category		Raw material use (ton, pcs)	Recycled material content percentage (%)
Materials of mechanical parts (ton)	Plastic	147.1	0
	Iron/steel	747.6	0.131
	Aluminum	215	0
Packaging materials (pcs)	Plastic bags/Bubble bags	11,071,268	0
	Cardboard boxes	7,379,953	100
	EPE cushioning material	10,895,202	0

We set targets for the use of recycled materials (plastic/metal) based on project analysis and international trends. In addition, specific recycled material content requirements have been defined for mechanism casings and parts of specific models.

- **Table 4.1.3 Target Recycled Material (Plastic/Metal) Content in Eco Design Products**

Year	Target recycled material (plastic/metal) content in mechanical parts					
	Plastic (Recycled material content percentage)		Metals (Recycled material content percentage)			
			Steel		Aluminum	
2025	Mechanism casing	>30%	Mechanism casing	>10%	■	
2026	Mechanical parts	>30%	Mechanical parts	>10%	Mechanical parts	>50%
2030	Mechanical parts	>50%	Mechanical parts	>20%	Mechanical parts	>80%

Note: The aforementioned mechanism casings or parts were designed by Advantech and comply with Advantech's gold medal criteria for eco design products.

Green Packaging

■ Reduction design and use of sustainable materials

To make substantial contributions toward biodiversity, deforestation prevention, and land preservation, Advantech requires key packaging material suppliers to obtain the Forest Stewardship Council Chain of Custody (FSC™ CoC) certification. As of 2025, we have successfully applied FSC™ certified paper materials to the packaging cardboard boxes of one Network model.

Since 2023, the product packaging design team has actively optimized green packaging by adopting honeycomb design dividers to replace traditional EPE cushioning materials and increasing the percentage of recycled materials used. At present, our packaging materials contain over 80% recycled fibers, achieving 100% of the target. For packaging materials of products weighing 5 kg or less, molded pulp is used to replace EPE. The achievement rate reached 90% in 2025.

In addition, the project was successfully applied in medical products and AIO computers, expanding green packaging design capabilities while meeting product safety requirements. We optimized the design of packaging, redesigned the package stacking method, designed an increase in shipment quantity, and switched to sustainable materials. As a result, we not only saw a downward trend in materials and costs, but also a decrease in number of trips, achieving carbon reduction results in various aspects, demonstrating our firm commitment to environmental sustainability.

In addition, in response to the requirements set forth in the EU's Packaging and Packaging Waste Regulation (PPWR), we set targets for the minimum recycled material content for different types of plastic packaging. The target is for recycled material content of plastic packaging to reach 35% by 2030, and increase to 65% by 2040. Advantech set targets for the use of recycled materials (cardboard boxes/plastics) in advance, and establishes different recycled material content requirements.

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• **Table 4.1.3-1 Target Recycled Material (Cardboard Boxes/Plastics) Content in Packaging Materials of Eco Design Products**

Year	Target recycled material (cardboard boxes/plastics) content in packaging materials	
	Cardboard boxes, cardboard (Recycled material content percentage)	Plastic packaging (Recycled material content percentage)
2025	80%~100%	>35%
2030		>50%
2035		>65%

Note: Meets Advantech's criteria for the gold medal for eco design products

■ Circular economy implementation

At Advantech, we implemented the circular economy supply chain in our Taiwan Plant in 2025, recycling a total of 6.8 tons of PE waste throughout the year, and using it to produce approximately 2.58 tons of 100% recycled PE products (packaging film and product packaging PE bags), achieving an overall waste recycling rate of 37.88%. We used the recycled products for actual packaging in product shipments and the AIO computer FPM-S15W. Going forward, we will gradually expand its use in the entire company to effectively reduce the amount of hazardous waste. This is the starting point of Advantech's waste recycling and re-manufacturing.



Product Energy Saving

■ Product use stage

Key strategies are implemented in hardware and software to improve energy efficiency, reduce energy consumption, and extend product service life.

Hardware: Since 2024, we have incorporated energy-saving designs into the internal design specifications for the development of new products based on the X86 architecture, continuously increasing the percentage of energy-saving designs. In 2025, we further adopted more stringent Energy Star energy-saving standards and selected new products of 5 product lines for energy-saving design and testing. Without affecting product functions and performance, our internal tests showed that approximately 40% of products already meet the requirements of energy-saving regulations, and we are gradually improving the energy efficiency of our products.

Software: Since 2024, the EIoT Software and Hardware teams have been actively developing energy-saving functions for software modules, and successfully developed them in the Power Suite software module, effectively reducing the energy consumption of devices through BIOS energy-saving detection recommendations, OS energy-saving settings, and optimized power management. Model trial runs were completed for the X86 system products AIR-150 and RISC platform EPC-R3720. We also established standardized energy consumption testing mechanisms to ensure the energy efficiency of the software. Based on tests on actual Windows x86 system products, carbon emissions can be reduced by 242.4 tons each year in maximum energy-saving mode. In 2025, SW Utility was incorporated in x86 Windows Image in 100% of new products of specific product lines, achieving the target ahead of schedule. Going forward, we will continue to pay attention and respond to market demand by optimizing and expanding energy-saving functions.

Software energy-saving module
Software-assisted energy-saving effect in products
↓
Power Suite
Selected X86 and RISC models for SW development

Advantech Power Suite





EIoT AIR-150



EIoT EPC-R3720

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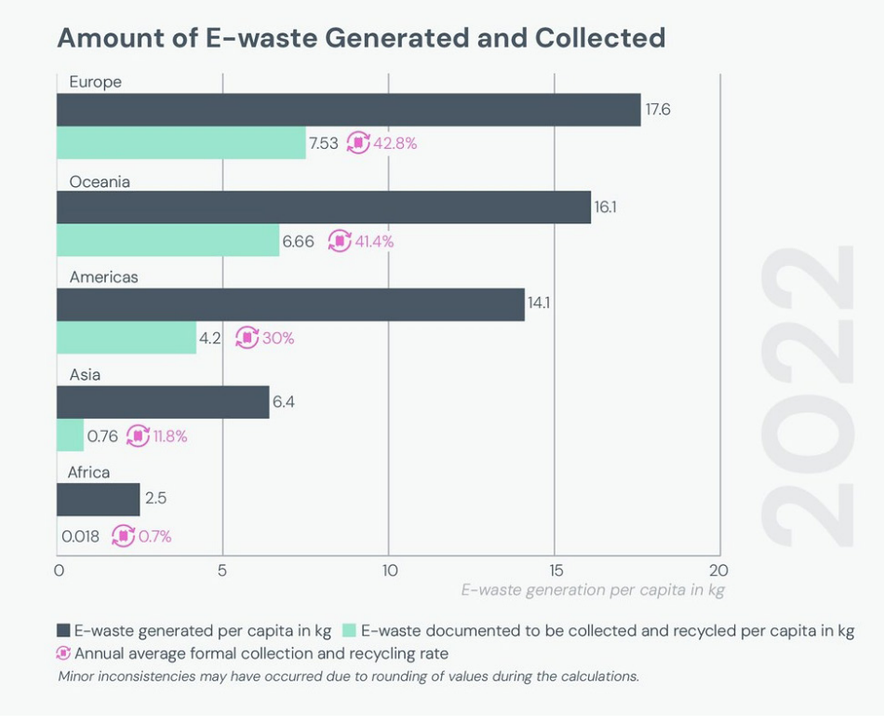
Product Recycling

Extended producer responsibility

Eco design principles, including "recyclability, easy disassembly, low pollution, and energy conservation," are integrated at the early stages of product development to maximize recyclability. Advantech has set a target recycling rate for eco design products at 90%. Adhering to the spirit of producer responsibility, we are committed to electronic waste recycling and management. We implement recycling plans required by law to promote the recycling and reuse of electronic products. The percentage of recyclable products is calculated by product category, which averaged 97% in 2025, exceeding the requirements of the WEEE Directive.

Advantech complies with local waste recycling laws and regulations in various countries, including in Europe, the U.S., Japan, South Korea, Taiwan, and China (Kunshan). According to Global Transboundary E-waste Flows Monitor 2020 and 2024, global e-waste reached 62 million tons while the recycling rate was only 22.3%. In particular, the recycling rate was 12% in Asia, 30% in the U.S., and 42.8% in Europe. The recycling rates in the report are used to calculate the actual percentage of Advantech products recycled worldwide.

Source: 2024 Global Transboundary E-waste Flows Monitor



- **Table 4.1.5 Actual Recycling Rate of Advantech Products Worldwide**

	Total weight of products sold worldwide (Metric tons)	Recycling rate of eco design products (%)	Total weight of recyclable products worldwide (Metric tons)	Total weight of products actually recycled worldwide (Metric tons)	Percentage of products actually recycled worldwide (%)
2022	11,157	90	10,041	1,460	13.1%
2023	8,899	94	8,365	1,026	11.5%
2024	8,006	97	7,766	1,136	14.2%
2025	9,341	97	9,060	1,477	15.8%

Advantech established the Advantech Global Product Recycling Mechanism in 2025 to implement the concept of extended producer responsibility (EPR) and circular economy. Advantech has established recycling policies and data management, which are implemented by each region in accordance with local regulations. We work with compliant recycling companies to ensure that waste electronic products are properly recycled.

In particular, recycling in Europe complies with the WEEE Directive. For EU customers, when the product reaches the end of service life or the customer requests the disposal of Advantech products, a nearby registered recycling location can be provided to ensure proper waste disposal. In addition, customers can also notify us to arrange transportation and send the waste equipment to the contracted recycling organization for treatment. Please refer to the WEEE Directive website for details.

Since 2025, Advantech has received recycling requests through the RMA system and customer service contact persons, recycling products that are mailed backed from different regions. We improved our global product recycling performance, increasing the total weight actually recycled by 25 tons, and increasing the recycling rate to 15.8%. Going forward, Advantech will continue to optimize the global recycling system, expand the coverage of recycling worldwide, increase the total weight recycled, establish a transparent data disclosure mechanism, and use recycled materials in the design of our products. For detailed information, please refer to the Advantech Global Product Recycling Guidelines.

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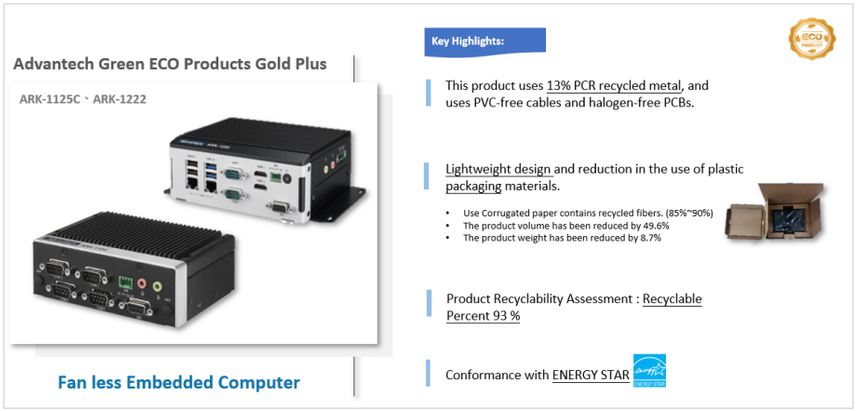
Extending the Product Service Life

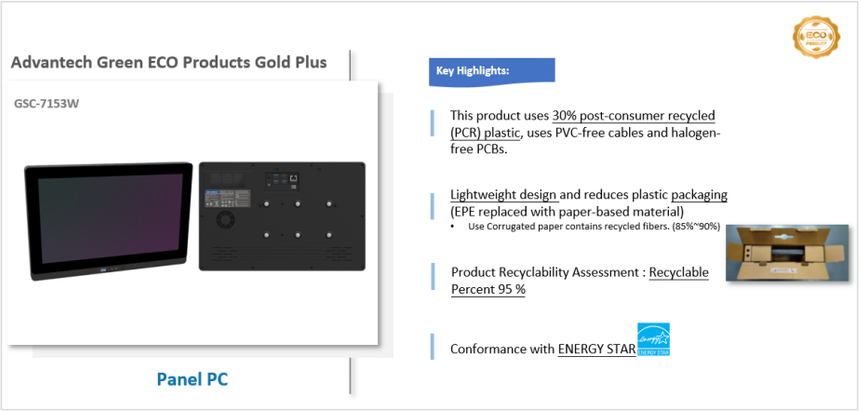
■ Return Material Authorization (RMA) and iCare

Advantech actively implements product sustainability management through a comprehensive after-sales service system and digital platform. In the product use phase, Advantech uses the Return Material Authorization (RMA) mechanism to provide repair, testing, and parts and component replacement services to help customers extend the service life of products and reduce the frequency of equipment replacement and the generation of electronic waste. At the same time, we provide product maintenance information, technical support, and upgrade recommendations through the I CARE platform, updating customers on the status of products and performing appropriate maintenance and optimization. This integrated service not only improves the efficiency and reliability of product use, but also facilitates the effective use of resources, showing Advantech's commitment to sustainability in product lifecycle management and circular economy.

Case Study Implementation results of sustainable raw materials and product energy-saving design projects

In this case study, Advantech demonstrated the actual implementation results of eco design products. Using the ARK-1125C and ARK-1222 fanless embedded computers as examples, the products use eco-friendly materials, including 13% PCR metals, PVC-free cables, and halogen-free PCB. The lightweight design and reduced use of plastic packaging materials decreased the volume of packaging materials by 49.6% and the weight by 8.7%, and achieved a 93% recycling rate of products. In addition, the products meet Energy Star energy-saving standards, showing the dual effects of adopting sustainable materials and optimizing product design.





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4.1.3 Eco Label and Self-declared Environmental Statement

Advantech has continually invested in the R&D of green products. We have established internal regulations on product energy-saving and green materials to improve eco-friendly packaging. By implementing policies that reduce toxic environmental hazards, we ensure our products are easy to assemble, disassemble, and recycle, thereby achieving energy-efficient designs that provide greater ecological benefits. In 2025, the percentage of Advantech's new eco design products that received the silver medal reached 87.07% ; in addition, eco design products that received the silver medal/Advantech's energy-saving label accounted for 18.73% of revenue . This shows how we have incorporated eco design concepts in each aspect of the product lifecycle, and showcases the performance of circular economy. Additionally, we adhere to the Sustainable Accounting Standards Board (SASB) guidelines, and calculate the percentage of revenue accounted for by products compliant with Type 1 eco label (such as Energy Star and CE ErP). This metric serves as one of the indicators for investors to assess our sustainability performance and demonstrates the green competitiveness of our products.

Environmental and ecological label:

■ Percentage of revenue from products that meet industry certification standards

Certification standard	2023	2024	2025
Products that obtained the CE ErP or Energy Star certification	2.79%	3.05%	4.09%
Products that meet EPEAT or equivalent standards	9.74%	14.04%	18.73%

■ Obtained the Energy Star energy-saving label and EU's Energy-related Products Directive certification in the past 3 years

Certification standard	Product category
Energy Star energy-saving label	Embedded computers, panel PC equipment, and box PCs have obtained the certification
EU's Energy-related Products Directive certification	Newly developed computer products based on the X86 architecture

Self-declaration environmental statement: The planning and implementation of Advantech's internal eco design label and energy-saving design classification are as follows

■ Internal label for the 4 major aspects of eco design

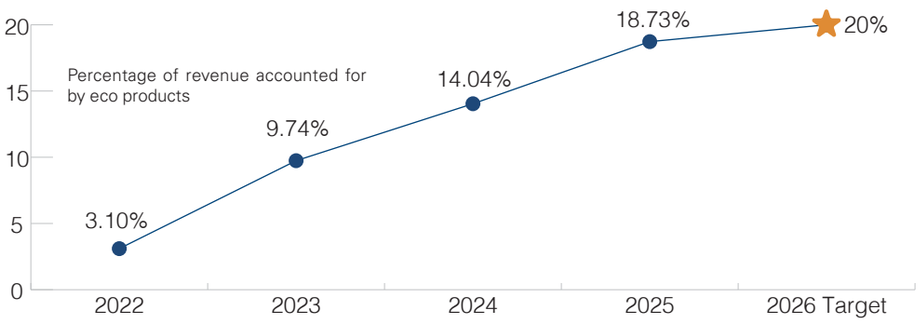
Description	Internal label for eco design products
The gold medal is awarded to products that meet both the mandatory and optional criteria for the 4 major aspects defined in the Advantech Eco Design Standards and successfully pass the evaluation.	
The silver medal is awarded to products that meet the mandatory criteria for the 4 major aspects defined in the Advantech Eco Design Standards and successfully pass the evaluation.	

■ Number of new eco design products that received the silver/gold medal

Year	2023	2024	2025
Silver medal	37%	60%	87.07%
Gold medal	-	ARK-1125C	ARK-1222■ FPM-710SW■ FPM-S15W■ GSC-7153W

■ Energy-saving design classification for Advantech's internal label

Description	Internal energy-saving label
Product energy efficiency meets Energy Star testing standards	
Product energy efficiency meets ERP testing standards	



■ Percentage of revenue accounted for by green products/products that obtained Advantech's energy-saving label in 2025: 18.73%

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- For Advantech's green design products with the silver medal or gold medal, we systematically integrated environmental information related to the entire product lifecycle, and created a passport for Advantech green products to improve information transparency and traceability. The disclosure of this information is in preparation for future alignment with the EU's Digital Product Passport (DPP).

Advantech's Eco Design Product Silver Medal

Product categories include: digital signage players and mini PCs, Medical All in One, touch panel computers, embedded computers, fanless embedded industrial computers, and others

Eco Product Design Management Mechanism

Advantech establishes standards from four major aspects of products: (1) green materials, (2) green packaging, (3) Product Recycling, (4) Product Energy Saving, to evaluate the environmental impact at all stages from raw material selection, manufacturing, transportation, and use stages until the final disposal, and design innovative green eco design products to comply with international regulations and customer needs.

(1) Green materials _ Substance Management

(If the product contains the following component, it meets the following requirements.)

- Conformance with provisions of European Union RoHS Directive, China RoHS, Taiwan BSMI RoHS, IEC62474, REACH, POPs...etc.
- Conformance with substance restriction requirements of the European Union Battery Directive. (If product contains batteries)
- No mercury is intentionally added to the light source. (If product contains LCD)
- External mechanical plastic parts (homogeneous parts) larger than 25 g do not contain brominated, chlorinated flame retardants, PVC.

(2) Green packaging

- Conformance with EU packaging Directive.
- The chlorine used as a bleaching agent in paper packaging materials is less than 1000 ppm. (Cl < 1000 ppm).
- Corrugated paper contains recycled fibers. (85%~90%)

(3) Product Recycling

- Conformance with EU WEEE Directive.
- External mechanical plastic parts larger than 100g do not contain plating and surface coating (except paint) that are not easy to be recycled and reused.
- All plastic parts larger than 25g are marked according to ISO 11469.
- All External mechanical plastic parts larger than 100g only use a single type of plastic pellets.
- The green products are designed to be recyclable, easy to disassemble, low in pollution, and energy-efficient, with a recycling rate of 90% or higher.
- WEEE Recyclability Assessment

  The actual inventory and calculation of the recyclable proportion of products based on product categories were conducted, reaching approximately 94%, which is higher than the WEEE directive requirements.

(4) Product Energy Saving

Conformance with ERP Directive.



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Advantech Eco Design Product Gold Medal

Product categories include: Fanless embedded computers and touch panel computers

Eco Product Design Management Mechanism

Advantech establishes standards from four major aspects of products: (1) green materials, (2) green packaging (3) Product Recycling, (4) Product Energy Saving, to evaluate the environmental impact at all stages from raw material selection, manufacturing, transportation, and use stages until the final disposal, and design innovative green eco design products to comply with international regulations and customer needs.

(1) Green materials _ Substance Management

(If the product contains the following component, it meets the following requirements.)

- Conformance with provisions of European Union RoHS Directive, China RoHS, Taiwan BSMI RoHS, IEC62474, REACH, POPs...etc.
- Conformance with substance restriction requirements of the European Union Battery Directive. (If product contains batteries)
- No mercury is intentionally added to the light source. (If product contains LCD)
- External mechanical plastic parts (homogeneous parts) larger than 25 g do not contain brominated, chlorinated flame retardants, PVC.
- Printed circuit board (PCB) do not contain brominated or chlorinated flame retardants.
- Cable/Wire do not contain PVC. (except for Power cord and power supply)
- External mechanical plastic parts larger than 100g use >10% recycled materials.

  (If product contains external mechanical plastic parts)

(2) Green packaging

- Conformance with EU packaging Directive.
- The chlorine used as a bleaching agent in paper packaging materials is less than 1000 ppm. (Cl < 1000 ppm).
- Corrugated paper contains recycled fibers. (85%~90%)
- Lightweight design and reduction in the use of plastic packaging materials.

(3) Product Recycling

- Conformance with EU WEEE Directive.
- External mechanical plastic parts larger than 100g do not contain plating and surface coating (except paint) that are not easy to be recycled and reused.
- All plastic parts larger than 25g are marked according to ISO 11469.
- All External mechanical plastic parts larger than 100g only use a single type of plastic pellets.
- The green products are designed to be recyclable, easy to disassemble, low in pollution, and energy-efficient, with a recycling rate of 90% or higher.
- WEEE Recyclability Assessment

  The actual inventory and calculation of the recyclable proportion of products based on product categories were conducted, reaching approximately 94%, which is higher than the WEEE directive requirements.

(4) Product Energy Saving

- Conformance with ERP Directive.
- Conformance with ENERGY STAR.

ARK-1125 ; ARK-1222



FPM-710SW



GSC-7153W



FPM-S15W



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4.2 Climate Change Strategies and Actions

Advantech, a global leader in industrial computing and IoT technologies and services, deeply recognizes its responsibility toward the global environment. The Company's climate change policies align with the Paris Agreement's goal of limiting global temperature rise to 1.5°C. Since committing to and securing validation for its Science Based Targets (SBT) in 2021, Advantech has continuously deepened its carbon reduction initiatives. In 2023, the Company joined the RE100 initiative, committing to 100% renewable energy use by 2040 as a cornerstone of its transition toward net-zero emissions. Beginning in 2025, Advantech has established the 1.5°C science-based target as the core driver of its carbon reduction strategy for the coming decade. To account for expanded target boundaries resulting from new construction and facility expansion projects, the Company recalculated and secured approval for more ambitious goals in the first quarter of 2026. These include the SBTi 1.5°C Near-Term targets and Net-Zero targets, which pledge a 90% reduction in Scope 1, 2, and 3 emissions by 2050, solidifying the Group's long-term vision of net-zero emissions while advancing RE100 and related initiatives across its global business units.

Furthermore, Advantech has integrated climate change into its corporate risk management framework for sustainable development, managing it systematically through both "mitigation" and "adaptation." Beyond actively identifying potential risks and strengthening adaptive capabilities, the Company proactively captures opportunities arising from climate transition. By continuously leveraging and enhancing its R&D strengths, Advantech has increased investment in green energy, energy-efficient products, and eco-friendly solutions, combining its energy management expertise to drive comprehensive energy conservation and sustainable growth. For details on our climate transition pathways, please refer to the "2025 Advantech Climate- and Nature-related Financial Disclosures (TC(+N)FD) Report."

Advantech's Response to Climate Change

2019
- Launched the ISO 14064 GHG inventory and verification plan for Taiwan and Kunshan
- Base year for Advantech's SBTs
- Received a CDP climate change rating of "B"

2020
- Established the ESG and Corporate Sustainability Committee and the ESG and Corporate Sustainability Office
- Implemented the green product project to produce low-carbon products
- Received a CDP climate change rating of "B"

2021
- Adopted the SBT to limit global warming to less than 2°C
- Committed to supporting the TCFD
- Invested in a 10 MW low-carbon solar power plant for the Taiwan Plant
- Received a CDP climate change rating of "B"

2022
- Established the Sustainable Development Committee (SDC) at the board level
- Completed the assessment of risks and opportunities according to the TCFD
- Launched the ISO 14064 Scope 3 GHG Inventory and Verification Project
- The Kunshan Plant obtained the green factory certification
- Received a CDP climate change rating of "B"

2023
- Committed to climate change strategies and the vision for net zero emissions
- Committed to RE100 and actively promoted the use of renewable energy by RBUs around the world
- The Board of Directors approved linking the remuneration of executive level supervisors to ESG results
- Launched the subsidiary GHG inventory and verification plan
- Launched the iEMS in Taiwan and Kunshan to collect electricity consumption data at major locations of operations
- The Taiwan Plant obtained the green factory certification
- Taiwan and Kunshan Plants obtained ISO 50001 certification
- Obtained the ISO 14067 certification for the carbon footprint of the first product
- Received a CDP climate change rating of "B"

2024
- Linked the remuneration of executive level supervisors to results of ESG and climate change issues
- Implemented the Internal Carbon Pricing (ICP) plan and defined Advantech's carbon pricing
- Launched the GHG inventory and verification plan for subsidiaries in Asia
- Completed the global iEMS to monitor and analyze the electricity consumption of major locations of operations worldwide
- Increased the use of renewable energy at RBUs worldwide
- Calculated the carbon footprint of representative products of each business group, and completed the application of Advantech's methodology
- Developed green packaging materials, green materials, and energy-saving products through LCA
- Received a CDP climate change rating of "B"

2025
- Increased the coverage of the GHG inventory and verification overseas locations of operations
- Applied the latest IPCC assessment report to recalibrate climate scenarios and assess new nature-related risks and opportunities, and published the 2024 Advantech Task Force on Climate- and Nature-related Financial Disclosures
- Updated the SBTs to align with the 1.5°C target and achieve net zero emissions
- Continued to increase the renewable energy use by RBUs worldwide
- Implemented the ICP pilot program, completed the planning of operational mechanisms, and aligned executive level supervisors
- Completed the Product Carbon Footprint AI Platform 1.0 using AI technology, and used it for green product promotion plans
- Launched a supply chain carbon management capacity building plan to empower key suppliers
- Received a CDP climate change rating of "B"

2026
- Complete the ISO 14064 GHG inventory and verification plan for all locations worldwide
- Optimize KPIs for global environmental data management, and strengthen monitoring and performance tracking
- Complete the application for the SBT of 1.5°C and target to achieve net-zero emissions
- Update the path to net zero emissions and manage issues
- Simulate operations of ICP and integrate them with management and reporting to change behaviors and further reduce carbon emissions
- Strengthen supply chain carbon management and implement tiered guidance programs

2040
- Achieve RE100 by using 100% renewable energy worldwide

Towards net zero emissions by 2030
- Reduce Scope 1+2 emissions by 42%; achieve the SBT to reduce Scope 3 emissions from product use by 51.6%
- Achieve 50% renewable energy use in Taiwan and Kunshan

Achieve net zero emissions by 2050
- Achieve net zero emissions in the overall value chain

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4.2.1. Net Zero Commitment

Advantech actively aligns with international initiatives. Our SBT application was approved in 2021, taking action through SBTs to reduce carbon emissions. We completed the verification and review of our targets in the first quarter of 2026 to control temperature rise within 1.5°C based on the SBTi near-term and long-term net zero targets that were updated in 2025.

In terms of medium- and long-term climate actions, Advantech has set clear milestones, including: renewable energy use at our manufacturing centers in Taiwan and Kunshan reaching 50% by 2030, and reaching 100% at all locations of operations worldwide by 2040. In addition to reducing Scope 1 and Scope 2 emissions, we will also strengthen the planning and implementation of measures to reduce Scope 3 emissions by 2050. We will work with supply chain partners to promote low-carbon transformation, introduce forward-looking low-carbon technologies, and use the carbon credits mechanism where appropriate, realizing the long-term goal of net zero emissions through green product design and development.

Advantech's Vision for Net Zero Emissions

Achieve net zero emissions

2050
Achieve net zero emissions in the value chain and reduce Scope 1, 2, and 3 emissions by 90%

Expand renewable energy use

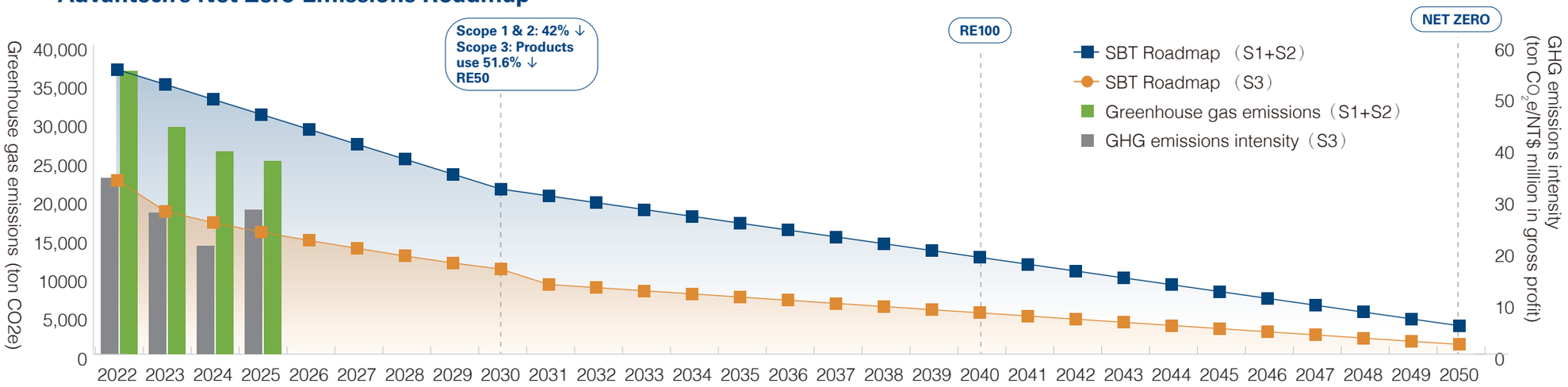
2030
Achieve 50% renewable energy use in Taiwan and China's Kunshan

2040
Achieve RE100 by using 100% renewable energy worldwide

Improve energy efficiency

2030
Reduce Scope 1 + 2 emissions by 42%
Reduce the intensity of Scope 3 emissions from product use by 51.6%

Advantech's Net Zero Emissions Roadmap



GHG Reduction & Net Zero Strategies:

Stage 1: Advantech continues to expand manufacturing capacity, which increases energy consumption, but improves energy efficiency to reduce GHG emissions

Stage 2: Core production sites (Linkou AIoT Co-Creation Campus and Kunshan Manufacturing Center) continue to increase the use of renewable energy to reduce carbon emissions

Stage 3: Use GHG alternatives, advanced low-carbon technologies, and obtain carbon credits to achieve net zero emissions

*Note:

1. We obtained approval for our SBTs in 2026 Q1 and therefore updated our roadmap to net zero emissions. This roadmap is different from the roadmap disclosed in the previous year.
2. The Scope 3 GHG emissions intensity from product use did not achieve the target due to the impact of the external environment and market fluctuations in 2025. The main reason was that despite the overall expansion of production capacity, the global supply chain faced the challenge of raw material price hikes and rising operating costs. Coupled with the changes in customer demand, overall gross profit performance was impacted as a result (changes in the denominator). At the same time, the rise in electricity carbon emission factor worldwide (changes in the numerator) resulted in a rise in carbon emission intensity per unit profit. At Advantech, we will continue to strengthen our profit structure and resilience of carbon reduction measures to attain our SBTs in the future.

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Strengthen ICP and Low-carbon Product Promotion Strategies

To accelerate our progress towards net zero emissions and fulfill our environmental responsibilities, we launched the Internal Carbon Pricing (ICP) project in 2024. After incorporating the organizational cost-benefit assessment mechanism, the shadow price is set at NT$1,700 to NT$3,000 per metric ton of CO_2e (approximately US$55-100 per metric ton of CO_2e). Considering that Advantech mainly produces end products, GHG emissions from direct operations (Scope 1 and Scope 2) are relatively low. Our overall emissions mainly come from Scope 3 in the value chain, in which supplier production and product use account for over 90%. Therefore, when Advantech is implementing internal carbon pricing and carbon reduction management, we not only to pay attention to Scope 1 and Scope 2, but also focus on Scope 3, especially the eco design of products. We are gradually reducing overall carbon emissions through the development and promotion of low-carbon products, thereby accelerating our decarbonization. In this regard, we further implemented the carbon fee pilot program in 2025, and set the carbon fee at NT$3,000 per metric ton CO_2e (approximately equivalent to US$100/metric ton CO_2e). We completed the planning of ICP operation mechanisms and built consensus among executive level supervisors to ensure that the system and the overall ESG strategy are aligned. At the same time, we incorporated carbon costs into low-carbon production and investment decisions to strengthen risk control and align with the international carbon trading mechanism. Looking towards 2026, we plan to drive the mock operations of the ICP carbon fee, integrate management reports, and establish comprehensive evaluation indicators and supporting measures. Our goal is to trigger internal behavioral changes through financial incentives, comprehensively strengthen carbon reduction efforts, and lay a solid foundation for compliance with laws and regulations and the transition to net zero emissions.

At the same time, to further step up efforts to reduce carbon emissions, we adopted the SBT to control temperature rise within 1.5°C as our carbon reduction target for the next decade, and continue to implement RE100 projects across RBUs worldwide. In terms of green products and sustainability responsibility, Advantech announced its sustainable product strategy and used AI technology to develop a product carbon footprint inventory system platform, which is integrated into the overall green product promotion plan. Advantech also established a Sustainable Raw Materials Task Force to implement experimental projects in the four major business groups, introduce recycled materials, and optimize sustainable packaging materials. The task force works with suppliers and green product teams in the joint R&D of low-carbon products, accelerating the progress towards net zero emissions, and continuing to jointly drive the growth of the low-carbon economy with value chain partners.

4.2.2 TCFD Climate Governance and Management Strategy

Extreme weather events caused by climate change, the growing pressure for low-carbon transitions due to aggressive national carbon reduction goals, and carbon reduction demands from upstream and downstream value chain partners have already begun to pose potential operational challenges for enterprises. In response to the growing global emphasis on linking identified climate risks with financial impacts, Advantech has adopted the TCFD framework and the IFRS S2 Climate-related Disclosures. We promote climate change management and disclosure based on the four core elements recommended by these frameworks: governance, strategy, risk management, and metrics and targets. This systematic approach allows Advantech to assess the climate risks and opportunities we face. We conduct in-depth evaluations of climate-related risks identified through our existing risk management processes and map them across our Pan-Operational Risk Map to ensure comprehensive coverage of our overall operational risk landscape. The assessment results and response plans have also been reported to the Sustainable Development Committee (SDC) for confirmation, and the SDC will report the progress of climate management to the Board of Directors on a regular basis to enhance the Company's resilience in responding to climate risks. For more details on our climate risk and opportunity disclosures and management actions, please refer to the "2025 Advantech Climate- and Nature-related Financial Disclosures (TCNFD) Report."



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Governance			
Advantech's climate governance framework			
Board of Directors	■ The highest supervisory unit for risk management (including climate risk)	■ Review major climate-related goals and implementation budgets	■ Oversee climate risk management and strategy implementation results
Chairman	■ Chairing the Corporate Sustainable Development Committee (SDC) and leading the climate issue management mechanism	■ Confirm climate-related KPIs and action plans	
Corporate Sustainability Development Committee (SDC)	■ Responsibilities and and decision-making unit for climate risk management ■ Regular reporting to the Board on climate management progress	■ Review climate-related risk and opportunity assessment results and response strategies ■ Approve the TC(+N) FD report	■ Monitor the implementation of climate issues and review KPIs
ESG Corporate Sustainability Development Office	■ Coordinate the implementation of climate-related risk and opportunity analyses and integrate the disclosure reports ■ Promote climate-related action plans and report the progress to the Corporate Sustainable Development Committee (SDC) on a quarterly basis	■ Research and analyze policies on climate issues and scientific research development trends, and monitor climate risk events on a regular basis	
Board oversight	■ The Corporate Sustainable Development Committee (SDC) regularly reports climate-related management plans and results to the Board of Directors, while the Board of Directors reviews related major goals and budgets ■ In 2021, the Board of Directors approved Advantech Taiwan's renewable energy goals, renewable energy PPA procurement budget, and the project of setting up solar power plants in collaboration with renewable energy providers ■ In 2022, consulting companies and external experts were commissioned to attend the Board of Directors' training on topics such as how the ICT industry can help fight climate change, international sustainability trends, emerging trends in risk management, and response sharing. ■ In 2023, the Board of Directors reviewed the annual comprehensive ESG performance, which included climate change-related aspects such as RE100 global workforce group and local target progress, product carbon footprint progress, annual GHG inventory, and EU carbon tariff response topics, etc. ■ In 2024, besides reviewing the overall 2023 ESG performance, we also re-identified climate-related risks and opportunities, and selected four material risks and opportunities for scenario analysis. The Company also reported to the Board of Directors its plans to update SBT to keep up with industry benchmarks and international declarations regarding carbon reduction commitments in the coming year, as well as proactively address climate and nature-related risks and opportunities faced by Advantech. ■ In 2025, Published the inaugural "Climate- and Nature-related Financial Disclosures (TCNFD) Report" to integrate related dependencies, impacts, risks, and opportunities, while continuously advancing climate action. Concurrently initiated sustainability financial disclosures aligned with IFRS S1/S2 to meet evolving climate risk and opportunity requirements.		
Advanced management mechanisms	■ Led by the Chairman, the SDC Committee holds meetings each quarter The ESG Corporate Sustainability Development Office reports on climate-related issue trends, strategic planning, and implementation progress The SDC supervises the achievement of goals and reviews the assessment results of relevant risks and opportunities and countermeasures.		

Strategy	
Disclosure aspect	**Advantech's implementation progress**
Short-, medium- and long-term risks and opportunities	■ By referencing the risk and opportunity topics and their financial impact case studies outlined in the TCFD guidelines, and integrating analyses of our operational sites and industry landscape, we identified a total of 13 risks and 10 opportunities. Based on the level of impact, Advantech identified 7 significant risks and 3 opportunities. Among these, 4 most significant items were selected for financial impact assessment that aligns with Advantech's future development direction. ■ The short, medium, and long term are defined as within 3 years, 3 to 5 years, and more than 5 years, respectively. Each identified topic is assessed based on the timeframe in which it is most likely to occur.
Potential impacts and financial planning	■ Qualitatively assess the possible financial impacts of various major risks and opportunities, develop preventive and improvement measures, and set KPI targets accordingly.
Scenario analysis	■ We analyzed Advantech's carbon reduction and financial impact using the STEPS (Stated Policies Scenario) and the International Energy Agency (IEA)'s 1.5°C Scenario (1.5DS); In addition, we also applied the RCP4.5 (BAU scenario) and RCP8.5 (the most severe warming scenario) to assess the physical impacts on operations as part of our evaluation of adaptation strategy resilience.

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Risk management	
Disclosure aspect	**Advantech's implementation progress**
Evaluation and Management Process	■ ESG Corporate Sustainability Development Officeeach year convenes cross-departmental members to collect and review relevant the Company's climate risks and opportunities, assess material climate issues through the level of impact and likelihood, monitor changes in risk levels, review and develop response strategies, and report them to the SDC for resolution, as well as review relevant disclosures. The SDC regularly reports to the Board of Directors to oversee the progress of climate risk management and review relevant major decisions.
Overall Risk System Integration	■ At the beginning of each year, the risk management team evaluates the Company's overall operational risks according to established risk management procedures, develops a comprehensive operational risk map, and reports the risk management processes and plans to the Board of Directors. ■ Since 2021, climate change risks have been included in the assessment process, and risk levels are identified by the Auditing Office in conjunction with the ESG Corporate Sustainability Development Office. ■ In 2022, a comprehensive TCFD assessment process was implemented. The assessment methodology and results have been applied to the climate change risk analysis within the foregoing risk map and consolidated into the overall risk management process. ■ In 2023, the TCFD assessment process continued to be included in the overall risk management process. In 2024, we expected to adjust climate scenarios based on the latest IPCC assessment report and re-evaluate climate risks and responses. ■ In 2024, we re-identified our climate-related risks and opportunities, selecting 4 most significant risks and opportunities for scenario analysis. A qualitative assessment of their potential financial impacts was conducted, along with the development of corresponding response measures. ■ In 2025, Published the inaugural "Climate- and Nature-related Financial Disclosures (TCNFD) Report" to integrate related dependencies, impacts, risks, and opportunities, while continuously advancing climate action. Concurrently initiated sustainability financial disclosures aligned with IFRS S1/S2 to meet evolving climate risk and opportunity requirements.

Indicators and targets	
Disclosure aspect	**Advantech's implementation progress**
Scope 1, 2, and 3 GHG emissions and targets	■ Secured initial SBT validation in 2021, and achieved approval for more ambitious SBTi Net-Zero targets across the entire value chain in Q1 2026. ■ Annually complete ISO 14064-1 GHG inventory, verification, and target tracking for Advantech Taiwan and Kunshan sites. ■ Completed GHG inventory and verification for Japan and South Korea subsidiaries (2024–2025), expanded to the Netherlands subsidiary (2025–2026), and will continue extending coverage to key overseas locations.
Other climate-related management indicators and targets	■ Commit to joining the RE100 initiative and set the net-zero target by 2050 ■ We have set targets for power saving, renewable energy usage, water saving, waste reduction, percentage of green products in revenue, and energy efficiency improvement for product power supplies ■ Already implemented the ISO 50001 energy management system to conduct energy efficiency management, while management indicators and targets will continue to be formulated for relevant strategies ■ Already implemented life cycle assessment (LCA) and carbon footprint evaluation for our main products, as well as developed an internal product carbon footprint calculation system, which will be applied to our green low-carbon product project.

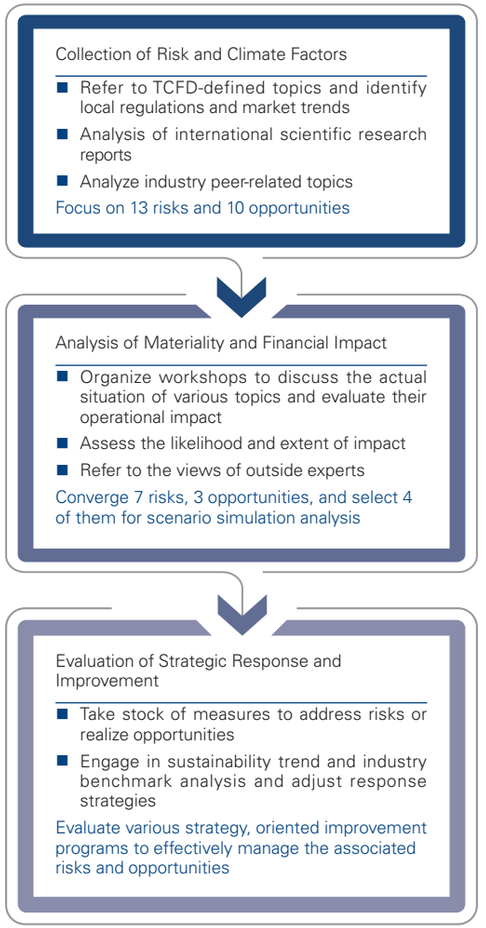
*Note: According to ISO 14064-1, the GHG scope names correspond to categories as follows: Scope 1 corresponds to Category 1, Scope 2 corresponds to Category 2, and Scope 3 corresponds to Categories 3~6.

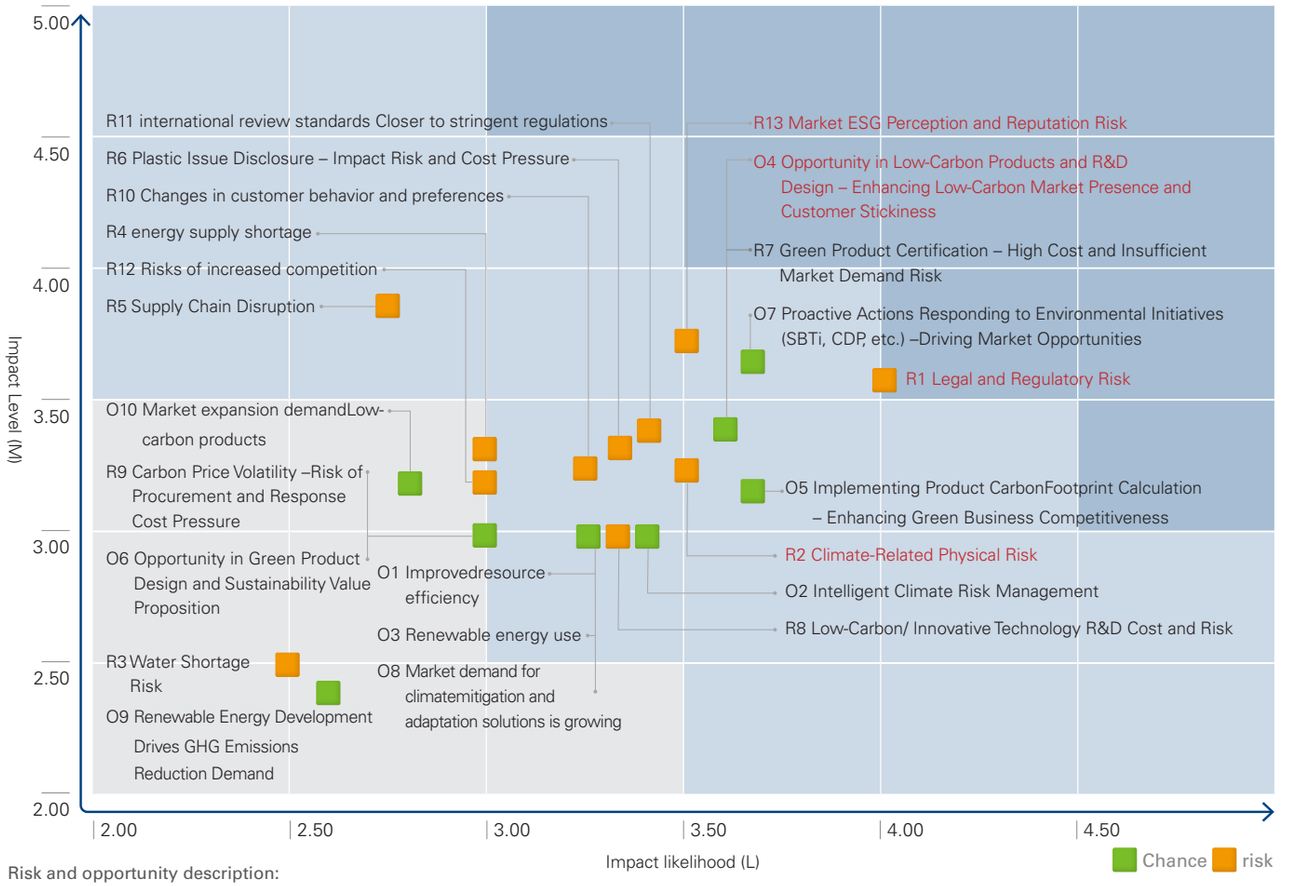
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4.2.3 Climate-Related Risks and Opportunities and Identification of Financial Impacts

Advantech identifies significant climate-related risks and opportunities by referencing the risk and opportunity definitions outlined in the TCFD framework, combined with multi-dimensional issue collection, cross-departmental discussions, and external consultations Through this process, we concretely identify significant risks and opportunities relevant to Advantech, their potential occurrence scenarios and impact levels, and analyze their possible financial implications.

We focus on operational aspects (reduction, natural disasters), product aspects (including the supply chain), and market aspects based on industry characteristics and international developments. This enables us to comprehensively inventory climate risks and opportunities at the organizational level and develop precise response strategies. Consequently, Advantech's climate risk management covers the entire value chain, including upstream, downstream, and our own operations. Advantech's climate-related risks and opportunities, financial impact evaluation process, items, and materiality assessment results are shown in Figure 4.2.1.





Risk and opportunity description:

1. Very high risk / opportunity: 16 < "Impact likelihood (L) X Impact extent (M)" < 25
2. High risk / opportunity: 9 < "Impact likelihood (L) X Impact extent (M)" < 16
3. Moderate risk / opportunity: 4 < "Impact likelihood (L) X Level of Impact (M)" < 9
4. Low risk / opportunity: 1 < "Impact likelihood(L) X Level of Impact (M)" < 4
5. Extremely low risk / opportunity: "Impact likelihood (L) X Level of Impact (M)" < 1

- **Figure 4.2.1 Materiality Matrix for Advantech's Climate Risks and Opportunities**

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Results of a scenario analysis of Climate Change risks

(For a detailed explanations on the quantitative financial assessments under the TCFD framework, please refer to the "2025 Advantech Climate- and Nature-related Financial Disclosures (TCNFD) Report")

Transition risk/opportunity scenario analysis results

Category	Scenario	Impact assessment	Financial impact
Risks	STEPS Stated Policies Scenario	Evaluated the potential impact of government regulations on the our overall operations from 2025 and 2035. This includes the tightening of regulations for large power consumers requiring a certain proportion of renewable energy, amendments to the Climate Change Interaction Act, and the implementation of carbon tax/fee-related laws. Failure to comply may require the payment of substitute fees or carbon emission-related charges, leading to an increase in the Company's operating costs.	Payment of renewable energy substitute fees and carbon charges increased operating costs by NTD 5,116,749 in 2025, NTD 68,663,138 in 2030, and NTD 227,265,171 in 2035 ; the estimated annual management cost is NTD 6,217,526.
	1.5DS Net zero scenario	Evaluated the potential impact of government regulations on the our overall operations from 2025 and 2035. This includes the tightening of regulations for large power consumers requiring a certain proportion of renewable energy, amendments to the Climate Change Interaction Act, and the implementation of carbon tax/fee-related laws. Failure to comply may require the payment of substitute fees or carbon emission-related charges, leading to an increase in the Company's operating costs	Payment of renewable energy substitute fees and carbon charges increased operating costs by NTD 184,749 in 2025, NTD 187,564,574 in 2030, and NTD 441,453,013 in 2035 ; the estimated annual management cost is NTD 6,217,526.
	ESG Image and Reputation Management scenario Referencing historical scenarios	Evaluated the impact of Advantech's market ESG image and reputation (including low-carbon or sustainability performance) on revenue and financing costs, including increased bank financing costs and revenue affected by environmental sustainability performance, i , which may lead to higher operational cost of company.	The increase in operating costs resulting from efforts to improve Advantech's ESG image and reputation is NTD 59,907,158; the estimated annual management cost is NTD 11,283,703.
Opportunities	Low-carbon products and market scenarios Referencing historical scenarios	Evaluate the revenue generated from our low-carbon product up to 2025 and 2030. as a financial opportunity related to low-carbon initiatives.	Advantech's low-carbon product-related revenue is expected to reach NTD 707,258,810 in 2025 and NTD 791,456,288 in 2030 ; the estimated annual management cost is NTD 57,792,607.

Physical risk scenario analysis results

Scenario	Impact assessment	Financial impact
RCP8.5 The most severe warming scenario	Assessed the financial impact of extreme climate events (typhoons/tropical cyclones) on Advantech's overall operational production up to 2030 and 2050, excluding the impact of other physical risks (such as rising temperatures and droughts)	Damage to factory equipment, production disruptions, delayed attendance of personnel, and inventory losses have resulted in increased operating costs of NTD 21,631,559 in 2030, and NTD 23,510,821 in 2050; the estimated annual management cost is NTD 5,408,167.
RCP4.5 BAU scenario	Assessed the financial impact of extreme climate events (typhoons/tropical cyclones) on Advantech's overall operational production up to 2030 and 2050, excluding the impact of other physical risks (such as rising temperatures and droughts)	Damage to factory equipment, production disruptions, delayed attendance of personnel, and inventory losses have resulted in increased operating costs of NTD 21,348,542 in 2030, and NTD 22,692,369 in 2050 ; the estimated annual management cost is NTD 5,408,167.

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Climate risks and opportunities and response strategies

■ Climate risks ■ Climate opportunities

Category		Risk or opportunity issues	Advantech encounters risk or opportunity	Affect schedule	Impact level	Financial impact	Advantech's response strategy
Operation	Transition risk	R1 Legal and policy risks	■ Rising operating cost: More rigorous emissions regulations (such as Taiwan's carbon fee and the EU's CBAM) increase costs ■ Equipment replacement and renewable energy investment pressure: To obtain international certifications and meet customers' sustainability needs, the Company replaces energy-intensive equipment and invests in renewable energy, resulting in increased expenditures ■ System design and maintenance burden: To meet carbon data collection requirements, we must invest in resources to establish and maintain relevant systems ■ Product pricing adjustment risk: After the implementation of carbon pricing, Advantech's financial system must be adjusted to reflect Internal Carbon Price. As a result, product prices are increased, and our market competitiveness is diminished.	Short-term	High	■ Increased operating costs ■ Increased capital expenditure ■ Reduced revenue	■ Introduce energy-saving and carbon reduction measures (energy-efficient equipment, LED lights, automatic temperature and humidity control, and recycling and reuse of consumables) ■ Establish a systematic approach for collecting Scope 1, 2, and 3 emissions data to lower future carbon taxes through precise monitoring of carbon emissions data ■ Building on the established shadow price, we will continue to finalize the Internal Carbon Pricing mechanism, integrating carbon emission costs into the Company's financial system to accurately reflect these costs in product pricing and cost structures ■ Join the RE100 initiative and commit to achieving 100% renewable energy usage by 2040 to lower carbon emissions
	Physical risk	R2 climate-related physical risks	■ Operational disruptions and production risks: Extreme weather events (such as typhoons and flooding) may lead to factory shutdowns, damage to equipment, increasing costs and delivery risks. ■ Increased facility and equipment maintenance costs: In response to climate risks, it is necessary to bolster flood control and drainage systems, reinforce building structures, and address the potential acceleration of equipment aging due to high temperatures, all of which will increase costs. ■ Inventory damage and financial losses: Typhoons and floods can damage inventory, leading to financial losses ■ Increased expenditure in disaster prevention and insurance: To mitigate the impact of extreme weather, we must invest in disaster prevention equipment, improve our emergency response capabilities, and purchase additional insurance coverage to diversify financial risks ■ Pressure from seismic construction and maintenance:: New plants need to incorporate enhanced seismic design, while existing facilities require seismic retrofitting, leading to increased expenditures	Medium-term	High	■ Increased operating costs ■ Increased capital expenditure ■ Reduced revenue ■ Reduced assets	■ Analyze the impact of climate change and develop emergency response plans ■ Establish business continuity management procedures to respond to and manage major incidents, thereby mitigating and minimizing negative impacts ■ Maintain emergency power systems through regular maintenance to prevent power outages from affecting operations. ■ Upgrade emergency response equipment and install additional backup systems, such as standby generators, to improve resilience against unexpected events. ■ Strengthen disaster prevention facilities, improve drainage systems, and install rainwater infiltration prevention measures to minimize natural disaster-related losses ■ Risk transfers and diversification, purchase property insurance to transfer potential financial risks and ensure asset safety
Product	Transition risk	R5 Supply chain disruptions	■ Increased operational and supply chain costs: In response to climate risks and political factors, we must allocate resources to establish alternative supply chains, which can lead to increased costs ■ Inventory and capital pressure: Supply chain disruptions may result in capital and cash flow pressures and increased storage management costs ■ Product development delays: Supply chain changes may require redesigning components or switching suppliers, which can extend product development timelines and delay market launch. ■ Uncertainty in production and delivery: Supply chain disruptions can increase the risk of production plan interruptions and delay the delivery of products	Medium-term	High	■ Increased operating costs ■ Operational disruptions ■ Reduced revenue	■ Introduce eco packaging materials and eco designs to form a sustainable packaging material supply chain ■ Develop a network of suppliers across different locations to enhance supply chain resilience ■ Design backup mechanisms to prevent supply chain disruptions (such as advancing shipments, setting safety stock levels based on material categories, diversifying suppliers, and preparing alternative materials)

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Category		Risk or opportunity issues	Advantech encounters risk or opportunity	Affect schedule	Impact level	Financial impact	Advantech's response strategy
Product	Transition risk	R6 Regulatory penalty risks and increased cost pressure due to EU requirements for plastic content disclosure	■ Regulatory and penalty risks: European countries require disclosure of plastic content, including the weight of structural components and external packaging. Non-compliance may result in fines ■ Increased material and supply chain costs: In response to local regulations and sustainability trends, the use of sustainable materials and eco packaging will result in increased procurement and production costs ■ Increased design and development costs: Regional regulatory compliance requires redesigning product packaging and external components, resulting in longer development timelines and higher costs ■ Data transparency and management burden: To meet sustainability and compliance requirements, a cross-departmental database need to be established, increasing manpower, technical, and maintenance costs ■ Risk of diminished market competitiveness: Rising material and design costs may diminish the Company's market competitiveness	Short-term	Medium	■ Increased operating costs ■ Increased compliance expenditures	■ Introduce eco packaging materials and eco designs, and form a sustainable material supply chain ■ Establish a component recycled material supply chain and regularly review environmental certifications of supply chain materials ■ Develop dedicated part number classification rules for Cable, Plastic, Sheet Metal, and Metal, to distinguish between sustainable and conventional materials ■ Establish relevant data, statistical, and statistical analysis platforms.
Product	Transition risk	R7 Risk of increased costs and extended timelines due to testing and certification of eco products	■ Increased costs due to differences in certification standards and compliance requirements: Meeting green and energy efficiency standards across various regions requires additional investment in testing and design modifications, leading to higher management, design, and material costs ■ Risks of higher certification fees and delayed product launches: Acquiring green certification requires paying corresponding fees, and the lengthy certification process may have an impact on the product's time-to-market and market share ■ Risks of delayed time-to-market and revenue concentration: If products fail to meet international energy efficiency standards, such as EU ErP and US Energy Star, they may be unable to enter key markets such like Europe and the United States, resulting in concentrated revenue sources and increasing vulnerability to regional policies and market fluctuations	Short-term	High	■ Increased operating costs	■ Establish a component recycled material supply chain and regularly review environmental certifications of supply chain materials ■ Develop dedicated material number classification rules for Cable, Plastic, Sheet Metal, and Metal, to distinguish between sustainable and conventional materials ■ Establish a product carbon footprint calculation system, which can be applied to the eco product program ■ To comply with mandatory regulatory requirements in product design, we have created internal verification resources and implemented a management system to monitor external certification-related expenses
Product	Opportunities	O4 Low-carbon products shape Advantech's sustainability image, enhance marketing in the low-carbon market, and expand the customer base	■ Enhance sustainability image and marketing: Develop low-carbon products to strengthen market positioning and showcase our achievements through energy-saving and carbon reduction solutions (e.g., WISE-IoT iEMS), thereby enhancing international buyers' awareness of and trust in Advantech ■ Expand international customer base: Promote low-carbon products to meet the demands of the international market and thereby increase market share ■ Market competitive advantages and internal innovation: Center on low-carbon products to strengthen sustainable supply chain partnership and promote cross-departmental collaboration through product design and promotion, creating brand differentiation advantages and enhancing product value	Medium-term	High	■ Increased revenue ■ Increased market value	■ Introduce eco packaging materials and eco designs, and form a sustainable material supply chain ■ Develop a product carbon footprint calculation system, and implement internal carbon pricing to facilitate the launch of low-carbon products ■ Continue to invest resources in the R&D of low-carbon technologies in response to market needs. For instance, design products with higher performance and lower energy consumption. Also, establish relevant reward mechanisms to encourage low-carbon innovation and creative thinking. ■ In addition to the R&D of low-carbon products, Advantech's technical advantages in IIoT and edge computing are combined to provide integrated low-carbon solutions, creating differentiation advantages in low-carbon products. ■ Highlight the low-carbon products' sustainable values and environmental contributions in marketing activities, such as presenting the products' carbon footprint data and energy-saving effectiveness.

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Category		Risk or opportunity issues	Advantech encounters risk or opportunity	Affect schedule	Impact level	Financial impact	Advantech's response strategy
Product	Opportunities	O5 Establish and engage in product carbon footprint calculations to elevate Company's competitiveness in green business opportunities	■ Enhance market competitiveness and brand image: Meet market demands by establishing a carbon footprint calculation system, strengthen customer trust, enhancing product value, and creating green business opportunities. Moreover, compliance with environmental regulations further bolsters Advantech's sustainability image ■ Support sustainable supply chain development: Use Advantech's CarbonR solution to simplify carbon footprint calculation process, assist supply chain partners in achieving carbon reduction goals, thereby enhancing the partnership	Short-term	High	■ Increased revenue ■ Increased market value	■ Establish Advantech's product carbon footprint methodology and complete the carbon footprint inventory of various business groups' representative products ■ Develop an internal product carbon footprint evaluation system and proactively provide customers with relevant information to improve carbon footprint disclosure transparency ■ Assess material selection through product life cycle (LCA) evaluations to identify key materials contributing to the carbon footprint ■ Promote Advantech's CarbonR solution, assist supply chain partners in calculating carbon emissions and product carbon footprint, as well as offer relevant training and technical support to reinforce collaborative partnership
Market	Transition risk	R11 Increasingly stringent international review standards and regulations	■ Regulatory risks: Global regulations are becoming increasingly stringent, such as the CBAM and the CCA in the United States, failure to respond accordingly may lead to legal risks, fines, and even market entry restrictions ■ Loss of market entry opportunities: If value chain partners are unable to provide solutions in response to relevant regulations, market entry opportunities may be reduced	Short-term	High	■ Increased operating costs ■ Reduced revenue ■ Increased compliance expenditures	■ Local laws and regulations are considered when procuring raw materials during the product design stage to ensure compliance with all relevant standards. ■ Relevant regulations are incorporated into the new product development evaluation process to assess suitability in advance. ■ Regularly audit factories and suppliers to ensure alignment with international trends and customer requirements ■ Identify suitable existing ESG response solutions from internal BUs or external partners and offer them to strategic partners and invested companies to address carbon emission-related needs across the supply chain
	Transition risk	R13 Market ESG image and reputation risks	■ Brand value and customer trust: Failure to effectively manage climate risks or demonstrate adequate ESG performance may negatively impact the company's market reputation and erode stakeholders' trust, including that of customers, shareholders, and investors ■ Climate risks: Inadequate assessment of climate risks may disrupt factory operations during natural disasters such as typhoons or earthquakes, thereby damaging the company's reputation	Medium-term	Medium	■ Increased operating costs ■ Increased capital expenditure ■ Reduced revenue	■ Conduct regularly employee education and training on ESG developments and trends to enhance their ESG awareness and foster a culture of sustainability ■ Introduce energy-saving and carbon reduction equipment with temperature and humidity regulation functions into hardware facilities ■ By joining RE100, setting SBT, and participating in sustainability ratings such as DJSI, CDP, and EcoVadis, we aim to disclose our ESG performance and enhance our corporate sustainability value
	Opportunities	O7 Market opportunities derived from complying with international environmental initiatives (such as SBTi, CDP, etc.)	■ Global market deployment: Participation in major evaluations and initiatives, along with voluntary compliance with local environmental regulations, facilitates the introduction of Advantech's ESG-rated products to the market and enhances our brand image ■ Enhancing sustainability image and attracting sustainable investments: Enhance ESG performance through active engagement in international environmental initiatives, such as SBTi, CDP, and RE100, attract sustainable investment, and strengthens both brand image and supply chain stability	Medium-term	High	■ Increased revenue ■ Increased capital ■ Increased market value	■ Develop product solutions that comply with international environmental regulations, including energy management, ESG information integration systems, carbon emission inventory, raw material supply chain management, and carbon footprint system implementation, etc. ■ Strategically invest in ESG-related fields through small equity investments to mitigate risks and explore market opportunities ■ By joining RE100, setting SBT, and participating in sustainability ratings such as DJSI, CDP, and EcoVadis, we aim to disclose our ESG performance and enhance our corporate sustainability value

Note:

1. Affect schedule: Based on the potential occurrence, affect are categorized as "short-term (< 3 years), mid-term (3 – 5 years), and long-term (> 5 years)."
2. Impact level: An internal evaluation, based on the likelihood of occurrence and level of impact, categorizes the impact level as "high, medium, or low."

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4.3 Greenhouse Gas Inventory and Energy Management

Name of material topic	Importance of this material topic to Advantech
GHG inventory and energy management	Advantech is committed to reducing GHG emissions and effectively using energy and resourcesand strives to achieve the carbon reduction targets we have publicly committed to ensure that environmental protection and corporate sustainability can thrive together.
Policy or commitment	■ We have committed to and secured approval for our 2030 and 2050 SBTs. ■ Advantech joined the RE100 Initiative and committed to achieving the goal of using 100% renewable energy by 2040. ■ Set the goal of achieving net zero emissions by 2050.
Positive impacts	■ **Reduce carbon emissions:** Advantech set carbon reduction targets after accurately identifying GHG emission sources and volume. ■ **Reduce operating costs:** Achieved the goal of reducing energy consumption and operating costs through the introduction of energy management systems, implementation of energy policies, target setting, and implementation of energy conservation projects. ■ **Reduce energy impact:** The deployment of renewable energy at each location of operations not only gradually achieves the goal of RE100, but also reduces our dependence on external renewable energy, and further controls and reduces operating costs. ■ **Improve corporate image:** Joining the RE100 and CDP initiatives and setting SBTs not only shows our determination to achieve net zero emissions but also improves our international image.
Negative impacts	■ **Increased operating and financial costs:** Management of GHG emission data, implementation of energy management systems, equipment replacement, and installation and procurement of renewable energy equipment may increase operating costs. ■ **Energy transition risks:** If the amount of green electricity purchased does not meet expectations, it may delay the achievement of RE100 and prolong our energy transition timeline.

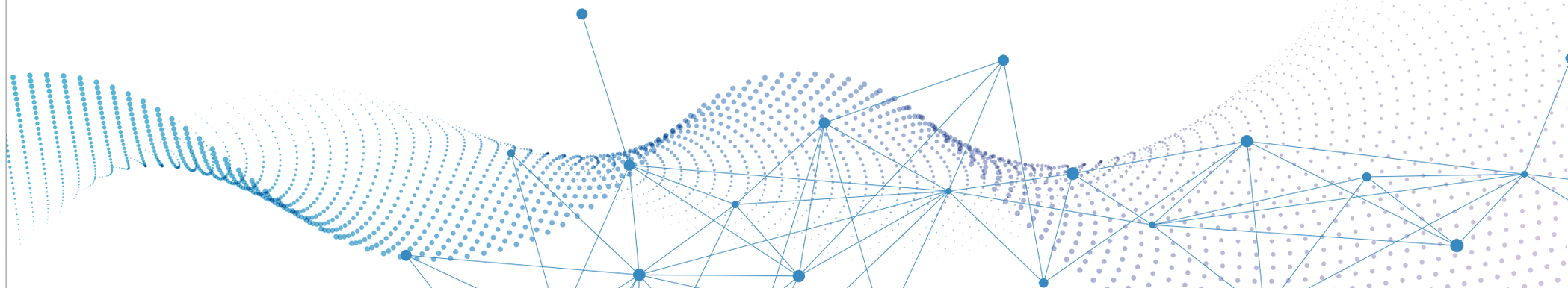
Name of material topic	Importance of this material topic to Advantech
Actions in response to negative impacts that occur	The actions taken by Advantech in response to negative impacts are as follows. For details, please refer to 4.3.2 of this Report: ■ **Improve energy management efficiency:** Advantech uses the internal iEMS for monitoring and analysis to improve energy efficiency. Meanwhile, we have implemented ISO 50001 for comprehensive energy management, with energy-saving plans targeting core energy-consuming equipment such as chillers, laboratory equipment, production equipment, and air conditioning systems, effectively reducing operating costs. ■ **Expand investments in renewable energy:** Advantech actively invests in renewable energy. Our main production sites have adopted measures such as installing solar panels and implementing aquavoltaics, and have also purchased renewable energy certificates and directly purchased green electricity from power suppliers, ensuring that we achieve the RE100 goal. At the same time, we ensure that the percentage of renewable energy used gradually increases by formulating specific short-, medium-, and long-term green electricity investment plans, further moving towards sustainable development.
Overview of target achievement in 2025	■ **Achieved GHG targets:** In 2025, our overall GHG emissions intensity per unit of revenue decreased by 42% compared to 2019 and by 20% compared to 2024. ■ **The target of 20% renewable energy was not achieved:** The use of renewable energy at major production sites worldwide reached 18%, and each RBU continues to increase the use of renewable energy. ■ **The energy reduction target was achieved:** Electricity consumption per person in offices was reduced by 3% compared to 2024. Electricity consumption per work hour at production sites was reduced by 10% compared to 2024. ■ Advantech received a "B List" rating in the CDP Climate Change Questionnaire in 2025. ■ Advantech expanded the GHG inventory and ISO 14064-1 verification at AESC in Europe in 2025. ■ Advantech's Taiwan and Kunshan Plants maintained the validity of their ISO 50001 certificate in 2025.
2026 targets	■ **Renewable energy target:** Continue to increase the use of renewable energy at Advantech's production sites worldwide to 24%. ■ **GHG emissions target:** Reduce Advantech's Scope 1 and Scope 2 GHG emissions intensity by 21% compared to 2022. ■ **Energy reduction target:** Reduce electricity consumption intensity at production sites worldwide by 6% compared to 2024.
2030 targets	■ **Renewable energy target:** Achieve 50% renewable energy use in Taiwan and Kunshan ■ **GHG emissions target:** Reduce Scope 1 + 2 emissions by 42%. Reduce the intensity of Scope 3 emissions from product use by 51.6%. ■ **Energy reduction target:** Reduce energy intensity at production sites by 10% compared to 2024.

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Name of material topic	Importance of this material topic to Advantech
Key action plans or programs in 2025	■ In addition to the Taiwan and Kunshan Plants, our production sites also gradually implemented ISO 50001 energy management systems, and reduced energy consumption by setting energy KPIs and monitoring and improving energy efficiency using the iEMS. ■ Increased the use of renewable energy and reduced Scope 2 emissions to gradually achieve RE100. Locations that currently use renewable energy include Taiwan, China, South Korea, the U.S., and Europe. ■ Gradually expanded the scope of the GHG inventory and ISO14064-1 verification to enhance the Group's control over carbon data. The GHG inventory and verification for the overseas subsidiary AESC was added in 2025. ■ Advantech set an even more challenging SBT (1.5°C pathway) in 2025 to show our determination to reduce carbon emissions.
Effectiveness evaluation	■ Monitor energy management at each location of operation by implementing ISO50001 energy management systems, setting energy KPIs, and holding regular energy meetings. ■ Ensure the credibility of GHG emission data of each location through ISO 14064-1 verification. ■ Increase the credibility of energy use data through the AA1000 verification process in the report.

Name of material topic	Importance of this material topic to Advantech
Stakeholders affected by this material topic and actions taken by Advantech	Employees: Provide internal and external training to personnel responsible for compiling the GHG inventory. In addition, we also send the Advantech ESG e-newsletter to internal employees each quarter to raise their sustainability awareness. **Customers:** Respond to customer questionnaires and audits, and provide supporting records as needed. **Suppliers and contractors:** Conduct on-site audits of certain suppliers to gain an in-depth understanding of their GHG management. We also organize supplier training activities, during which we not only explain Advantech's expectations for suppliers in terms of GHG management, but also provide resources and channels for GHG inventory free of charge. Furthermore, Advantech began providing diverse resources for training and seminars based on supplier classification results in 2025, so as to help suppliers continue to improve their sustainability management capabilities. **Shareholders and investment institutions:** Advantech's sustainability performance is disclosed in the Sustainability Report and on the official website. **Partners:** Respond to inquiries from partners and provide supporting records as needed. **Government/Associations/Media:** Respond to inquiries from government agencies and related associations and provide supporting records as needed.

Advantech upholds the core values of being a global citizen. In addition to compiling our inventory in accordance with ISO 14064-1:2018 and the GHG Protocol, we have completed third-party verification for our 2 major production sites since 2019. We further completed third-party verification of GHG emissions of the plants in Japan and South Korea in 2024, and added third-party verification of GHG emissions of the plants in Europe in 2025. In recent years, we have continued to manage our GHG emissions based on the inventory each year, and also dedicated great effort in product design, product material management, product energy efficiency improvement, and renewable energy use. Advantech joined the RE100 Initiative in 2023 and announced that we will fully use renewable electricity by 2040. Currently, all location of operations in Taiwan, Kunshan, South Korea, Europe, and the U.S. are using renewable energy. The scope of this section covers Advantech's main locations of operations and production sites worldwide, which account for 94.6% of our consolidated revenue.



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4.3.1. Greenhouse Gas Inventory and Management

Advantech established the Greenhouse Gas Inventory Promotion Committee to create a low-carbon business environment. The committee follows the quantitative, supervision, reporting, and verification procedures outlined in Taiwan's Climate Change Response Act, the GHG Protocol, and ISO 14064-1 when compiling the GHG inventory and reducing carbon emissions, aiming to reduce both direct and indirect emissions each year. Advantech joined the international organization Carbon Disclosure Project (CDP) in 2015; in addition, we disclose our carbon reduction plans and performance every year.

GHG Inventory

Starting in 2024, in addition to the Taiwan and Kunshan Plants, Advantech began compiling the GHG inventory of major locations of operations and production sites overseas. The sites that were added in 2024 include AJMC (Japan) and AKSC (South Korea). AESC (Europe) was added in 2025, and major locations of operations and production sites overseas will be subsequently added.

Advantech's Taiwan Plant compiles its inventory in accordance with ISO 14064-1 and the GHG Protocol, and its inventory has been verified by a third party since 2019. The organizational boundaries are based on operational control in accordance with the requirements of ISO 14064-1:2018. The scope of the inventory not only includes qualitative and quantitative items of Scope 1 (Category 1 direct GHG emissions) and Scope 2 (Category 2 energy indirect GHG emissions), but also Scope 3 emission sources (Category 3, 4, and 5 indirect GHG emissions). In 2025, Advantech's plants in Taiwan, Kunshan, Japan, and South Korea have completed their inventory and passed third-party verification. Furthermore, Advantech included AESC in Europe into the scope of the ISO 14064-1 GHG inventory and verification for the first time in 2025. The location of operations in the U.S. continues to compile its GHG inventory from energy use. Advantech plans to complete the inventory and third-party verification of all Scope 1 and Scope 2 emissions of the Group's important locations of operations starting in 2026. The emissions in each region are shown in Table 4.3.1.

The base year for Advantech's GHG inventory is 2022, which serves as the basis for comparing emissions management and reduction effectiveness. The emission factors used in the inventory are mainly national emission factors. If there are no applicable emission factors, the applicable factors announced internationally are used. Global warming potential (GWP) is calculated using the factor in IPCC AR6.

For ACL in Taiwan, Scope 2 emissions only include purchased electricity. Carbon emissions are calculated using the 2024 electricity carbon emission factor of 0.474 kg CO_2e announced by the Energy Administration, Ministry of Economic Affairs, and the electricity carbon emission factor of 0 kgCO_2/kWh for purchased renewable energy, totaling 8,408.61 metric tons of CO_2e (market-based). The Scope 2 emissions of AKMC include purchased electricity, renewable energy electricity, and purchased steam, totaling 11,318.32 metric tons CO_2e (market-based). The electricity carbon emissions are calculated using the average national electricity carbon emission factor (excluding non-fossil energy electricity from market-based transactions) of 0.6096 kg CO_2/kWh, as well as the electricity carbon emission factor of 0 kgCO_2/kWh for purchased renewable energy, in the "Announcement on the Electricity Carbon Emission Factor for 2023." The carbon emissions from steam are calculated using the emission factor for steam of 110 kg CO_2/GJ according to the "GHG Emission Accounting and Reporting Guidelines for Industrial and Other Sectors." In addition, Scope 2 emissions of AJMC, AKSC, AASC, and AESC only include purchased electricity. Among them, AJMC uses the electricity carbon emission factor of 0.449 kg CO_2e/kWh provided by the manufacturer, Kyushu Electric Power. AKSC and AASC use the nationally announced electricity carbon emission factors of 0.4541 kg CO_2e/kWh (market-based) and 0.17906 kg CO_2e/kWh (market-based), respectively. AESC's electricity carbon emission factor is 0 kg CO_2e/kWh as it uses 100% renewable energy.

- **Table 4.3.1 Scope 1 GHG Emissions of Advantech's Major Locations of Operations and Production Sites in 2025**

GHG / Region	CO_2	CH_4	N_2O	HFCS	PFCS	SF_6	NF_3	Other*	Total (Metric tons of CO_2e)
Taiwan ACL	35.6771	0.0195	0.0273	769.6447	0	0	0	3.5986	808.9672
China AKMC	1,351.2320	238.5813	2.9987	1,094.1054	0	0	0	0	2,686.9175
Japan AJMC	25.5935	8.4259	0.1365	103.6429	0	0	0	9.4080	147.2068
South Korea AKSC	1.6109	1.6433	0.0273	4.5305	0	0	0	1.3721	7.8120
United States AASC	21.0586	0.0004	0	0	0	0	0	0	21.0590
Europe AESC	62.4639	0.4158	1.2831	6.3408	0	0	0	0	70.5036
Total	1,497.6360	249.0862	4.4730	1,976.8922	-	-	-	14.3787	3,742.4661

*Note:

1. For AASC in the U.S., Scope 1 emissions only include GHG emissions from energy use (natural gas, diesel, gasoline, and liquefied petroleum gas).
2. Other refers to GHGs not in the 7 major categories of GHGs.

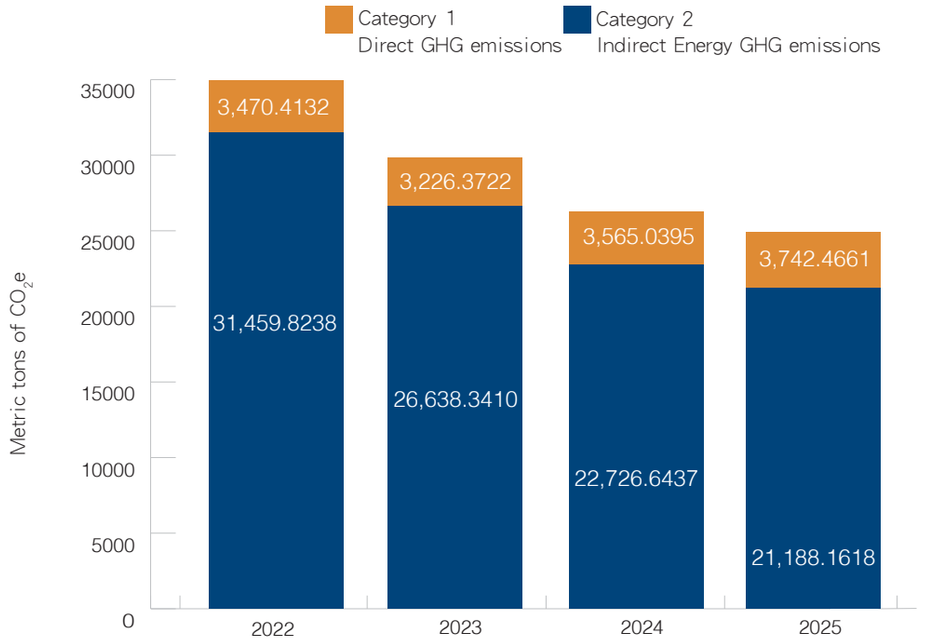
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The Scope 1 and Scope 2 GHG emissions of Advantech's main locations of operations and production sites are shown in Table 4.3.2. In 2025, combined Scope 1 and Scope 2 emissions totaled 24,930.6280 metric tons of CO_2e (market-based), which showed a reduction in GHG emissions by 10,000 and 1,361 metric tons of CO_2e compared to 2022 and 2024, respectively. The Scope 1 and Scope 2 GHG emissions of Advantech's major locations of operations and production sites in recent years are shown in Figure 4.3.1. In 2025, Advantech launched a comprehensive energy-saving improvement project. In addition to numerous energy-saving plans, we built our own renewable energy sources and purchased green electricity at the same time, which significantly reduced the carbon emission intensity of energy use and successfully achieved the SBTs for 2025. This shows that we are making concrete progress on the path to net zero emissions. Please see 4.3.2 Energy Management Actions for more information on energy-saving improvements and renewable energy. We will continue to work towards the SBTs to reduce carbon emissions by 42% by 2030 and 90% by 2050, as shown in Figure 4.3.2.

- **Table 4.3.2 Scope 1 and Scope 2 GHG Emissions of Advantech's Major Locations of Operations and Production Sites in 2025**

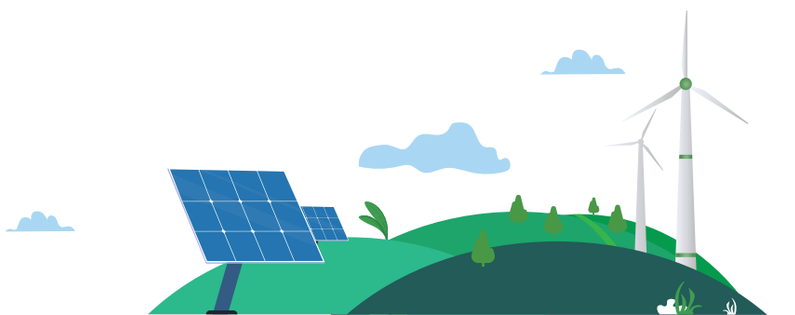
2025					
Region	Scope 1 Direct GHG emissions	Scope 2 Indirect Energy GHG emissions		Total	
		Market-based	Location-based	Market-based	Location-based
Taiwan ACL	808.9672	8,408.6062	8,981.1863	9,217.5734	9,790.1535
China AKMC	2,686.9175	11,318.3170	14,443.9599	14,005.2345	17,130.8774
Japan AJMC	147.2068	1,283.3008	1,283.3008	1,430.5076	1,430.5076
South Korea AKSC	7.8120	146.5535	154.3599	154.3655	162.1719
United States AASC	21.0590	31.3844	163.8454	52.4434	184.9045
Europe AESC	70.5036	0	42.7041	70.5036	113.2077
Total Scope 1 and Scope 2 emissions (Metric tons of CO_2e)	3,742.4661	21,188.1618	25,069.3564	24,930.6280	28,811.8225

*Note
1: The GHG inventory of AASC has not yet been verified by a third party.
2: In the market-based calculation, the GHG emissions from renewable energy in Taiwan, Kunshan, South Korea, Europe, and the U.S. are calculated using an electricity emission factor of 0.

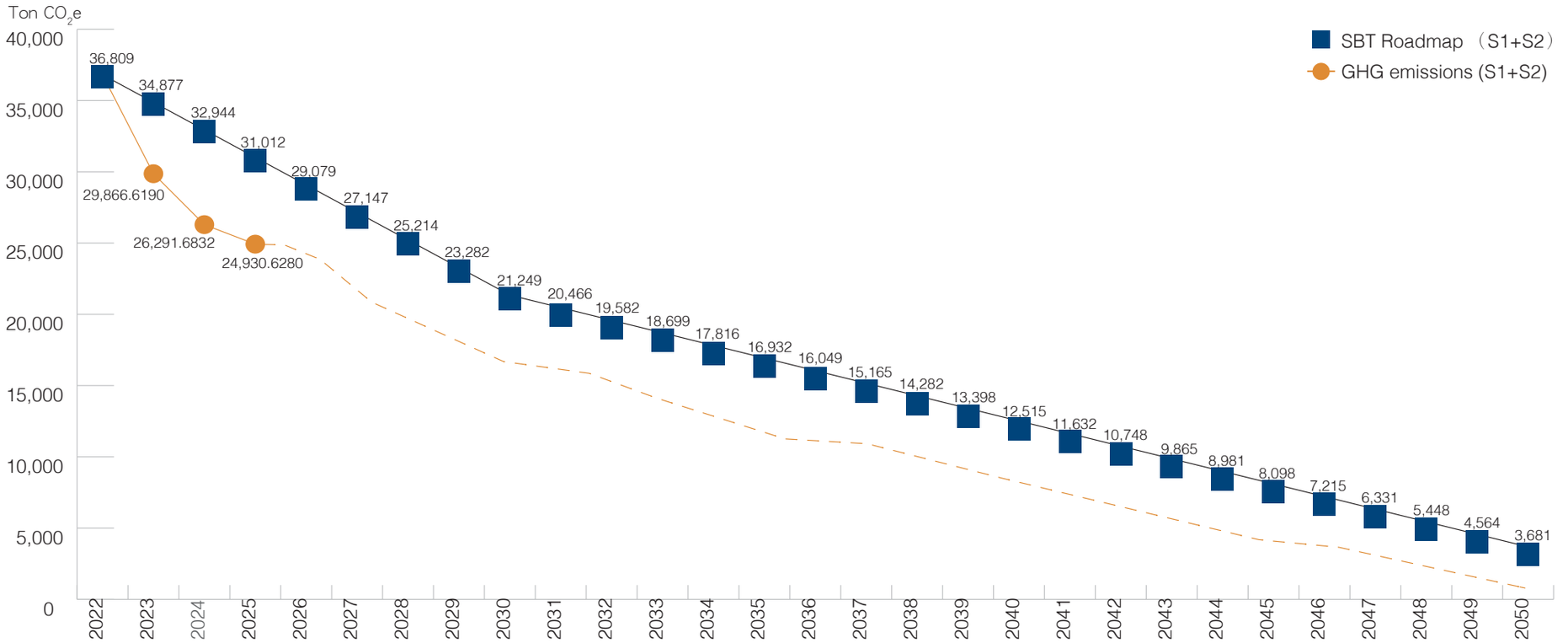


*Note
1: Statistics for Category 2 are "market-based" GHG emissions.
2: Plants in Taiwan, Kunshan, South Korea, Europe, and the U.S. used renewable energy in 2025.

- **Figure 4.3.1 Scope 1 and Scope 2 GHG Emissions of Advantech's Major Locations of Operations and Production Sites in Recent Years**



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*Note: Statistics for Category 2 are "market-based" GHG emissions.

- **Figure 4.3.2 GHG Emissions and SBT Carbon Reduction Roadmap of Advantech's Major Locations of Operations and Production Sites in Recent Years**

In 2025, the GHG emissions intensity (Scope 1 and Scope 2) of Advantech's main locations of operations and production sites was 0.352 tons CO_2e/million NTD in revenue, a 20% decrease in GHG emissions intensity compared to 2024.

In 2025, we continued to manage and optimize our energy efficiency in accordance with the Energy Management Policy, ISO 50001 energy management systems, and the iEMS. We also regularly convene energy project meetings to facilitate experience sharing among plants and continue to improve energy efficiency.

Going forward, we will continue to work towards RE100 and carbon reduction targets through employee education and training, carbon reduction and energy conservation projects, setting energy targets, expanding the use of renewable energy, setting stricter SBTs (1.5°C), and setting internal carbon prices. We have also dedicated our efforts to deeply embed energy conservation and carbon reduction concepts into our corporate culture, combining the capabilities of all employees to jointly move towards a sustainable future with net zero emissions.

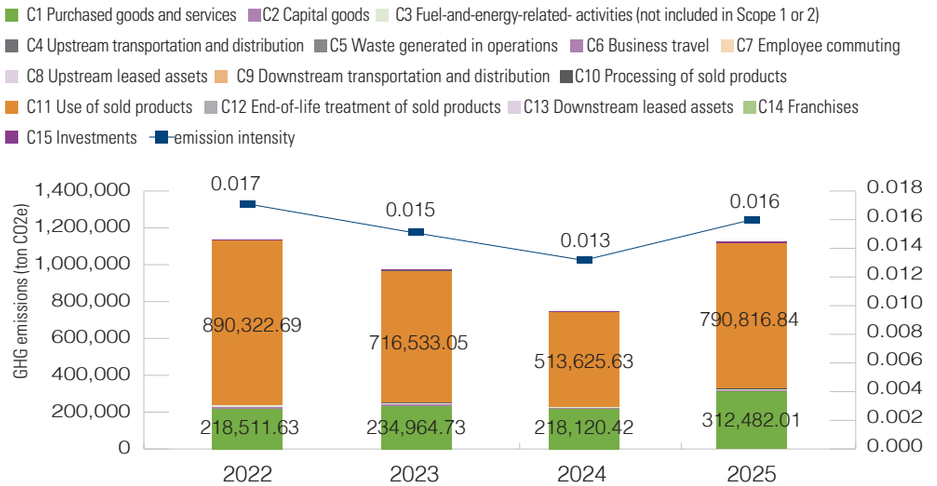
Advantech has 6 major production sites worldwide. The plants in Taiwan and Kunshan are the main production sites. To determine key factors for climate change mitigation, in addition to GHG emissions from our own operations, we identified the materiality of other indirect emission sources based on the ISO14064-1 inventory method in 2019, and established related inventory methodologies to identify emission hotspots, set reduction targets, and gradually implement reduction measures. For Advantech's Scope 3 emissions in 2025, please refer to Table 4.3.3. Scope 3 emissions over the years are shown in Figure 4.3.3. Advantech's Scope 3 GHG emissions intensity in 2025 increased by 27% compared to 2024. C1 (Purchased goods and services) and C11 (Use of sold products) increased due to the continued development of products and expansion of production capacity. Going forward, we will continue to work with suppliers to reduce Scope 3 emissions through supplier carbon reduction strategies, product energy-saving labels, product energy-saving design, power efficiency improvement, and internal carbon pricing.

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- **Table 4.3.3 Categories and Emissions of Advantech's Scope 3 GHG Emissions in 2025**

Scope 3/Category item	Scope of verification	Emissions in 2025 (Metric tons of CO_2e)
C1/Category 4	Purchased goods and services	312,482.0088
C2/Category 4	Capital goods	7,426.6174
C3/Category 4	Fuel-and-energy-related- activities (not included in Scope 1 or 2)	3,405.2271
C4/Category 3	Upstream transportation and distribution	2,000.6367
C5/Category 4	Waste generated in operations	43.4851
C6/Category 3	Business travel	343.5095
C7/Category 3	Employee commuting	928.5078
C8/Category 4	Upstream leased assets	50.2611
C9/Category 3	Downstream transportation and distribution	125.1796
C10/Category 5	Processing of sold products	0
C11/Category 5	Use of sold products	790,816.8395
C12/Category 5	End-of-life treatment of sold products	8.6387
C13/Category 5	Downstream leased assets	0
C14/Category 5	Franchises	0
C15/Category 5	Investments	8,627.1313
Total		1,126,258.0427

* Note: The GHG Protocol Scope 3 C1 to C15 corresponds to ISO14064-1:2018 Categories 3 to 6

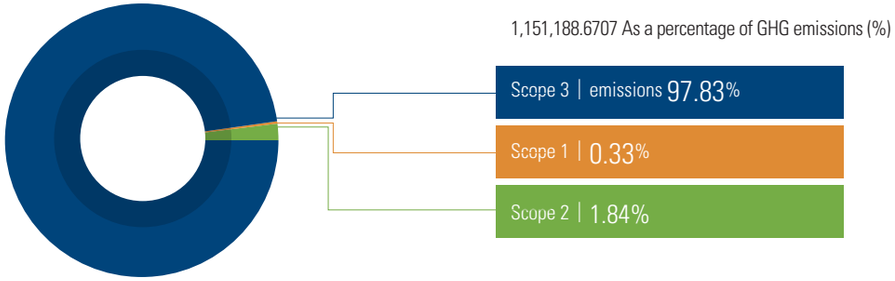


* Note: The data for 2022-2025 was compiled according to ISO 14064-1 and verified by a third party.

- **Figure 4.3.3 Advantech's Scope 3 Emissions in Recent Years**

GHG Emissions in the Value Chain

Overall value chain GHG emissions include direct emissions related to Advantech's operations, as well as various indirect emissions from upstream and downstream, including Scope 1 (direct emissions), Scope 2 (energy indirect emissions), and Scope 3 (other indirect emissions). In 2025, the total GHG emissions from Advantech's value chain in each market were 1,151,188.6707 metric tons of CO_2e, in which Scope 3 accounted for 97.83%, while Scope 1 and Scope 2 accounted for approximately 0.33% and 1.84%, respectively. In addition to implementing Scope 1 and Scope 2 emission reduction measures, Advantech has extended carbon reduction actions to the overall value chain. We actively communicate and work with upstream and downstream partners towards the 1.5°C carbon reduction target.



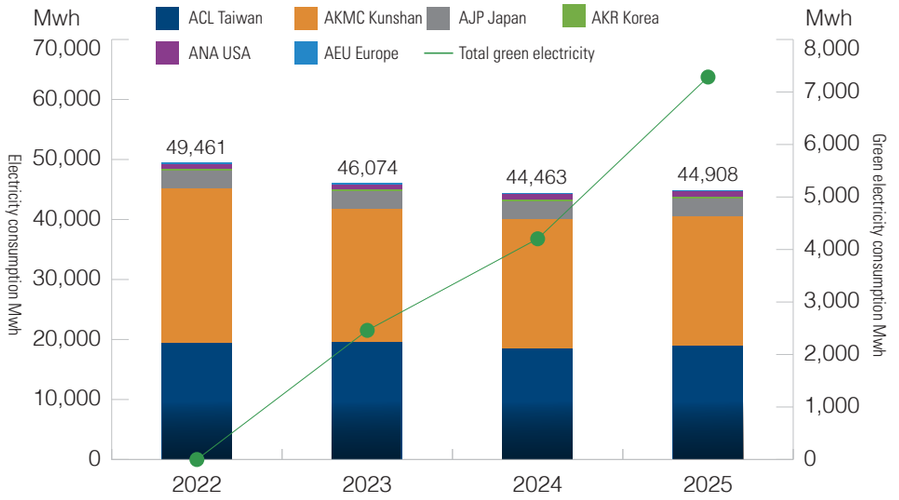
Highlight Project:
Participation in the Carbon Disclosure Project (CDP) Evaluation

Advantech has participated in the Carbon Disclosure Project (CDP) evaluation in coordination with customers since 2015. The CDP is currently the world's largest database related to global climate change. Each year, questionnaires are distributed to determine how businesses are responding to climate change and reducing their GHG emissions. The survey results are then used to evaluate the potential business risks and opportunities caused by climate change. Through annual CDP information disclosure, Advantech carefully reviews climate-related issues such as climate regulations and hazards caused by climate change. To mitigate potential risks in business management, we adopt effective reduction and elimination measures and thereby adhere to the GHG management requirements requested by international clients. Advantech received a Level B rating in 2025.

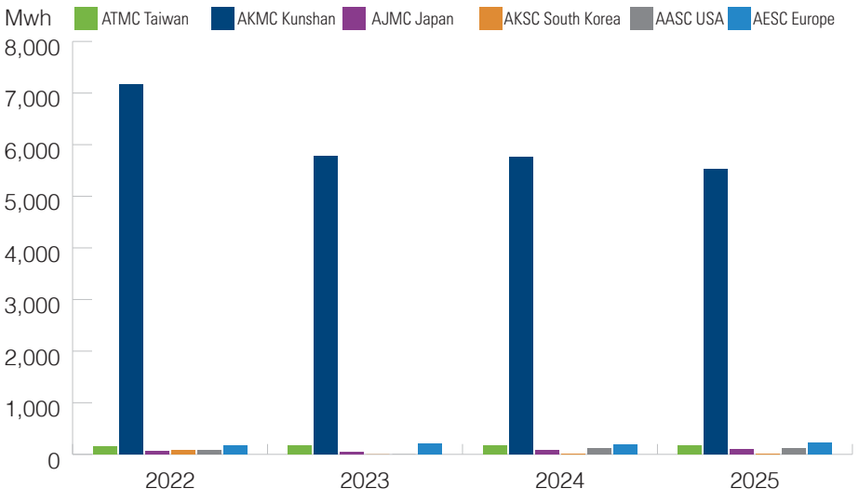
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Energy Data Management

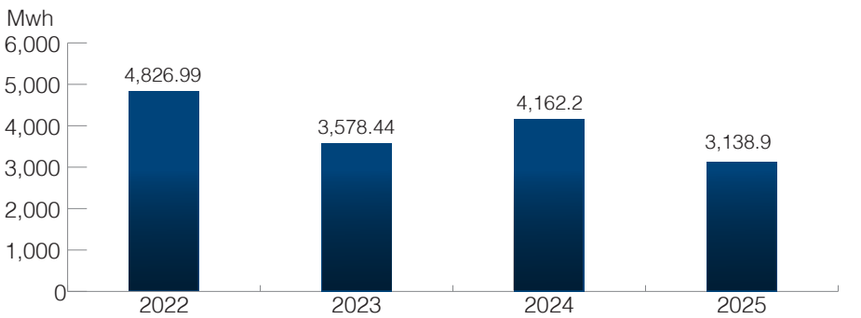
Advantech's main source of GHG emissions was CO_2 generated from the use of purchased electricity in company operations. This source of emissions accounted for more than 84% of the total emissions in 2025. In 2025, the total energy consumption (electricity, steam, gasoline, diesel, and natural gas) of Advantech's main locations of operations and production sites was 183,771.00 GJ, in which purchased electricity accounted for 87.97% of energy use (including 16.22% renewable energy use). The total renewable energy consumption in 2025 was 7,284,651 kWh. The total consumption increased by 0.5% compared to 2024, mainly due to the increase in production volume, resulting in the increase in electricity use.



- **Figure 4.3.4 Electricity Consumption of Advantech's Main Locations of Operations and Production Sites in Recent Years**



- **Figure 4.3.5 Non-renewable Fuel Consumption at Advantech's Main Locations of Operations and Production Sites in Recent Years**



*Note: Among Advantech's main locations of operations and production sites, only the Kunshan Plant in China uses steam.

- **Figure 4.3.6 Steam (Non-renewable Energy) Consumption at Advantech's Main Locations of Operations and Production Sites in Recent Years**

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4.3.2. Energy Management Actions

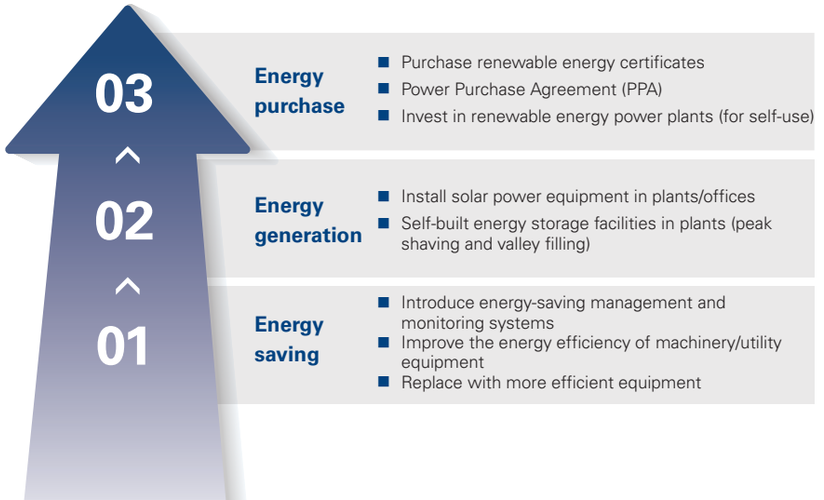
Overview of Energy Use

Electricity is Advantech's main source of energy. To reduce the environmental impact of the product lifecycle and production processes, we continue to deepen ISO 50001 energy management systems in our plants in Taiwan and Kunshan according to the Energy Management Policy. We systematically conduct energy reviews, plan energy-saving projects, conduct benefit assessments, and improve processes to ensure that energy efficiency is improved each year. Advantech continues to upgrade the iEMS to improve energy transparency and management accuracy. The monitoring and identification of energy consumption hotspots enables further optimization of equipment operation and schedule management, effectively improving overall energy efficiency. The energy management unit convenes regular management review meetings according to the annual energy saving target, tracks implementation performance and improvement progress, continues to manage operations, and implements energy saving mechanisms.

In 2025, Advantech continued to use the 6 electricity consumption management indicators for RBUs worldwide. We implemented a unified energy management framework for locations of operations to monitor their energy consumption, implement energy saving measures, and examine the consistency of results, which further improved the maturity of cross-regional energy management. At the same time, Advantech continues to implement the global renewable energy strategy, and cooperates with locations through diverse procurement channels to gradually increase the percentage of renewable energy use, supporting our commitment to RE100 and moving towards the goal of using 100% renewable energy.

Energy Management Strategy

Advantech continues to adopt energy management strategies in each of the 3 stages – energy saving, energy generation, and energy purchase, gradually advancing through each stage as we continue to strengthen energy management and optimize resource allocation, so as to realize sustainable energy management and renewable energy transformation goals.



Energy Management Processes

Advantech established an internal energy management mechanism and uses the iEMS it developed for monitoring, which is supported by the effective operation of ISO 50001 energy management systems. In the energy change assessment stage, Advantech reviews energy impact risks and source management. In the operations stage, Advantech reviews the organization's energy use, and focuses on energy consumption hotspots. In the improvement stage, Advantech implements energy-saving action plans and conducts benefit analysis. In these 3 stages, we continue to improve energy management processes and measures, and also continue to improve energy efficiency.

Energy review

A list of energy-consuming equipment in plants is compiled through the energy review process, and significant energy use (SEU) equipment is defined based on operating time, equipment age, and equipment power

Management of SEU equipment

SEU equipment is subject to routine monitoring and management (including operator capabilities and documentation of specifications)



Energy performance monitoring

Oversee overall energy consumption throughout the year and implement energy management based on regression analysis and comparison with the base year

Energy-saving actions

Improvement actions are formulated for SEU equipment, and energy-saving technology improvement opportunities in public areas and process sections are identified based on Advantech's energy policy and energy issues of stakeholders

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Management of SEU Equipment at Main Production Sites in 2025

Advantech has 6 major RBUs worldwide, in which the Taiwan and Kunshan Plants are the main production sites. Therefore, we continue to implement energy conservation management in accordance with ISO 50001 energy management systems.

Place	SEU equipment	SEU equipment management methods
ATMC (Taiwan)	Chiller systems	Real-time monitoring of chiller system operations and inlet/outlet water temperature control is conducted using the SCADA system, and periodic maintenance is specified in the SOP.
	Laboratory equipment and process-related equipment	Maintenance and management are specified in the SOP, including routine inspection management and regular maintenance.
AKMC (Kunshan, China)	Production equipment (solder reflow oven, liquid baking line, solder pot)	Regular monitoring plans are formulated based on the qualifications required for operators at each post. Contents of the plans include: monitoring methods, frequency, personnel, and records.
	Air conditioning system	Air conditioning equipment is maintained and managed according to the SOP, and the control system of the air conditioning system is used to monitor its operation and control water temperature.

Energy-saving Management Actions of Main Production Sites in 2025

Place	Category	Energy saving topic	Total cost (K NTD)	Energy saving
Taiwan ACL	Air conditioning system	Replacement of old chillers and air conditioning units on each floor, installation of air conditioner inverters	1,320	369,238 kWh
	Power systems	Replacement of passenger and cargo elevators, scheduling and control of elevator operation time	0	50,289 kWh
	Power consumption of electrical outlets	Public equipment usage schedule management	0	32,940 kWh
	Lighting systems	Lighting fixture replacement	1,700	69,580 kWh
AKMC (Kunshan, China)	Air conditioning system	Replacement of cooling towers, water pumps, and heat pumps with Grade 1 energy efficiency models and installation of inverters	1,007.5	118,000 kWh
	Process improvement	Coating Process Optimization	388	187,164 kWh 47,628 m^3
Total			4,415.5	827,211 kWh 47,628 m^3

2025 Process Energy Saving Management Highlight Project

- **Coating Process Optimizationl**

  Increased the capacity of plating racks to spray multiple products, optimizing the maximum spraying area and utilization rate. This reduced production line operation time by 3.2 hours, reduced electricity consumption and natural gas consumption per hour. This has been used for 539 material numbers to date, saving 187,164 kWh of electricity and 47,628 M^3 of natural gas per year.

- **Solar power grid connection**

  The purchased electricity consumption of ANA in the U.S. decreased by 76% compared to 2024, significantly reducing its dependence on the power grid for power supply, while reducing Scope 2 GHG emissions and enhancing long-term energy resilience, thereby fulfilling our commitment to ESG and achieving our carbon reduction strategy.



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Renewable Energy Promotion Program

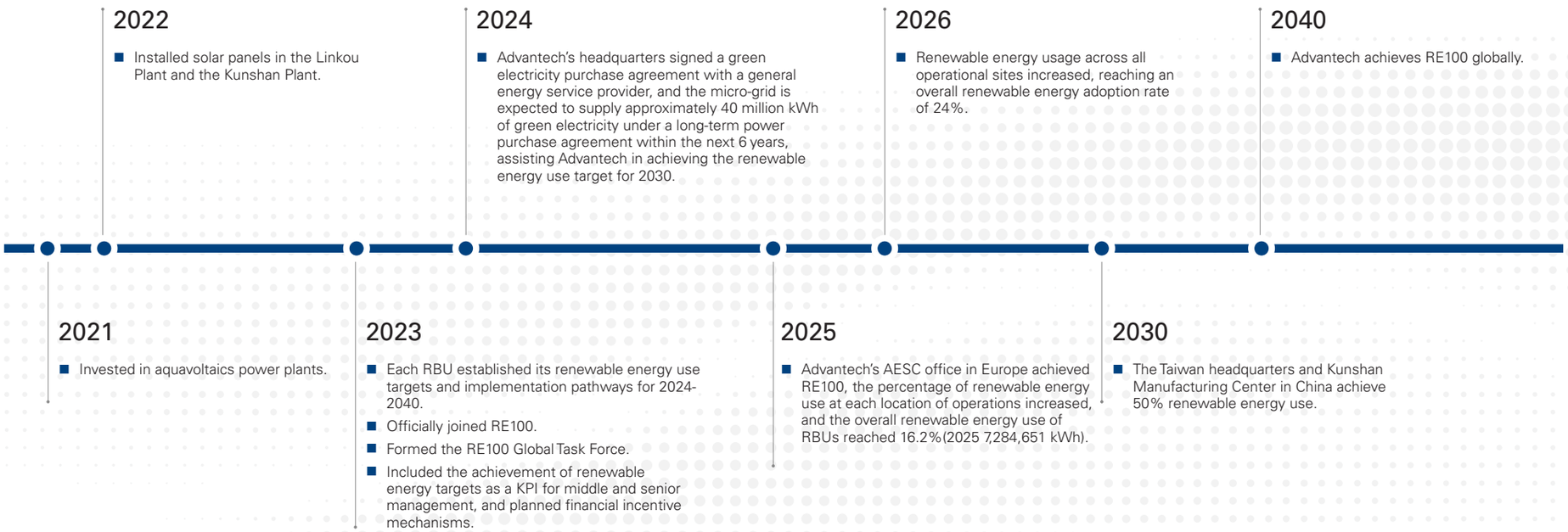
Advantech commits to RE100 by 2040

Since becoming an RE100 member in 2023, Advantech has actively implemented renewable energy development plans for the headquarters and overseas subsidiaries. Advantech's Taiwan headquarters and Kunshan Manufacturing Center in China account for over 90% of Advantech's global electricity consumption. Therefore, we will focus on the progress of renewable energy use at these 2 manufacturing centers.

For the disclosure of renewable energy-related data, please refer to the section on Energy Data Management in this Report. The implementation timeline and management model are as follows:

Management model	■ Advantech officially established the Global RE100 Task Force in 2023. The ESG and Corporate Sustainability Office coordinates and reviews the progress of renewable energy implementation, while the president of general management conducts the review during the quarterly ESG regional meeting. ■ The RBUs under this task force span Advantech's headquarters and 5 countries/regions, including China, the U.S., Europe, Japan, and South Korea. ■ Each RBU has appointed renewable energy personnel to formulate local plans that comply with local policies, regulations, and electricity price markets to achieve the renewable energy target. ■ The progress of achieving renewable energy targets was included as a performance indicator for the chairman and responsible supervisors in 2024, management and financial incentive mechanisms were planned and implemented to encourage them. ■ Starting in 2025, the renewable energy progress and goals are regularly reviewed in the quarterly ESG meetings of RBUs.

Renewable energy implementation timeline and goals:



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Renewable energy highlight projects of major overseas locations:

ACL	Purchased a total of 1,159,069 kWh in renewable energy certificates, and the renewable energy coverage rate reached 6.1%.
ANA	AASC actively installed solar panels, with a total solar power generation of 739,758 kwh, and the renewable energy coverage rate reached 80.9%.
AKR	1. Launched a local solar power installation plan and applied for support from government funds. 2. The renewable energy target is expected to be achieved through the installation of solar panels and the procurement of RECs. 3. Solar panels on the rooftop began generating electricity in the fourth quarter of 2025. 4. Statistics show that the total renewable energy electricity generation was 17,191kWh, and the renewable energy coverage rate reached 5.1%.
AJP	AJP aligns with the national renewable energy policy and has identified suitable renewable energy suppliers. It plans to contact the suppliers in 2026 to discuss purchase.
AKMC	With the goal of increasing the percentage of renewable energy use by 5% each year, renewable energy sources include solar panels (1,753,367 kWh) and the purchase of RE100-approved RECs (3,374,000 kWh). The percentage of renewable energy use in 2025 was 23.7%.
AEU	Directly purchases from local renewable energy suppliers and has already achieved the target of 100% renewable energy.(241,266kWh)
Global	2025 Renewable energy coverage - 16.2% (7,284,651 kWh)

Establishing an Intelligent Energy Monitoring System and Continuing to Implement Energy-saving Projects

Advantech made significant progress in the intelligent energy management system (iEMS) in 2024. The system integrates digital professional technologies to provide a variety of functions for energy consumption monitoring and management, heating and air-conditioning energy efficiency management, and air compressor energy efficiency management. The system helps enterprises improve energy use, improve energy efficiency, deepen energy saving potential, and assists in carbon credits trading, reducing carbon emissions through digitalization. The management of online data drives offline improvements, providing concrete support for Advantech's transition towards green operations. As of 2025, the iEMS has been implemented at ANA, AJP (Tokyo), AESC, AASC, AKMC, ACL, ACN (Xian, Shanghai, and Beijing), AKR, AMY (ASSC), and ASG; planning and implementation at the new headquarters of ANA Tustin in Southern California and AJP(Nogata) is expected to be completed in 2026.

Training Program

To raise awareness of energy saving and carbon reduction among Advantech employees, the energy management unit irregularly arranges energy management-related training courses or external training courses. The types of courses include energy knowledge courses and professional technology courses. The summary of each course and participating units is shown below. The courses aim to enable energy management professionals to improve their energy management abilities and obtain relevant information in Taiwan and overseas, strengthening their knowledge acquisition and application.

Category	Content	Training unit
 Knowledge training	Energy knowledge introductory course: Describes the concepts of energy review, energy baseline, energy performance indicators, and energy procurement based on the management system's PDCA. The course also shares energy management practices to raise employees' awareness of energy saving and energy management.	All employees, new employees
	RE100 technical standard training: Members of RE100 and the Chung-Hua Institution for Economic Research are invited to give lectures, explain the RE100 technical standards and requirements, and share practices for companies to implement RE100.	Energy management units, investment units, procurement personnel, ESG and Corporate Sustainability Office, product and quality management departments, smart energy management product planning and design departments, major overseas locations of operations (AKMC, ACN, ANA, AEU, AURES), and suppliers
 Technical training	Technical training for SEU equipment: 1. Training on air conditioning and weak current monitoring systems 2. Equipment operation in the burn-in section	Plant facilities, general affairs Burn-in operators

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4.4 Environmental Management

Highlights

No violations of environmental laws and regulations occurred, and no fines in the past 5 years.	0
The Kunshan Plant in China obtained the UL2799 Platinum Certification in 2025.	ACHIEVED
The Linkou Plant in Taiwan began reusing waste plastics in 2025, achieving circular economy.	ACHIEVED
AESC engaged a third party for verification of ISO14064 GHG inventory and obtained a verification statement.	NEW

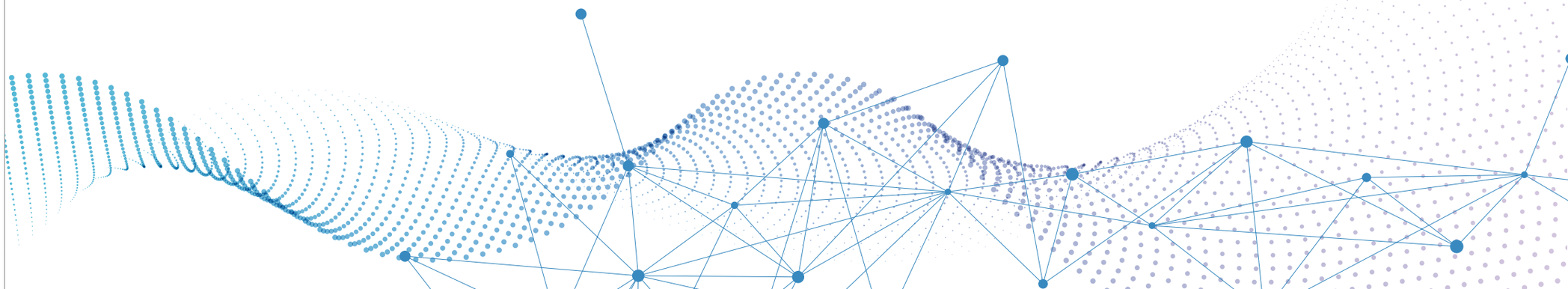
4.4.1. Environmental Responsibility

Advantech is well aware of the environmental impact of our product manufacturing processes. We have therefore adopted ISO 14001 environmental management systems as the core framework for systematically identifying environmental risks and opportunities. We also ensure that all of our production sites comply with local regulations and meet stakeholders' expectations. We conduct internal audits every year to maintain the effective operation of management systems, and continue to ensure that ISO 14001 requirements are incorporated in daily operations through third-party verification.

In addition, we have planned comprehensive education and training, including water conservation measures, waste reduction, recycling, and other related policies and management mechanisms, so that employees will become more aware and feel a sense of responsibility towards environmental issues. In addition to training for new employees, all current employees are required to complete courses related to environmental issues every year, ensuring that all employees are familiar with Advantech's latest environmental policies. Our environmental policy was officially announced after being confirmed by the Board of Directors, and is disclosed on Advantech's official website to show our determination to fulfill our commitment to environmental sustainability.

Environmental Implementation Procedures and Actions

Implementation procedures	Management actions
Environmental protection-related management regulations Environmental management systems (ISO 14001) GHG inventory (ISO 14064-1) Energy management systems (ISO 50001)	■ Pollution control and prevention ■ Environmental responsibility training, such as: water conservation, waste reduction, and recycling ■ Environmental management system maintenance ■ GHG management ■ Supervise and improve energy performance



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Environmental Promotion Goals

Advantech set environmental management targets for each RBU or production site in 2023, and plans to gradually achieve the reduction targets in 2024 and 2025. Taking into account the timeline of each reduction plan, if an RBU fails to reach an annual reduction target, its achievement of the target will be determined by comparing the final year (2025) with the base year (2023), as shown in the table below.

Item	Base year	Target		Implementation results (compared to the base year)	
		Y2024	Y2025	Y2024	Y2025
Water withdrawal (M^3/people)	Y2023	2% decrease compared to the base year	2% decrease compared to the previous year or 4% compared to the base year	Each RBU achieved the target An average decrease of 3.01% (only AJMC did not achieve the target)	All RBUs achieved the target An average decrease of 22%
Waste volume (ton/production hours)		5% decrease compared to the base year	5% decrease compared to the previous year or 10% compared to the base year	Each RBU achieved the target An average decrease of 15.93% (only AJMC did not achieve the target)	Each RBU achieved the target An average decrease of 21% (only AJMC and AKSC did not achieve the target)
VOC emissions (only AKMC) (ton/production hours)		5% decrease compared to 2023	5% decrease compared to 2024 or 10% decrease compared to 2023	Achieved 55.51% decrease	Achieved 57% decrease

In addition, as the industry continues to make technological advancements and refine existing processes, overall process complexity has increased each year. In the past, the use of working hours as the intensity indicator has made it difficult to fully reflect actual operational differences, and is not conducive to tracking and comparing long-term environmental performance. Advantech thus switched to intensity indicators based on unit revenue starting from 2026, and set long-term targets for 2030 with 2024 as the base year. Taking into account the timeline of each reduction plan, if an RBU fails to reach an annual reduction target, it must explain the reason and its achievement of the target will be determined by comparing the target year (2030) with the base year (2024). The targets we have set are shown in the table below.

Annual short-term targets:

	Water withdrawal	Waste volume	VOC emissions
2026 targets	Compared to 2024 ↓ 3% (M^3/revenue)	Compared to 2024 ↓ 3% (ton/revenue)	Compared to 2024 ↓ 6% (ton/revenue)
	Each RBU	Each RBU	Kunshan Plant, China (AKMC)

Long-term targets:

	Water withdrawal	Waste volume	VOC emissions
2030 targets	Compared to 2024 ↓ 10% (M^3/revenue)	Compared to 2024 ↓ 10% (ton/revenue)	Compared to 2024 ↓ 10% (ton/revenue)
	Each RBU	Each RBU	Kunshan Plant, China (AKMC)

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Advantech continued to implement environmental management mechanisms according to ISO environmental management systems in 2025, showing our strong commitment to green operations and sustainable development. We also planned and implemented environmental protection initiatives to improve resource use efficiency and environmental performance. We strengthened the environmental management framework and implemented green operations, pollution prevention, waste management, and green procurement through the Environmental Safety and Health Committee established by each production site, as well as regular management review meetings. This has enabled us to achieve energy saving, emission reduction, continued use of resources, and circular economy. Advantech's main locations of operations and production sites are working to obtain third-party certifications for environmental management systems, GHG inventory, and energy management systems. Certifications already obtained are shown in Table 4.4.1, which includes the new third-party certification for GHG inventory obtained by AESC in Europe. The scope of this section covers Advantech's main locations of operations and production sites worldwide, which account for 94.6% of our consolidated revenue.

- **Table 4.4.1 Environmental Certifications Obtained by Advantech's Main Locations of Operations and Production Sites Worldwide**

Certification \ Plant	Taiwan ACL	Taiwan Linkou ATMC	AKMC (Kunshan, China)	Japan AJMC	South Korea AKSC	United States AASC	Europe AESC
ISO 14001:2015	☑	☑	☑	☑	☑	☑	☑
ISO 14064-1:2018	☑	☑	☑	☑	☑		☑
ISO 50001:2018	☑	☑	☑				

There were no fines for violating environmental laws and regulations in 2025. Environmental violations of Advantech's main locations of operations and production sites around the world in the past 4 years are summarized in Table 4.4.2.

- **Table 4.4.2 Environmental Violations by Advantech's Main Locations of Operations and Production Sites Worldwide**

Year \ Plant	Taiwan ACL	Taiwan Linkou ATMC	AKMC (Kunshan, China)	Japan AJP	Korea AKR	United States ANA	Europe AEU
2025	0	0	0	0	0	0	0
2024	0	0	0	0	0	0	0
2023	0	0	0	0	0	0	0
2022	0	0	0	0	0	0	0

Advantech's Environmental Energy/Resource Input/Output (Covers ACL, AKMC, AJP, AKR, ANA, and AEU)

■ Energy and resource input
■ Output

Electricity
44,908,353.5 kWh

Tap water
254,287 m^3

Steam
4,227.3 ton



GHG (Scope1&2)
24,930.6280 ton CO_2e

Domestic sewage
166,468.9 m^3

Industrial wastewater
11,532 m^3

Industrial waste
976.29 ton

Volatile organic compounds (VOCs)
7.56 ton

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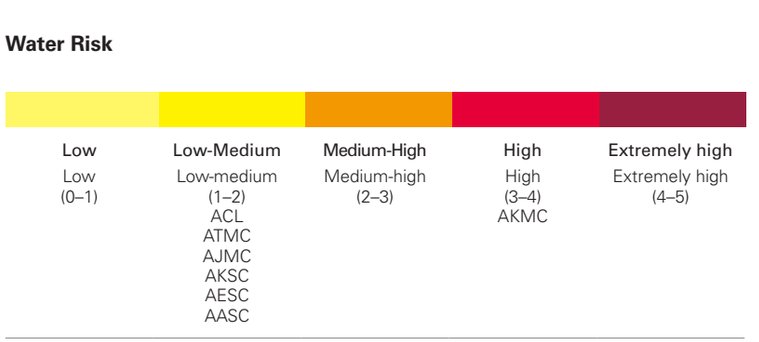
4.4.2. Energy and Resource Use and Waste Management

Water Resource Risk Management and Water Withdrawal/Wastewater Management

Advantech utilizes the World Resources Institute (WRI) Aqueduct Water Risk Atlas to confirm the water resource risks at major locations of operations and production sites (as shown in Figure 4.4.1), and discloses the sources of water withdrawal and the receiving water bodies for discharge in each region, as shown in Table 4.4.3. The analysis results show that Advantech's major locations of operations and production sites face low to medium water resource risks, except for the Kunshan Plant in China, which faces high water resource risk. Based on the results of the water resource risk analysis, we plan and manage our water resources according to the risk level at major locations of operations and production sites, ensuring effective and sustainable water use.

- **Table 4.4.3 Sources of Water Withdrawal and Receiving Water Bodies for Discharge by Advantech's Main Locations of Operations and Production Sites Worldwide**

Plant	ATMC	ACL	AKMC	AJMC	AKSC	AESC	AASC
Water withdrawal source	Shimen Reservoir	Xindian River	Yangtze River	Onga River	Paldang Reservoir	Brabant Water	Hetch Hetchy
Water treatment plant	Guishan Water Resources Recycling Center	Neihu Wastewater Treatment Plant	North District Wastewater Treatment Plant	Septic Tank	Bupyeong Water Purification Plant	Municipal sewage system	San Jose-Santa Clara Regional Wastewater Facility
Receiving water body	Nankan River	Keelung River	Taicang Tang	Onga River	Han Rive	Connected to the municipal wastewater treatment plant	South San Francisco Bay



- **Figure 4.4.1**
  Analysis of Water Resource Risks at Advantech's Main Locations of Operations and Production Sites Worldwide

All of Advantech's offices and plants are located in developed industrial zones or parks within metropolitan areas, and tap water is their primary water source. They do not rely on groundwater or well water. Their production processes mainly involve assembly and are not water-intensive. Their water withdrawal needs are mainly for domestic purposes. As such, they do not have a significant environmental impact on water resources. Despite the relatively low water withdrawal risk, Advantech still systematically identifies and evaluates water resource use and wastewater management in accordance with ISO 14001 environmental management systems, identifying opportunities for water efficiency improvements and actively implementing water-saving management plans to reduce water consumption and wastewater discharge, so as to ensure the proper management of water resources. The total water consumption of Advantech's main locations of operation and production sites worldwide in the past 4 years is shown in Figure 4.4.2.

Advantech's plants continue to explore water conservation possibilities, and employees are required to receive annual environmental responsibility education and water efficiency management training (including water conservation concepts. In addition to using water-saving faucets and water-saving toilets, the plants also install rainwater recycling systems for toilet flushing and watering, which is performed by a smart watering system to save water. Regarding chiller systems used by the Taiwan Plant, smart temperature control is implemented to accurately control the temperature and humidity of the work areas, avoiding unnecessary water waste. The total water withdrawal of Advantech's main locations of operations in 2025 decreased by approximately 16,075 m^3 compared to 2024. Each plant actively implements a number of water-saving measures to improve water use efficiency. In 2025, the Taiwan Plant replaced 2 chillers and repaired the landscape pond, improving the efficiency of the chillers to reduce water withdrawal. For the landscape pond, we adopted the management measure to gradually reduce the amount of water used for replenishment. The annual water withdrawal was reduced by approximately 9,194 m^3 compared to 2024, improving the overall water efficiency. The factory buildings planned to be constructed at the original site of the plant in Japan were reduced by one, so their overall water withdrawal in 2025 decreased by 39% compared to 2024, a reduction of approximately 1,932 m^3. The water consumption of Advantech's main locations of operations and production sites worldwide in recent years is shown in Table 4.4.4.

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- **Table 4.4.4 Water Consumption at Advantech's Main Locations of Operations and Production Sites Worldwide**

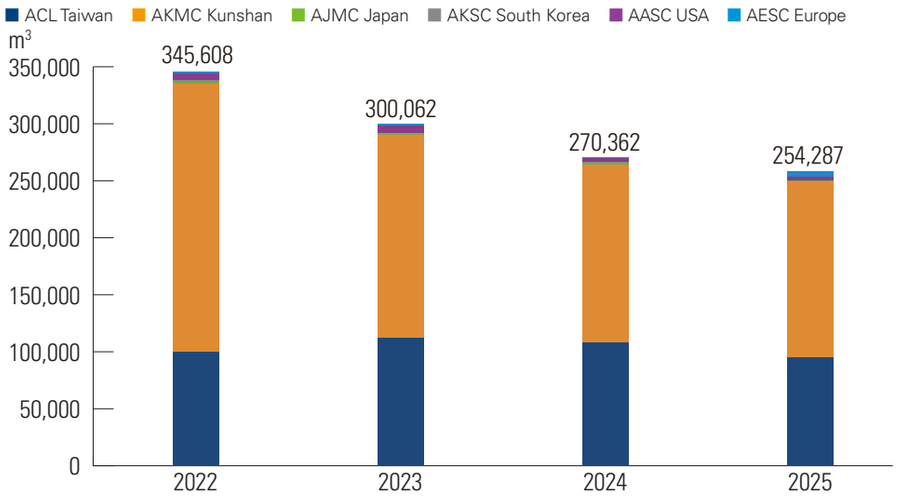
		2022	2023	2024	2025
Water withdrawal (m^3)		345,608	300,062	270,362	254,287
Water discharge	Domestic sewage (m^3)	226,277	198,481	177,397	166,469
	Industrial wastewater (m^3)	15,649	11,563	11,856	11,532
Water consumption (m^3)		103,682	90,019	81,108	76,286
The scope covers Advantech's consolidated revenue		92.3%	92.6%	92.8%	94.6%

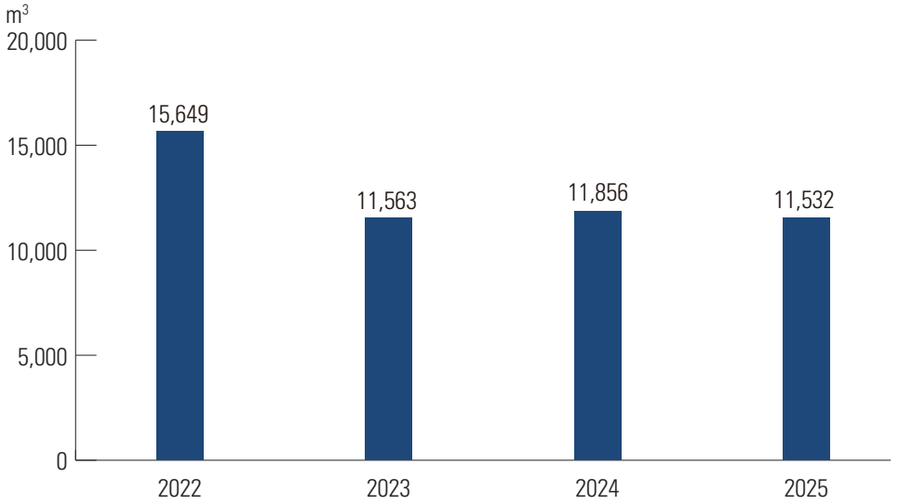
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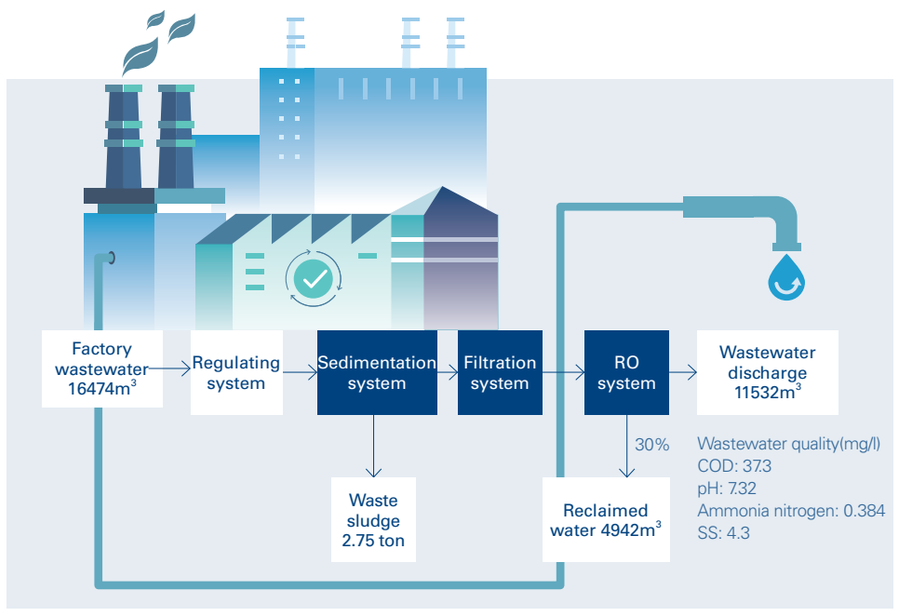
1. Domestic sewage is calculated by multiplying water withdrawal by 70% minus industrial wastewater.
2. Water consumption is calculated as water withdrawal minus water discharge.

Among Advantech's production sites, only the Kunshan Plant in China discharges industrial wastewater, no other production sites discharge industrial wastewater. The Kunshan Plant has its own wastewater treatment system, which uses neutralization reaction and biological treatment to first treat wastewater within the plant. The water quality of wastewater discharge is monitored in real time using the smart factory solution developed by Advantech: i-factory, ensuring that all wastewater meets quality standards before discharge. There were no penalties for non-compliance with water quality standards in 2025. The wastewater treatment process and quality of wastewater discharged by the Kunshan Plant are shown in Figure 4.4.3.

- **Figure 4.4.2 Water Withdrawal of Advantech's Main Locations of Operations and Production Sites Worldwide in Recent Years**







*Note: Among Advantech's main locations of operations and production sites, only the Kunshan Plant in China discharges industrial wastewater.

- **Figure 4.4.3 Industrial Wastewater Discharge of Advantech's Main Production Sites Worldwide**

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Waste Management and Circular Economy

Name of material topic	Please describe the importance of this material topic to Advantech
Circular economy	Advantech is driven by the corporate vision of "Enabling an Intelligent Planet," and reduces waste and carbon footprint through recycling. We also consider how to change the linear process that generates waste into a closed-loop sustainable cycle for environmental sustainability and to improve resource utilization efficiency. This will mitigate the environmental impact of product manufacturing, while improving energy efficiency and the use of sustainable materials, improving the environmental benefits and competitiveness of our products.
Management strategy	■ We have established a circular strategy to design new products with an eco design and green production process to reduce waste and carbon footprint. ■ Advantech adopted the UL2799 management model for waste management, prioritizing waste reduction plans and increasing the recycling rate of waste to maximize the benefits of resource reuse. Disposal methods such as incineration and landfill are only used as a last resort for waste that cannot be reused.
Policy or commitment	Advantech is committed to making every effort to protect the environment, and strives to achieve zero pollution from production. We will fulfill our responsibilities as a global citizen by actively pursuing sustainable development. Advantech is committed to implementing green operations, green product design, pollution prevention, waste management, and green procurement. We work with customers, suppliers, and contractors to jointly establish a green supply chain from design and manufacturing to product transportation and services, implementing energy conservation, emission reduction, recycling, and circular economy.
Positive impacts	Creating a circular economy can improve the efficiency of product resource use, reduce the use of non-renewable resources, lower production costs, reduce waste, make products more eco-friendly, improve resource utilization efficiency, reduce the impact on the environment and product carbon footprint, and improve the environmental benefits and competitiveness of products.
Negative impacts	The inability to keep up with the trend of green products will reduce the environmental benefits and competitiveness of products. In the long term, it may lead to panic buying of virgin resources and raw materials, increase procurement volumes and waste disposal expenses, and also directly impact our reputation and brand image.
Actions in response to negative impacts that occur	The actions taken by Advantech in response to negative impacts are as follows: ■ Actively introduce recycled materials into the production process. ■ Prioritized green procurement of products with eco-friendly, energy-saving, water-saving, and green building material labels. ■ Adopted the UL2799 waste management model for waste to pursue sustainable use of resources.

Name of material topic	Please describe the importance of this material topic to Advantech
Overview of target achievement in 2025	■ A recycled material management mechanism was established on the supplier management platform, and recycled materials are taken into consideration when we are designing products. ■ The waste diversion rate at the Kunshan Plant reached 90%, obtaining the UL2799 Platinum Certification. The waste diversion rate of the Linkou Plant was 81%. Although it did not achieve the target of 90%, it increased by 17% compared to 2024. ■ The amount of green procurement (e.g., products with the Green Mark, recycled plastic products, etc.) by ACL was NT$78.45 million. ■ In 2025, Advantech's main locations of operations and production sites achieved a 95% recycling rate for industrial waste outsourced for treatment; 5% was incinerated, and no waste was sent to landfills.
2026 targets	■ The percentage of recycled materials used in the mechanism casing of gold medal products reaches 30% recycled plastics and 10% recycled metals, depending on the material. ■ Adopt and apply recycled materials in specific products, and increase the percentage of new products that use recycled materials to 10%. ■ Comprehensively implement short/medium/long-term goals for sustainable packaging materials, and prioritize and require the use of sustainable materials for product packaging. ■ Continue to engage in green procurement (e.g., eco-friendly products, recycled materials, etc.) ■ The waste diversion rate of Linkou Plant and Kunshan Plant reaches 90%. ■ Advantech's main locations of operations and production sites do not send any waste to landfills.
2030 targets	■ The percentage of recycled materials used in the mechanical parts of gold medal products reaches 50% for recycled plastics and 20% for recycled metals (steel)/80% (aluminum), depending on the material. ■ Adopt and apply recycled materials in specific products, and increase the percentage of new products that use recycled materials to 50%. ■ Continue to engage in green procurement (e.g., eco-friendly products, recycled materials, etc.) ■ The waste diversion rate of Advantech's production sites worldwide reaches 90%. ■ Advantech's main locations of operations and production sites do not send any waste to landfills.

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Name of material topic	Please describe the importance of this material topic to Advantech
Key action plans or programs in 2025	■ Formulated a sustainable raw materials policy, launched an implementation plan, and gradually introduced recycled materials into specific models. ■ Implemented plans to introduce recycled materials, introduced recycled plastics and recycled metals into representative products, commenced mass production, and continued to expand applications. ■ Used the UL2799 management model to verify the reduction, recycling, and reuse of waste within Advantech. ■ Carried out green procurement. ■ Encouraged electronic waste partners to apply for the Responsible Recycling (R2) certification.
Effectiveness evaluation	■ The progress of the Sustainable Raw Materials Project is explained and reported to the Sustainable Development Committee. Committee members provide suggestions for the continuous optimization and improvement of circular economy and resource use efficiency. ■ The waste diversion rate is periodically calculated to confirm the effectiveness of waste reduction, recycling, and reuse, and the progress is reported to the EHS Management Review Committee to ensure the achievement and tracking of reduction and recycling goals.

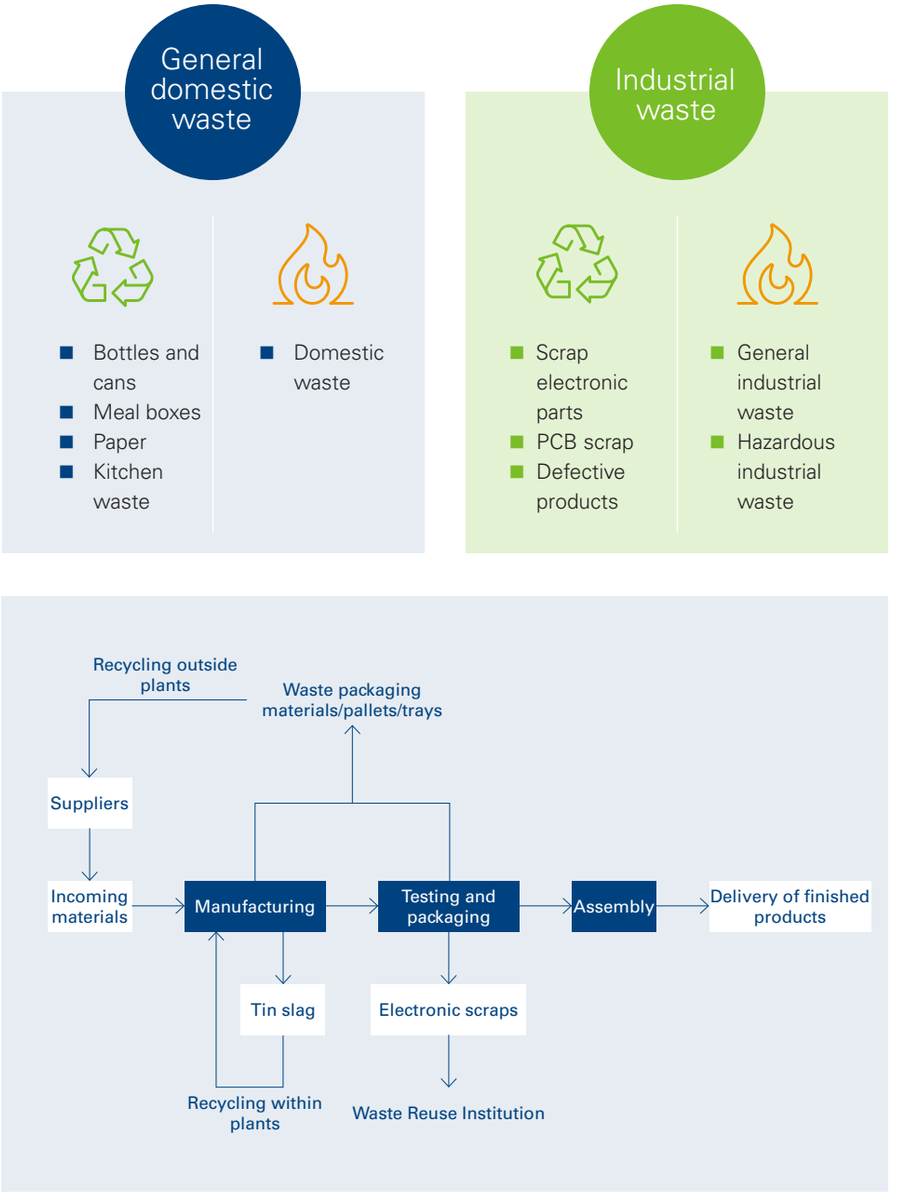
Name of material topic	Please describe the importance of this material topic to Advantech
Stakeholders affected by this material topic and actions taken by Advantech	■ Employees: Policies are included in employee education and training courses, and HR is asked to include them in compulsory online courses. Awareness campaigns and audits of waste sorting are conducted from time to time. ■ Customers: Respond to customer questionnaires and audits, and provide supporting records as needed. ■ Suppliers and contractors: A supplier conference was held for Tier 1 suppliers in 2024; the concept of sustainability management and goals were mentioned at the conference, encouraging suppliers to jointly implement circular economy-related projects with Advantech. We encouraged waste disposal companies to apply for the R2 certification in 2025. ■ Shareholders and investment institutions: Results are disclosed in Advantech's annual report and sustainability report. ■ Partners: Respond to inquiries from partners and provide supporting records as needed. ■ Government/Associations/Media: Respond to inquiries from government agencies and related associations and provide supporting records as needed.

Note: For more information on sustainable raw materials and recycled materials, please refer to Section 4.1 Eco Design and Product Sustainability Liability.

Advantech is committed to implementing the zero waste to landfill policy, as well as the industrial waste reduction, recycling, and reuse projects of all plants. Starting in 2024, Advantech's Taiwan Plant began implementing management based on the UL2799 zero waste to landfill standard, which was also implemented at the Kunshan Plant in 2025. Advantech no longer disposes of waste via landfilling and is further optimizing waste management. We reevaluated the types and flow of waste to find more opportunities for waste reuse, reducing the possibility of waste directly entering an incineration plant, thereby increasing the waste diversion rate. In 2025, the self-assessed diversion rate of Advantech's main locations of operations and production sites worldwide was 81% (calculations for AASC, AESC, AJMC, and AKSC only include industrial waste, and do not include the waste recycled by plants on their own), an increase of 6% compared to 2024, showing the effectiveness of Advantech's efforts in waste reduction and circular use worldwide. At the same time, Advantech complies with ISO14001 management system standards to ensure that waste disposal companies and disposal methods comply with local regulations. Advantech regularly audits waste contractors in accordance with the law to stay up-to-date on the disposal of waste, ensuring that all waste generated from our plants is disposed of in accordance with the law. When selecting waste contractors, we evaluate whether they have obtained/passed the relevant qualifications. After waste leaves our plants, we confirm whether it was lawfully disposed of based on government reporting websites or the certificate of disposal issued by the contractor. If necessary, we will also conduct on-site inspections at the waste disposal plant to ensure that the waste handling process and the contractor's quality meet requirements of Advantech and regulations. There were no major breaches of contracts or violations of regulations by any waste contractors in 2025.

In terms of waste recycling and reduction, in addition to searching for companies capable of using waste to produce recycled materials, Advantech also works with upstream suppliers, such as recycling and reuse of various packaging materials, wooden pallet reuse, and PCB design changes to reduce edge scraps. Within plants, solder dross is reused to reduce waste. We are working with suppliers and waste disposal companies to minimize the amount of waste incinerated and thereby reduce the impact on the environment, in hopes of achieving the goal of sustainable resource use. In addition, Advantech's Kunshan Plant launched a project in 2023 to change the liquid coating process to a powder coating process. The powder coating process was implemented in 2024, and the amount of waste generated from coating in 2025 was reduced by approximately 48 tons compared to 2024. Advantech's waste management model is shown in Figure 4.4.4.

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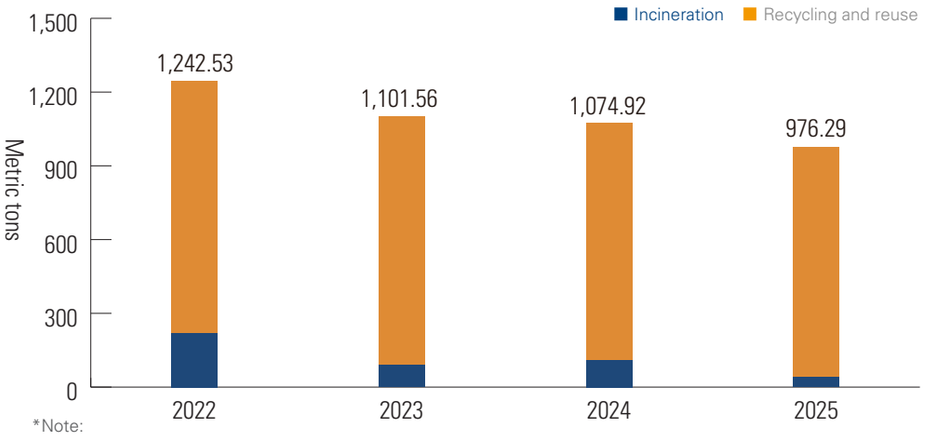


- **Figure 4.4.4 Advantech's Waste Management Model**

Statistics show that the total amount of industrial waste outsourced for disposal by Advantech's main locations of operations and production sites in 2025 was approximately 976.29 metric tons, of which non-hazardous waste was 896.80 metric tons (91.86%) and hazardous waste was 79.49 metric tons (8.14%). In terms of hazardous industrial waste, the recycling rate was 60% (47.50 metric tons), and 40% (31.99 metric tons) was incinerated. As the weight of domestic waste is the estimated weight in the contract, more detailed information on waste disposal cannot be obtained. Therefore, only information on the disposal of industrial waste is disclosed. For waste disposal methods, please refer to Table 4.4.5 and Figure 4.4.5.

- **Table 4.4.5 Waste Disposal Methods of Advantech's Main Locations of Operations and Production Sites in 2025**

	Waste generated	Disposal transfer: Waste recycled/ reused	Direct disposal: Incineration	Direct disposal: Landfill
Hazardous industrial waste (Metric tons)	79.49	47.50	31.99	-
Non-hazardous industrial waste (Metric tons)	896.80	884.79	12.01	-
Total (Metric tons)	976.29	932.29	44.00	-



*Note:

1. Statistics on the weight of waste generated by the Taiwan and Kunshan Plants are the data reported by each plant to the competent authority, while the statistics for plants in Japan, the U.S., and Europe are based on outsourced disposal data.
2. There are no statistics for South Korea from 2022 to 2023.

- **Figure 4.4.5 Industrial Waste Disposed by Advantech's Main Locations of Operations and Production Sites in Recent Years**

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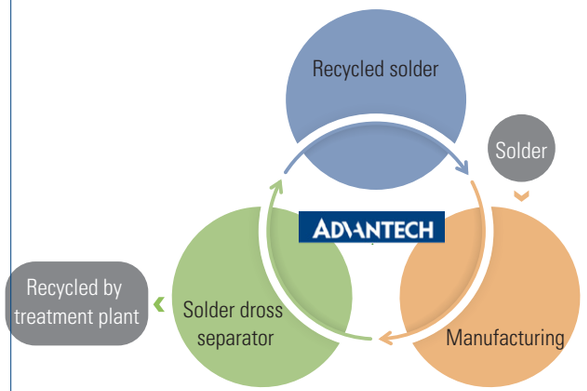
Featured Case Study:

Circular Economy Activities at the Taiwan Plant

Introduction to the Waste Solder Recycling and Reuse Project

Advantech's Taiwan Plant continues to implement the Waste Solder Recycling and Reuse Project based on the concept of circular economy, as well as the principles of resource reuse and waste reduction. It successfully recycled and reused hazardous solder dross using a solder dross separator. It recycled 3.85 tons of waste solder in 2025, effectively reducing the amount of waste solder generated and the amount of solder purchased.

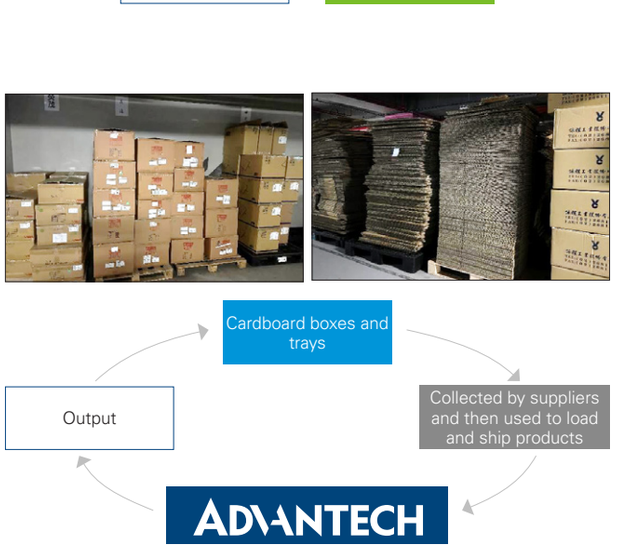




Introduction of recycled waste plastic packaging materials

Advantech actively implements circular economy by establishing a recycling management mechanism for waste plastic packaging materials generated by processes. We collaborated with professional recycling companies to sort, recycle, and process waste plastics into recycled plastic pellets, which are used to produce film and reintroduced as packaging materials, achieving a circular economy for packaging materials. In terms of management, we continue to optimize the waste sorting and quality control process to ensure that recycled materials have value for reuse. We continue to evaluate the uses and feasibility of recycled materials to gradually increase the percentage of recycled materials used, improve resource use efficiency, and reduce the environmental impact throughout the product life cycle. For more information on the eco design of products and evaluation items for the use of recycled materials, please refer to 4.1 Eco Design and Product Sustainability Liability.





Recycling and reuse of packaging materials

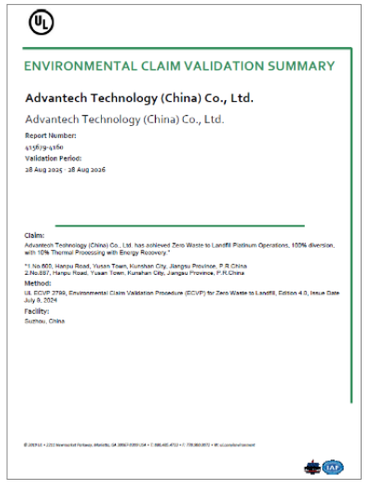
In terms of waste management, Advantech not only recycles and reuses waste within plants, but also invites upstream suppliers to participate in packaging recycling and reduction activities. Suppliers collect packaging materials (cardboard boxes, trays, etc.) used for the previous delivery when they deliver materials. They then use the packaging materials to package products that are delivered to Advantech, reducing and recycling packaging materials. Approximately 39 tons of packaging materials were repeatedly used between Advantech and suppliers in 2025.

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Featured Case Study

Circular economy activities at the Kunshan Plant

Advantech's Kunshan Plant implemented the UL 2799 project, and implemented hierarchical management for source reduction, sorting and collection, recycling, and final disposal according to its waste management approach, covering production lines, warehouses, and logistics areas. The plant introduced high-value recycling and reuse methods, strengthened supplier responsibility for recycling and traceability documents, and established monthly KPIs (recycling rate, landfill rate, and hazardous waste compliance rate) and third-party audit mechanisms to ensure the completeness and traceability of data. It implemented the zero waste pathway and obtained the highest level UL 2799 platinum certification in 2025.



ENVIRONMENTAL CLAIM VALIDATION SUMMARY

Advantech Technology (China) Co., Ltd.

Advantech Technology (China) Co., Ltd.

Report Number:

Validation Period:
28 Aug 2025 - 28 Aug 2026

Claim:

Method:

Facility:
Suzhou, China



Featured Case Study

Environmental activities in the plant in Europe

Energy and resource reduction and GHG emissions reduction

Advantech Europe installed heat pumps to replace the gas heating system, and regularly maintains heating and ventilation equipment to ensure its efficient operation. It reduced natural gas consumption and GHG emissions by 10,203 m^3 compared to 2024, strengthening Advantech Europe's commitment to sustainability.



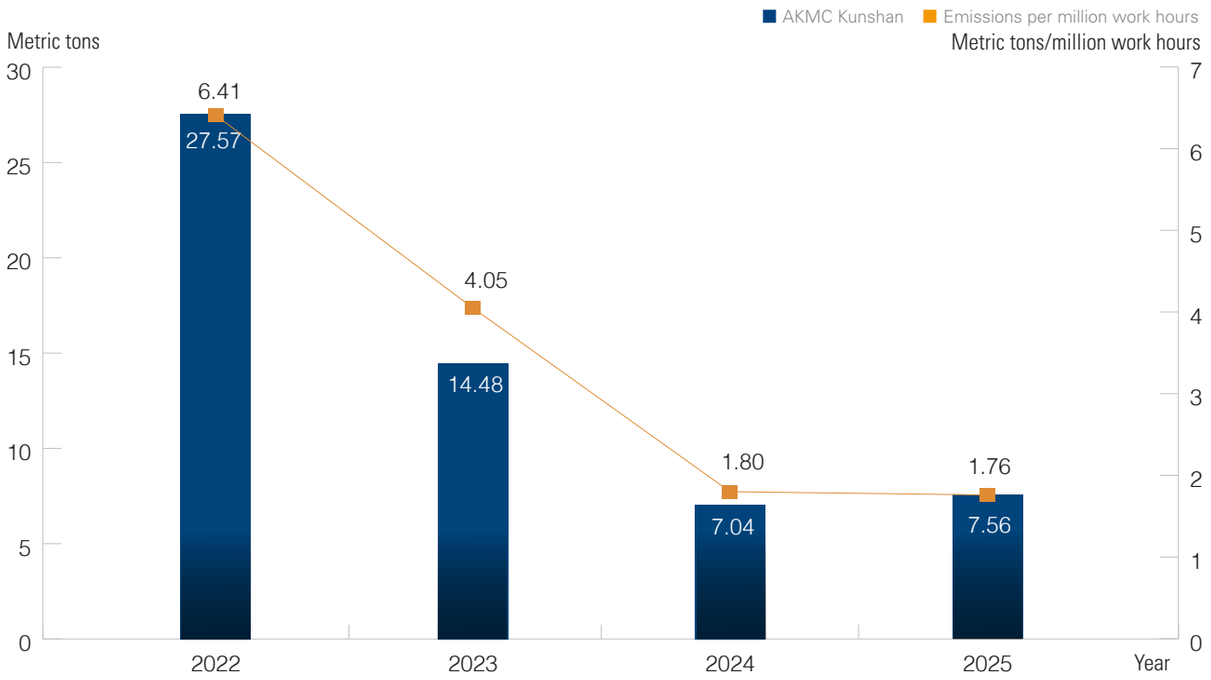
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Air Pollutant Management

Air pollution data and information disclosure are summarized into the following 3 key points:

- Advantech's production processes do not generate ozone-depleting substances (ODS), so there are no ODS emissions.
- Process emissions of the Kunshan Plant in China are the main source of VOCs, and VOCs emissions are all uploaded to the government's environmental reporting website in accordance with local regulations. Calculations based on the reporting website show that annual VOCs emissions partially meet local regulatory requirements.
- Advantech's other production sites mainly have assembly processes that do not generate much air pollution, and do not have any NOx, SOx, or VOCs emissions.

Advantech's Kunshan Plant in China has adopted effective controls for VOCs of volatile organic compounds (VOCs). It manages emissions through online continuous monitoring and outsourced testing, and improves equipment efficiency to reduce emissions into the environment. The plant has implemented a number of improvement projects in recent years, such as the transformation of process technologies, switching from liquid coating to powder coating, and improving the efficiency of production line equipment, effectively reducing energy consumption and waste gas and VOCs emissions. Due to the increase in production volume in 2025, VOCs emissions in 2025 increased by approximately 7.4% compared to 2024. However, emissions on a unit work hour basis still show a downward trend, as shown in Figure 4.4.6.



*Note: Among Advantech's main locations of operations and production sites, only the Kunshan Plant in China has VOCs emissions.

- **Figure 4.4.6 VOCs Emissions of Advantech's Main Locations of Operations and Production Sites in Recent Years**



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4.4.3 Biodiversity and Forest Protection

Advantech began paying attention to biodiversity and forest protection issues in 2022, and joined the Taiwan Nature Positive Initiative (TNPI) launched by BCSD Taiwan. We took even more proactive actions on this issue to increase our resilience, and utilized our expertise in IoT to empower nature conservation. In 2025, Advantech's headquarters and overseas subsidiaries organized numerous activities on biodiversity topics.

Activities of the TNPI that Advantech participated in during 2025 are listed below:



Chief Sustainability Officer Tea Party during the Lunar New Year in 2025



Post CBD COP16 Observations and Business Trends Forum



Nature Platform Workshop



Nature Experts Engagement Tea Party



Post UNFCCC COP30 Seminar on Nature Issue Observations and Nature Positive Transformation

Performance Improvements Related to the Taskforce on Nature-related Financial Disclosure (TNFD)

Advantech plans to conduct biodiversity risk assessments once every 2 years (the scope includes upstream supply chain, Advantech's important locations of operations, and important downstream customers). The course of events is as follows:

- In 2023, we conducted the first assessment of biodiversity risks of our locations of operations and supply chain (scope: headquarters and China), and identified major risks, affected locations, potential risks, and risk management recommendations.
- In 2024, the scope of evaluation was expanded to downstream customers.
- In 2025, Advantech continued to make improvements based on results of the previous year, and published an integrated Taskforce on Climate- and Nature-related Financial Disclosures (TCNFD) Report on the official website.
- In 2026, Advantech continued to update the TCNFD Report on the official website. Advantech's biodiversity commitment is also disclosed on the official website.

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Technology and Nature Thriving Together: Protected Species Discovered in Advantech's Linkou Smart Technology Park, Strengthening the Blueprint for Ecological Restoration

Advantech's Linkou Smart Technology Park covers an area of approximately 3.477 hectares and is located in Linkou Industrial Park (Zone 3) at an altitude of approximately 250 meters (Spatial Planning Act: Type 1 urban-rural development zone). It is adjacent to Shuiduike River. Advantech's Linkou Smart Technology Park is located in a wildlife refuge (Type 1 urban-rural development zone: animal and plant refuge buffer corridor) at the core of Linkou Special District (Taoyuan part). Modern buildings and some greening and beautification plants are visible. Advantech partnered with the local government to adopt trees in surrounding areas of Linkou Smart Technology Park. In 2025, we conducted a biodiversity survey at the Advantech Linkou Smart Technology Park for the first time. The survey items included: plants and animals (including mammals, birds, butterflies, amphibians, reptiles, and insects) to compile an inventory of biodiversity information and plan the future direction for conservation. Based on the survey, we identified feasible eco-friendly measures that can be immediately taken for plants and offices, such as: to adjust the location where trash is stored in the park, to avoid excessive weeding where rare flowers and plants grow, and to avoid placing unnecessary snake repellant and rat poison. Going forward, we will support the government policy to jointly promote the vision of conservation and symbiosis.

Findings of the survey are as follows:

Category	Discoveries	Recommended follow-up action plan
Plants	Discovered the rare plant: *Spiranthes sinensis Spiranthes sinensis* is a small terrestrial orchid native to Taiwan. *Spiranthes sinensis*, commonly known as Chinese ladies' tresses, has been included in the Convention on International Trade in Endangered Species of Wild Fauna and Flora. *Spiranthes sinensis* is a Grade II protected plant with extremely high requirements on environmental conditions, making it a typical indicator species that reflects the health of the ecological environment.  Spiranthes x hongkongensis  Spiranthes sinensis White flower (Green lightcorridor)	■ Spiranthes sinensis about 10 to 45 cm tall. It blooms from February to May each year. However, it looks like a weed when it is not blooming and can easily be removed by gardeners. The protection measures we took in the Linkou Campus included asking the gardening company to not perform weeding before the flowering period and while it is blooming. ■ Depending on future needs, we will plan educational activities with Spiranthes sinensis as the theme to help employees better understand the ecology of the park and raise their protection awareness.

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Category	Discoveries	Recommended follow-up action plan
Birds, butterflies, and insects	■ Birds: The survey found that there were birds from urban areas, forest, farmland, and plains. Alien bird species accounted for 29% and native bird species accounted for 71%. The birds were observed carrying nesting materials and drinking water from the landscape pool in the park. Hot spots where the reflection of windows caused glass collisions of birds were also found. ■ Butterflies and insects (rhinoceros beetles, stag beetles, and hornets): Compared with records in 2019, a total of 14 butterfly species (an increase of 12 species) were observed in the survey this quarter, the majority were *Pieris rapae*. Glass collision hot spots 	■ Continue to maintain the green environment in the park to serve as a respite space and living corridor for nearby animals. ■ For mammals and birds: Reduce unnecessary use of herbicides, rat poison, and snake repellant. Regularly clean the open top trash cans in the park to prevent stray cats and dogs from searching through the trash and to drive away wild animals. Set up measures to reduce glass collisions of birds, and retain the landscape pond in the park to provide drinking water for birds or animals. ■ Plant nectar plants and reduce excessive weeding in the part to facilitate the reproduction of butterflies and insects.
Amphibians, reptiles	■ Reptiles discovered in the park include *Japalura, Bungarus multicinctus*, *Trimeresurus stejnegeri*, and *Protobothrops mucrosquamatus*. ■ Amphibians include the native species *Duttaphrynus melanostictus* and *Fejervarya limnocharis*, and the foreign species *Polypedates megacephalus*.	
Mammals	Images of pangolin, Formosan masked palm civet, and Formosan Ferret-badger were unexpectedly captured by an infrared camera, showing that wildlife activities have been preserved in the park and nearby mountainous areas.    Pangolin Formosan masked palm civet Formosan Ferret-badger	

Furthermore, the Linkou Smart Technology Park is also committed to reducing its negative environmental impacts, and obtained the Green Building Label (Gold) and Smart Building Label (Qualified) certificates from the Ministry of the Interior in 2025. These honors are not only recognitions of the park's hardware design, but also reflect the leadership of Advantech in the development of smart green parks.



From Removal to Restoration: Advantech Assists the Society of Wilderness in Taking Action to Protect Wetland Diversity in the Xizhi and Neihu Area

Advantech's headquarters is located in Neihu District, Taipei City. We have partnered with the Society of Wilderness to support wetland ecological conservation actions in the Xizhi and Neihu area, and provide regular support for Cuihu, Jinmianshan, and Xinshan Dream Lake. The results of our support are shown in the table below, and the total number of participants in the year was 217.

Theme	Event
Annual ecological guided tour	Daku River night ecology tour Neihu River night ecology tour
Volunteer empowerment courses	Theme 1: Freshwater fish and water quality Theme 2: Ecology of Taipei City Theme 3: Sharing the ecological landscape of Wufengang Stream in Zhoumei Theme 4: Moths in the Order Lepidoptera
Removal of alien fish and plant species at Xinshan Dream Lake	Removal of alien fish species in Xinshan Dream Lake Removal of alien plant species at Xinshan Dream Lake
Manual trail maintenance at Xinshan Dream Lake	Trail maintenance at Xinshan Dream Lake

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Sustainable Forests and Green Offices

Advantech's headquarters and major overseas business units have implemented green office plans. We are encouraging paperless operations, doublesided printing, paper recycling and reuse, and prioritizing the use of paper made from sustainable forests or recycled paper certified by the Forest Stewardship Council (FSC) for office use and daily use. In terms of green packaging material, all cardboard boxes used by Advantech for shipping are made from recycled paper. We also provide customers with the option of using FSC-certified sustainable forest cardboard boxes to meet market requirements.

In terms of forest conservation progress, Advantech sponsored the "Taichung Dadu Tableland Afforestation Project" of the Taiwan Reforestation Association with the goal of producing 6,000 saplings of 75 species, which must cover more than 70% of the native species in coastal areas and shallow mountains of Taichung. The saplings are provided to Taichung City Government for reforestation, and also provided to other government agencies for afforestation for public welfare purposes. The funding will be used to plant saplings, to cultivate saplings of native species, for mountain and forest ecological education, and to monitor sapling growth. This project is expected to support the afforestation of 0.8 hectares, which will absorb 1.76 metric tons of carbon. Actual quantitative results are as follows:

1. Phenology and seed collecting: In 2025, 166 seeds were collected in Taichung.
2. Sapling production: In 2025, a total of 134 species and 1,217 pots were planted.
3. Tree nursery inventory: In the third quarter of 2025, the tree nursery inventory of Taichung included 37,936 saplings of 167 native species.
4. A total of 18,194 saplings of 192 native species were planted in Taichung
5. A total of 43 tree planting and environmental education activities were held with a total of 3,301 participants.
6. Ecological education activities: In 2025, a total of 3 ecological tours and 2 reforestation volunteer training sessions were held.
7. Relevant reports and videos: There were 8 news reports in 2025.



Biodiversity Initiatives of Advantech's Overseas Subsidiaries

- **Advantech USA:** This is the second year Advantech has partnered with the Arbor Day Foundation in an afforestation project to support Earth Day. Advantech has made a commitment to plant thousands of trees in damaged forests in the U.S. and across the world, dedicating our efforts to restoring biodiversity and improving air pollution. This initiative not only shows our determination to fulfill our corporate social responsibility (CSR) and achieve ESG and sustainable development goals, but also plants trees to contribute to climate change mitigation, so that we can create a greener future environment.
- **Advantech Europe:** The bee program has been upgraded. Advantech Europe is actively implementing biodiversity initiatives, and began implementing the Beehive Project next to the AESC Office Building in 2024 to create a friendly habitat for important pollinators, bees. Bees play an indispensable role in the ecosystem and the food supply chain. This is not only an environmental initiative, but also an experiment of coexistence with nature starting from the office. We began using new beehives in 2025, further expanding the space for bees in hopes of creating a safe, healthy, and vibrant environment for a species that is critical to the ecosystem and food supply chain.
- **Advantech Brazil and India:** At Advantech, we firmly believe that sustainability is not some vague vision, but a commitment that needs to be gradually implemented in all parts of the world. From South America to Asia, different social and environmental challenges are driving us to respond to global issues with local actions. At Advantech Brazil, we planted 25 trees to symbolize 25 years of local efforts in response to the challenges of deforestation and climate change, as well as our efforts in the restoration of agriculture and forests, carbon absorption, and co-prosperity with local communities. At Advantech India, we went on campus and planted 100 saplings with 200 students to restore the glory of the "Garden City" and sow the seeds of environmental responsibility for the next generation.
- These tree planting initiatives not only offset carbon emissions, but are also practices for ecological restoration, community involvement, and imparting education. They show that Advantech is committed to innovation and sustainability, and continues to create a positive impact on the Earth and human society.
- **Advantech China:** Advantech held a biodiversity parent-child event in Shanghai with the theme "Explore the Green Wonderland." More than 170 Advantech employees and their family members participated in the hiking activity, the biodiversity guided tour of the greenhouse garden, and handicraft activities that concluded the event.







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Biodiversity Volunteer Services

Every Advantech employee enjoys 2 days of paid volunteer leave each year. In 2025, Advantech's headquarters engaged in local volunteer activities on biodiversity topics based on the location of each branch. Allowing employees to experience performing ecological work while on paid leave achieves both public welfare and sustainability.

Event name	Location	Theme	Photos
Earth Day - Knowing Mountains to Clean Mountains, Protecting the Beauty of the Banping Lake Wetland	Kaohsiung	Advantech volunteers participated in local activities in Kaohsiung under theme of "Knowing Mountains to Clean Mountains," and attended ecological explanation activities, venue cleaning, and introductory courses for plants in important wetlands in Kaohsiung.	
World Environment Day - Dadu Trail Restoration Volunteer Work	Taichung	On World Environment Day in 2025, (6/5), we went to Dakeng District, Taichung, to repair the wooden trail, repair the hiking trail, and build catch work in mountain areas.	
World Environment Day Volunteer Activity - Repair the Shuangxi Arboretum Trail	Kaohsiung	On World Environment Day in 2025 (6/5), Advantech's Kaohsiung employees assisted in repairing trails and environmental cleaning before a typhoon struck. Volunteer participation in the activities raises awareness of the natural environment, local ecology, and public space maintenance.	
Earth Day Volunteer Activity - Donda River Volunteer Seed Planting	Taichung	To support Earth Day, we invited employees and their families to go into nature/ water areas and participate in ecological conservation and environmental education. They mainly assisted in cultivating the native species Hibiscus taiwanensis and learned about local ecological characteristics of Taichung.	

Event name	Location	Theme	Photos
Earth Day – Exploring Citizen Science in the Manyueyuan National Forest Recreation Area	Taipei	With Earth Day as the theme, participants used the citizen science app iNaturalist to produce ecological records and participated in forest experience activities under the guidance of professional mentors.	
The Society of Wilderness Taiwan X Advantech Corporate Volunteer Activity	Taipei	Advantech partnered with the Society of Wilderness in organizing volunteer activities to maintain the habitat at Wugu Wetland. This event focused on wetland conservation, and led volunteers to participate in the removal of alien species and beach maintenance, so that employees could understand the importance of wetlands and jointly protect precious natural resources in Northern Taiwan.	
Kaohsiung Wild Bird Society X Advantech Corporate Volunteer Activity	Kaohsiung	In 2025, Advantech supported World Migratory Bird Day by partnering with the Kaohsiung Wild Bird Society in organizing a half-day ecological volunteer service in Niaosong Wetland, leading Advantech volunteers to learn more about the species and ecological environment of Niaosong Wetland, and jointly support habitat conservation actions.	



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5.1 Talent Cultivation and Development

Name of material topic	Importance of this material topic to Advantech
Talent cultivation and development	Advantech is committed to creating a learning environment that promotes employees' growth and enables them to reach their full potential. From new employee orientation to the development of business management skills, we provide comprehensive training resources to support employees' steady development at every stage of their careers. Advantech's 4 academies (management, professional, general education, and new employees) and the e-learning platform provide employees with a variety of courses they can flexibly choose from based on their career needs, strengthening their competencies, deepening their expertise, and enabling them to achieve personal growth. To show our commitment to talent development, the highest-level HR manager at Advantech is also a board member and is directly involved in the formulation of relevant strategies. At the same time, we have included 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.
Policy or commitment	Advantech has adopted an employee-oriented approach and committed to investing in talent development and creating a culture of self-management and continuous learning. Advantech integrates company strategy with individual development plans through the Organization & People Review (O&PR) and performance evaluation system, systematically understanding employee potential and development needs. This is combined with promotions, job rotations, and training courses to establish a comprehensive talent development mechanism. We pass on our business philosophy and core values to cultivate talents with both professionalism and leadership, improve organizational efficiency, and support the succession pipeline for Advantech and employees to jointly move towards sustainable growth.
Positive impacts	We consider talent cultivation and development to be the cornerstone of corporate sustainability, and bring the following positive benefits to Advantech and our employees through a systematic mechanism and abundant resources: 1. **Enhance employees' competitiveness in the workplace:** Continue to enhance employees' professional capabilities and leadership potential through new employee orientation, competency enhancement, and management skills courses. 2. **Facilitate individual and organizational growth:** The annual organization and talent inventory mechanism of O&PR helps employees clearly plan their career and development directions, creating a win-win situation for individual achievement and organizational goals. 3. **Create a positive corporate culture:** Encourage employees to actively learn and be self-motivated, creating a learning organization that enhances the organization's adaptability and resilience. 4. **Reduce operational risks and costs:** Reduce external recruitment costs and resignation risks and improve the efficiency of human resource utilization through internal talent cultivation. 5. **No negative impact on the environment and human rights:** Current talent development practices do not have a negative impact on the economy, environment, or human rights, and comply with the principles of responsible management.
Negative impacts	We have identified the following potential risks and negative impacts on Advantech and employees if we fail to actively implement talent cultivation and development: 1. **Economic: Poorer operating performance and higher costs** The lack of systematic training mechanisms may lead to loss of key talents, an increase in recruitment and training costs, and affect productivity and organizational performance. 2. **Environmental: Insufficient understanding of sustainability issues affects the implementation of ESG** Insufficient understanding of sustainability-related topics among employees may reduce the effectiveness of efforts to implement ESG, which will affect corporate image and stakeholders' trust. 3. **Human rights/People: Uneven development opportunities and risk of employees' physical and mental stress** Not taking employees' career development seriously or uneven access to learning resources may lead to low morale, stronger sense of inequality in the workplace, and higher mental health risks.

Name of material topic	Importance of this material topic to Advantech
Actions in response to negative impacts that occur	To mitigate the potential negative impacts described above, Advantech took the following actions through systematic mechanisms and management measures: 1. **Strengthen the management of talent inventory and development gap (corresponds to the economic aspect)** Advantech identifies the gap between talent and capabilities through annual O&PR and performance interviews, and plans individual development plans (including promotion, job rotation, and training resources) to improve talent retention and the efficiency of manpower utilization. 2. **Incorporate sustainability knowledge into the training system (corresponds to the environmental aspect)** Incorporate sustainability-related knowledge into general training and competency courses to improve employees' understanding of and practical abilities in environmental and ESG issues, and support the implementation of corporate sustainability. 3. **Ensure equal access to learning resources and feedback mechanisms (corresponds to the human rights/people aspect)** Provide equal learning opportunities based on competencies and career development needs, and continue optimization through satisfaction surveys and the demand feedback mechanism. At the same time, strengthen the responsibility of supervisors for the development and cultivation of their subordinates, in order to reduce inequality and mental health risks.
Overview of target achievement in 2025	Target achievement: Management goals for development items / 2025 targets / Achievement rate in 2025 Global employee (indirect employee) participation rate in e-learning: 75% / 83.6% Global APEX promotion success rate: 40% / 45% Physical course satisfaction: 4 points / 4.63 points Physical course participation rate: 90% / 96% *Note: 1. The participation rate in e-learning is calculated based on "indirect employees worldwide." The achievement rate in 2024 was lower than the target, mainly due to the diversification of learning styles, higher percentage of in-person/hybrid courses, and a portion of learning transferred to in-person courses. The e-learning participation rate bounced back to 83.6% in 2025 through course planning and platform optimization. 2. Global APEX promotion success rate is based on "unique APEX trainees," and calculates the cumulative percentage of trainees who were promoted after completing training. As promotions may occur in different years, the cumulative number is presented to reflect the mid- to long-term effectiveness of the plan for talent development. 3. In-person course satisfaction is the average score of the questionnaire administered after the course (out of 5 points). The participation rate of in-person courses is calculated based on "actual attendance/expected attendance."
2026 targets	■ Course participation rate: 90% ■ In-person course satisfaction: 4 points (out of 5 points) ■ Global APEX promotion success rate reaches 40%. *Note: 1. In response to the post-pandemic shift in talent development to a combination of both online and in-person courses, the targets for 2025 were adjusted accordingly to be closer to the actual participation in training. 2. In 2026, the KPIs were merged into 3 core indicators: participation rate, satisfaction, and APEX promotion success rate. The participation rate is based on the online/in-person/hybrid channels. The APEX promotion success rate is the cumulative percentage of individuals who were promoted over the years, improving the consistency and comparability of the indicator.

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Name of material topic	Importance of this material topic to Advantech
2030 targets	■ Course participation rate: 90% ■ In-person course satisfaction: 4 points (out of 5 points) ■ Global APEX promotion success rate reaches 40%. *Note: In 2026, the KPIs were merged into 3 core indicators: participation rate, satisfaction, and APEX promotion success rate. The participation rate is based on the online/in-person/hybrid channels. The APEX promotion success rate is the cumulative percentage of individuals who were promoted over the years, improving the consistency and comparability of the indicator.
Key action plans or programs in 2025	The recruitment of outstanding talents is one of the drivers of corporate growth. Advantech has created the Elite recruitment program inspired by the core concept of "Right People on the Bus," and invites outstanding talents who are highly aligned with and recognize the corporate spirit to join the program. We hope that full-time employees who join the program can successfully adapt to the corporate culture, attain a retention rate of over 80%, and achieve better-than-average performance in evaluations. Additionally, Advantech Academy has established a four-academy framework to enhance employees' comprehensive capabilities and support our long-term development. The 4 academies are 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 each academy are as follows: **1. Management Academy: Cultivate the competencies of senior, middle, and junior management.** ■ **Senior management: Corporate Structure Transformation Guidance Plan** To assist our corporate structure transformation, Advantech organized the "Corporate Structure Transformation (CST) Project Workshop" to provide executive level supervisors with a framework for strategic planning and problem-solving. The course focuses on helping the Sector team formulate a systematic and comprehensive plan, and assisting executive level supervisors in exploring and resolving corporate transformation challenges. ■ **Middle management: Managing down** The focus of middle managers is managing down, which means effectively leading their teams, motivating subordinates, and enabling them to reach their full potential. To this end, Advantech has launched the Leadership M'golf Program, which helps mid-level managers understand how to deal with complex team dynamics and enhance their leadership effectiveness through hands-on, scenario-based training, enabling their teams to achieve our objectives. ■ **Junior management: Coaching-style guidance** The main challenge faced by junior managers is how to manage teams and effectively lead employees. At this stage, Advantech has implemented coaching-style guidance courses that emphasize building effective teamwork and helping junior managers improve their management skills through coaching-style guidance techniques.

Name of material topic	Importance of this material topic to Advantech
Key action plans or programs in 2025	■ **Potential Talent Training Program: Global APEX × IDP Program** Advantech continues to deepen the Advantech People of Excellence (APEX) Program and expanded it to the Global APEX Program. Aimed at developing domestic and international leaders and professionals with high potential, the program improves participants' strategic thinking and problem-solving capabilities through learning Advantech's core competencies and formulating solutions to critical challenges in the real world. In 2025, Advantech continued the cross-business group co-learning mechanism of Global APEX based on the theme of "building a key talent pipeline," and linked it to the Individual Development Plan (IDP) to form an extendable cycle for cultivating talent with high potential. In terms of planning, APEX focuses on the design theme of "Core Competency Exchanges + Practical Issue Proposals." The lectures from executive level supervisors/external experts and interactions with groups formed by members from different fields guide trainees to analyze issues and propose strategic ideas from an integrated perspective. The IDP subsequently takes over the learning process and sets individual development goals and action plans based on the students' career direction and skill gaps, providing 7 months of continuous guidance through coaching/mentoring to promote learning in the workplace. In 2025, APEX organized one global event and one event in China with a total of 64 high-potential talents from Taiwan and overseas. The course satisfaction score was 4.5 and 14 proposals were made (8 globally/6 in China). A total of 11 IDP students participated in the program for a period of 7 months to strengthen their preparedness for key positions and organizational succession. **2. Professional Academy: Skills enhancement** To accelerate the digital transformation and enhance the core competitiveness of Advantech, we launched the Professional Academy to provide in-depth training on AI technologies and corporate growth strategies, and thereby ensure the cultivation and internal applications of key talents. At the same time, we assist employees with responding to digital transformation through systematic talent development programs, mitigating the potential negative impacts brought by the industry's transformation, and achieving the common growth of the organization and employees. ■ **AI Academy and certification courses** Domain AI Talent Cultivation Project: In response to our need to accelerate the implementation of digital/AI applications, Advantech planned a Domain AI capability map based on "Tiered Learning Pathway + Practice-oriented" in 2025, forming a learning chain from the basics to practice: AI general knowledge courses establish the common language and basic concepts across domains, AI certification courses then strengthen measurable tools and methods, and finally task-based practices introduced in the AI competition promote cross-departmental co-learning and application results. All entries were uploaded to the AI Academy (AI community) for knowledge accumulation and sharing, and also to support subsequent exchanges and reuse. We established the tiered learning pathway "AI General Knowledge ■ AI Certification ■ Practical Competition," which promotes cross-departmental co-learning and application from the basics to practice. Please refer to the "Highlight Training" section in 5.1.2 for the complete content of this project and annual results (including winning works) ■ **Establishment of the M&A Academy** • Strengthen M&A and investment capabilities: To support corporate growth, the Mergers & Acquisitions (M&A) Academy provides professional training to enhance the team's capabilities in mergers and acquisitions, investment valuation, and strategic deployment. The Academy continued to offer advanced courses such as post-merger integration, transaction management, and company valuation, and strengthened practical applications through project drills and industry guidance in 2025.

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Name of material topic	Importance of this material topic to Advantech
Key action plans or programs in 2025	• Technology and product solution training: Advantech strengthens the technical competencies of AE/FAE through product plans and solutions, and involves SI and channel partners to improve product understanding and market promotion capabilities. Using the AE LEAP Camp as an example, 109 classes were planned during the two-week training, 81 internal experts were mobilized to serve as lecturers, and trained 37 students worldwide with a course satisfaction rate of 4.46, helping students more effectively support business promotion and product introduction. • Technology exchange platform: Advantech has held numerous technical exchanges through EBO technical seminars, focusing on strategic issues such as "technology competitiveness and operational resilience," and facilitating cross-domain exchanges and co-creation with partners in the ecosystem. This serves as important reference for planning products, exploring functions, and deploying new businesses. • Systematic development of sales abilities: To improve the sales skills of entry-level and mid-level sales personnel and establish a systematic sales management framework, Advantech has implemented WSP training and introduced the 6 key processes of M.A.N.T.C.S. The lectures, group discussions, and role play, help sales partners strengthen strategic sales thinking and customer management capabilities. • Advantech China (ACN) Technology Forum: Advantech China (ACN) organizes technology forums every year to promote internal technical exchanges and cooperation, enhance employees' professional capabilities, and improve our competitiveness and sustainable development. In 2025, the forum continued to be held based on the format of "Solution Sharing + Case Study and Exchanges + Practical Implementation." The themes focused on product design, testing and verification, R&D collaboration, and digital tools to help employees establish reusable design methods and testing baselines, improving the efficiency of cross-departmental collaboration. 3. General Education Academy: Advantech's General Education Academy promotes compliance and sustainability literacy, DEI and workplace soft skills, cross-departmental learning and exchange, and employee career support resources for all employees, establishing a common language and culture foundation to enhance organizational collaboration and resilience. Key action plans for 2025 are as follows: ■ Promotion of DEI culture • Cross-generational and inclusive management empowerment: In response to the cooperation and collaboration needs of different generations, Advantech implements inclusive management training, which includes case study, interactions and discussions, and role play, so that supervisors become more sensitive and capable of managing, receiving feedback, and interacting with subordinates. • Career development seminar for women: We invited 6 mid-level and senior employees of different nationalities and backgrounds from the 6 main locations of operations to share their career strategies and experience in transnational culture adaptation in a global synchronized online event to help employees understand diverse workplace values. • Cross-cultural communication training seminars: Advantech organizes cross-cultural communication and management seminars to enhance supervisors' cross-cultural collaboration abilities, especially their understanding and respect for colleagues from different backgrounds. This is especially important for multinational teams. ■ Raising the sustainability awareness of all employees In response to changes in the global environment and industrial transformation trends, Advantech continues to offer diverse sustainability courses, including eco-friendly product innovation, circular economy, and low-carbon manufacturing transition, in order to mitigate the impact of climate change and industrial transformation. The courses encompass diverse aspects, including executive level supervisors' ESG strategies, ESG general knowledge, carbon management, and biodiversity, strengthening the organization's sustainability awareness and capacity for action through company-wide participation.

Name of material topic	Importance of this material topic to Advantech
Key action plans or programs in 2025	4. New Employee Hires Academy: Fast assimilation and career start To help new employees quickly assimilate into Advantech and boost their careers, the New Employee Hires Academy has established a systematic orientation mechanism for new employees, integrating the Workday system, senior and junior system, and probation period evaluation process, so that new employees and supervisors can monitor their learning progress and key milestones. The "Advantech Culture Experience Camp (ACE Camp)" covers the corporate culture, organizational structure, and vision and mission. ACE Camp facilitates cross-departmental connections and improves understanding of the corporate environment through career experience sharing by managers, team activities, and park exploration. 5. e-learning promotion: Improving platform performance and course participation effectiveness To improve the effectiveness of e-learning and employees' user experience, Advantech launched the e-learning optimization program in 2024, and took inventory and re-classified courses of Advantech's 4 academies (management, professional, general knowledge, and new employee hires). Courses with outdated content or low participation rates were removed, and core general knowledge and regulatory courses were reconstructed. We also introduced an automatic assignment mechanism in the system to assign mandatory courses based on employees' job attributes, improving the immediacy and accuracy of learning. In 2025, we continued to optimize the e-learning platform, focusing on "improving the efficiency of training assignments and learning, strengthening the verification of learning records and data consistency, and improving the user experience and content reach." This reduced the administrative burden of course affairs and training assignment by supervisors, and improved the traceability of learning data and management consistency. At the same time, the organization and optimization of the role/permission interface and framework is used as the basis for the subsequent implementation of the decentralized management mechanism, in order to support global learning promotion and effectiveness measurement.
Effectiveness evaluation	To ensure the effectiveness of human resources management measures and sustainable development goals, the Human Resources Department convenes quarterly meetings to set and track the progress of each department in achieving the target for each indicator, and explains and reviews implementation results. We have strengthened goal-oriented management through an ongoing evaluation and adjustment mechanism to ensure that action plans are implemented effectively and continue to be improved, thereby improving overall sustainability management performance. Furthermore, the learning and development plans of Advantech Academy strive to achieve long-term business goals and employee growth. To ensure the effectiveness and actual impact of each learning program, we adopted the Kirkpatrick Four-Level Evaluation Model to comprehensively measure the effectiveness of learning based on feedback from trainees and business results: **L1 Reaction:** We ensure that the course design meets the needs of participants through satisfaction surveys, in order to provide a better learning experience. **L2 Learning:** We verify whether participants have successfully mastered key knowledge and skills through tests and practical evaluations. **L3 Behavior:** We track whether trainees are able to apply what they learned in actual work scenarios, giving them the capacity to act. **L4 Results:** We analyze the impact of training on business performance and talent development to ensure that learning truly creates value. [Comprehensive evaluation and optimization] Based on the evaluation results of the 4 levels above, Advantech Academy conducts a comprehensive review and reflection, and adjusts and optimizes the courses based on actual needs. Advantech Academy will continue to dedicate its efforts to increase the influence of talent training through a continuous learning and feedback cycle, and ensure that it can continue to create value for employees and Advantech in the ever-changing market environment.

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<tr><td>Effectiveness evaluation</td><td>[Measurement methods for corresponding targets]
1. Online learning participation rate: Records of e-learning platform use and course completion data are regularly reviewed to determine the progress.
2. In-person course satisfaction and participation rate: Feedback from the L1 Reaction questionnaire and attendance records are integrated for follow-up.
3. Global APEX promotion success rate: The main indicator is the "Talent Promotion and Development" result at L4, and is combined with the IDP mechanism.
<table><tr><th>Academy structure</th><th>Evaluation of learning effectiveness</th></tr><tr><td>Management Academy</td><td>■ L1 Reaction: Questionnaires are administered after courses to understand participants' overall perception of course design and practicality. In 2025, the average satisfaction rate of courses offered by the Management Academy was 4.64 points with a total of 700 participants.
■ L2 Learning: The courses establish a common language through role play and management tools, and help supervisors understand principles for managing people and making judgment calls.
■ L3 Behavior: The transfer of learning is tracked through action plans + retraining, and supporting information on practical implementation is also collected, including 59 "Checklists for Implementation under the Guidance of Seniors" and action plans for various themes: 30 documents related to coaching-style guidance, 29 documents related to managing down, 30 documents related to horizontal management. These documents are used to examine the practical applications of supervisors in managing people, feedback and communication, authorization management, and cross-departmental collaboration.
■ L4 Results: The aforementioned implementation outputs and training feedback create a sustainable and optimized management cultivation mechanism to support the transformation of management behavior and improve the quality of team work.</td></tr><tr><td>Talent with high potential</td><td>■ L1 Reaction: The satisfaction survey administered after courses verify whether the course design and co-learning mechanism meets the needs of the trainees. The average course satisfaction score in 2025 was 4.5 points among 32 participants.
■ L2 Learning: The lectures from executive level supervisors/ external experts and cross-domain co-learning help strengthen trainees' strategic perspective, integrated thinking, and problem analysis abilities.
■ L3 Behavior: With practical proposals for corporate issues as the specific outputs for learning applications, 14 proposals were made for key issues in 2025 and were implemented in the workplace through the IDP mechanism.
■ L4 Results: The design of APEX and IDP that links cultivation, proposal to implementation has cultivated a total of 139 high-potential talents, in which 62 have successfully been promoted, supporting the development of key talents and the establishment of a talent pipeline. Operational issues drive process optimization, such as methods to improve supply chain agility have initially improved demand prediction accuracy by 10-15% and reduced workload by 6-7%, showing how talent cultivation can support organizational performance.</td></tr></table></td></tr>
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<tr><td>Effectiveness evaluation</td><td><table><tr><th>Academy structure</th><th>Evaluation of learning effectiveness</th></tr><tr><td>Professional Academy</td><td>■ L1 Reaction: Understand course quality and students' satisfaction through feedback received after courses: AI courses had a total of 490 participants. For example, the average satisfaction score was 4.55 points for M&A courses, 4.52 points for sales courses, and 4.46 points for AE LEAP Camp courses.
■ L2 Learning: Professional capabilities are developed through tiered learning paths, technical competency cultivation, and systematic methodologies. For example, 40 people passed the AI certification course, which is used as verification of their competency.
■ L3 Behavior: Actual/Project-based outputs are used as evidence of application. For example, 34 teams participated in the AI competition and produced 6 award-winning teams. A total of NT$924,000 was provided for rewards, and all of the works were uploaded to the AI Academy (AI community) to promote diffusion and reuse.
■ L4 Results: Representative results include: Increased the accuracy of technical support responses from 70% to 79%. The circuit diagram inspection time was shortened from several hours to within 20 seconds.3D smart packaging shortens the decision-making time of personnel by 60%, increases the average packaging ratio to 64%, and reduces transportation costs by 7-8% when connected to the API of DHL.</td></tr><tr><td>General Education Academy</td><td>■ L1 Reaction: The course experience and acceptance was reviewed based on post-course feedback. The average satisfaction score for courses of the General Education Academy was 4.68 points among 400 participants in 2025.</td></tr><tr><td>New Employee Hires Academy</td><td>■ L1 Reaction: We understand the experience of new employees in the guidance activities and cultural assimilation design through feedback after courses. In 2025, the average satisfaction rate of courses at the New Employee Hires Academy was 4.77 points with a total of 332 participants.
■ L2 Learning: The culture/system introductions and sharing sessions with supervisors help new employees understand the corporate culture, organizational operations, and role expectations.</td></tr></table></td></tr>
<tr><td>Stakeholders affected by this material topic and actions taken by Advantech</td><td>■ Employees: Provide professional training courses and administer satisfaction questionnaire surveys after courses. We collect opinions and development needs through performance interviews and the O&PR system every year, and plan IDPs based on performance evaluations as the basis for continuous improvement of training results and allocation of learning resources.
■ Customers: We provide corporate customers with training on product applications and solution implementation to help them more effectively use the applications and solutions and gain a better overall service experience. We then survey their satisfaction and subsequent learning needs through a questionnaire.
■ Suppliers: Supplier conferences are held on a regular basis to explain and for exchanges related to Advantech's sustainability policy, operating procedures, and partnering rules, strengthening their understanding and implementation of quality, environmental safety, and sustainability requirements, and driving common growth among partners.</td></tr>
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5.1.1 Talent Attraction and Retention

Talent Attraction

In response to the impacts and challenges brought by the aging population, low birth rate, and the values and career changes of the new generation of talent, Advantech upholds the core philosophy of having the "Right People on the Bus." As such, we have developed a diverse and flexible approach to recruitment by "finding the right people first, then deciding what to do": The right key talents will work with Advantech to co-create our vision. Apart from professional competence, Advantech attaches even greater importance to the altruistic passion of talent. We attract innovative professionals from diverse fields to join the Advantech family via diverse recruitment channels and flexible recruitment projects. We give outstanding talents the space to freely explore different career possibilities, and will continue to optimize and implement different initiatives to attract, cultivate, and retain talent with altruistic passion.

- Advantech's Featured Recruitment Program – Elite Series

  The Elite series recruitment activities are inspired by the theme "Right People on the Bus," and create the opportunity for Advantech and talent to gain a better understanding of each other, with the goal of finding key talent (A talent). Elite programs catering to varying levels of expertise are designed to accommodate everyone from academia-industry collaboration interns, graduates entering the workforce, to seasoned industry elites. We target the key talent needed by Advantech and invite them to join us through diverse recruitment activities of the Elite series.

- Elite program

  - Elite Champion - Recruitment of high-potential elite talents with 3 years or more of experience

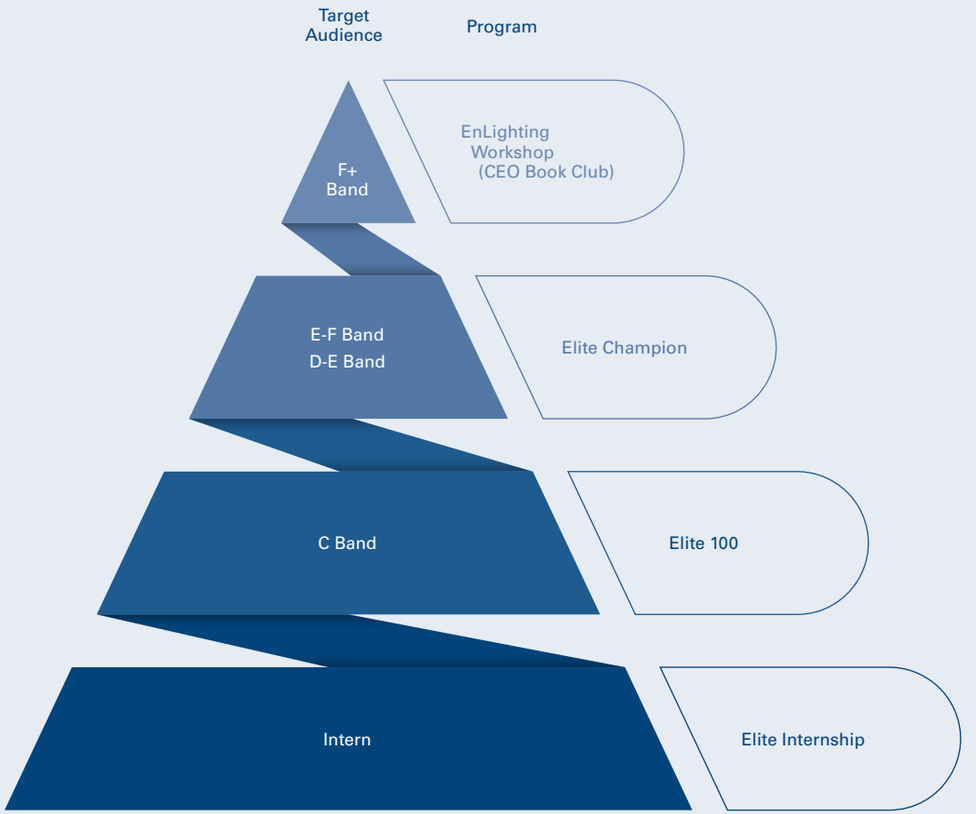
    For the recruitment of high-potential industry elites with 3 years or more of experience, talent is ranked via phone interviews and pre-ranking before the event, and executive level supervisors are invited to participate in on-site interviews on the day of the event to identify and recruit A talents.

  - Elite100 - Recruitment of reserve talent with less than 3 years of experience

    When recruiting junior talent or fresh graduates with less than 3 years of work experience, executive level supervisors share Advantech's cultural values and different career paths on the day of the event. Individuals who stand out in each job category during group interviews (first interview) are selected for the second interview, allowing Advantech to select top talent.

  - Elite100 Internship - Internships for college juniors and seniors and graduate students

    The internship program for college juniors and seniors and graduate students allows Advantech to reach out to promising students while they are still in school. Their performance during the internship is observed and taken into consideration when deciding whether to extend their internship or offer them a full-time position.



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- **Results of the Elite Series Recruitment Activities**

Year		Region	Elite Champion	Elite 100	Elite Internship	Overall results of Elite activities
			Elite Program conversion rate	Elite Program conversion rate	Elite Program conversion rate	Elite Program conversion rate
2022	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%
	Actual	Headquarters	67%	21%	23%	23%
		Advantech Korea	-	25%	-	25%
2026	Target	Headquarters	30%	15%	25%	25%

* Note:
1. The effectiveness ratio of Elite recruitment activities = Number of targeted key talents recruited through Elite recruitment activities/total number of targeted key talents.
2. Considering that overseas locations have slightly different talent recruitment requirements compared to the headquarters, the Elite series of recruitment activities are mainly held in Taiwan. However, in 2025, AKR (Advantech Korea) organized an Elite100 recruitment event on a trial basis and achieved a conversion rate of 25%, so it is separately listed.
3. The retention rate of employees hired through the Elite series recruitment activities from 2023 to 2024 was 100% as of 2025, and their performance in the most recent evaluation was slightly above average.

Internal Employee Referral

In response to the challenges of differences in new generation talent and the difficulty of talent recruitment, we have not only diversified our talent recruitment channels, but also actively formulated improvement plans for our recruitment strategies. The headquarters (Taiwan) significantly increased the internal talent referral bonus from NT$10,000-NT$20,000 to NT$15,000-NT$30,000 (depending on the job band of the referred candidate) in 2023 after seeing the high suitability of candidates referred by internal employees.

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 source of talent. Therefore, Advantech continues to implement the internal employee referral program.

Due to current employees' understanding of industry development and their identification with Advantech's corporate culture, they voluntarily invite professionals from different fields to join Advantech's open development platform. This not only shows employees' identification with Advantech, the analysis of the performance of new employees hired through different channels also showed that new hires through internal employee referrals were generally more stable compared to other channels. The percentage of internal employee referrals in the past 3 years is shown in the table below, and was 18% in the 6 major regions. The target is for 20% of new hires at all locations of operations to be from internal employee referrals in 2026.

- **Percentage of Internal Employee Referrals**

Region			Direct employees	Indirect employees	All employees
2022	Actual	Headquarters	22%	34%	28%
2023	Target	Headquarters	25%	35%	30%
	Actual	Six major locations of operations	24%	13%	16%
		Headquarters	13%	21%	19%
		Advantech China	26%	0%	12%
		Advantech Japan	-	10%	10%
		Advantech Korea	0%	0%	0%
		Advantech Europe	100%	0%	12%
		Advantech USA	0%	33%	32%
2024	Target	Six major locations of operations	25%	15%	15%
	Actual	Six major locations of operations	22%	12%	17%
		Headquarters	3%	23%	18%
		Advantech China	24%	4%	22%
		Advantech Japan	0%	0%	0%
		Advantech Korea	0%	3%	3%
		Advantech Europe	92%	0%	24%
		Advantech USA	0%	11%	8%
2025	Target	Six major locations of operations	25%	15%	15%
	Actual	Headquarters	2%	16%	11%
		Advantech China	32%	5%	29%
		Advantech Japan	0%	9%	6%
		Advantech Korea	-	0%	0%
		Advantech Europe	0%	8%	7%
		Advantech USA	14%	6%	7%
2026	Target	All locations of operations	25%	15%	20%

*Note:

(1) Percentage of internal employee referrals = Number of new employee hires referred by internal employees / Total number of new employees.

(2) The total number of new employees only includes full-time employees (full-time and contract-based employees), and does not include part-time employees (interns).

(3) The scope of statistics on internal employee referrals was expanded to the 6 major locations of operations (including Advantech Headquarters, Advantech China, Advantech Japan, Advantech Korea, Advantech USA, and Advantech Europe) in 2023. Hence, the targets for internal employee referrals in 2024 and 2025 were updated at the same time.

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New Employees Hire

- **New employees hire in 2025**

Region	Item	Number and percentage (%) of male employees		Number and percentage (%) of female employees		Number and percentage of non-disclosed gender (%)		Total number of new employees	Total number of employees	Breakdown of new employees by region	Percentage of new employees
		Number of new employees	Percentage	Number of new employees	Percentage	Number of new employees	Percentage				
Headquarters	30 years old and under	85	11.7%	195	32.3%	0	0.0%	638	3,835	16.6%	19.2%
	31-49 years old	153	4.3%	187	6.5%	0	0.0%				
	50 years old and above	16	1.4%	2	0.4%	0	0.0%				
	Not disclosed	0	0%	0	-	0	0.0%				
Advantech China	30 years old and under	232	32.0%	133	22.1%	0	0.0%	833	3,415	24.4%	
	31-49 years old	241	6.8%	226	7.9%	0	0.0%				
	50 years old and above	1	0.1%	0	0.0%	0	0.0%				
	Not disclosed	0	0.0%	0	-	0	0.0%				
Advantech Japan	30 years old and under	2	0.3%	2	0.3%	0	0.0%	54	271	19.9%	
	31-49 years old	16	0.5%	14	0.5%	1	25.0%				
	50 years old and above	13	1.2%	4	0.8%	0	0.0%				
	Not disclosed	0	0.0%	0	-	2	3.4%				
Advantech Korea	30 years old and under	8	1.1%	5	0.8%	0	0.0%	19	126	15.1%	
	31-49 years old	2	0.1%	3	0.1%	0	0.0%				
	50 years old and above	1	0.1%	0	0.0%	0	0.0%				
	Not disclosed	0	0.0%	0	-	0	0.0%				
Advantech Europe	30 years old and under	32	4.4%	9	1.5%	1	100.0%	117	796	14.7%	
	31-49 years old	36	1.0%	20	0.7%	2	50.0%				
	50 years old and above	13	1.2%	4	0.8%	0	0.0%				
	Not disclosed	0	0.0%	0	-	0	0.0%				
Advantech USA	30 years old and under	10	1.4%	5	0.8%	0	0.0%	71	524	13.5%	
	31-49 years old	25	0.7%	16	0.6%	0	0.0%				
	50 years old and above	9	0.8%	6	1.2%	0	0.0%				
	Not disclosed	0	0.0%	0	-	0	0.0%				
Other regions	30 years old and under	21	2.9%	9	1.5%	0	0.0%	77	445	17.3%	
	31-49 years old	27	0.8%	7	0.2%	0	0.0%				
	50 years old and above	4	0.4%	0	0.0%	0	0.0%				
	Not disclosed	0	0.0%	0	-	9	15.3%				

*Note:

1. Percentage of new employees in each region = Number of new employees in each group in the current year / Total number of employees in the group. Total percentage of new employees = Number of new employees in the current year / Total number of employees (full-time and contract-based employees).
2. The number of new employees only includes full-time employees (full-time and contract-based employees), and does not include part-time employees (interns). Please refer to "Appendix 6 Employee Structure" for the definition.
3. The denominator for calculating the percentage of new employees is the number of current employees on December 31, 2025, and does not include those that have resigned.

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- **New Hires in the Past 4 Years**

Region	2022		2023		2024		2025		
	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	713	20.0%	367	10.2%	344	9.7%	638	3,835	16.6%
Advantech China	669	18.0%	283	8.4%	611	18.3%	833	3,415	24.4%
Advantech Japan	23	10.0%	31	13.4%	34	15.1%	54	271	19.9%
Advantech Korea	47	37.0%	42	32.6%	32	29.4%	19	126	15.1%
Advantech Europe	113	23.0%	104	19.8%	50	9.7%	117	796	14.7%
Advantech USA	105	21.0%	77	14.4%	47	8.8%	71	524	13.5%
Other regions	-	-	87	18.8%	94	21.6%	77	445	17.3%
Total	1,670	19.5%	991	11.2%	1,212	14.0%	1,809	9,412	19.2%

*■ Note: The number of new employees only includes full-time employees (full-time and contract-based employees), and does not include part-time employees (interns). Please refer to "Appendix 6 Employee Structure" for the definition.

- **Average Cost of Recruitment per Employee**

Region	2022	2023	2024	2025
	NTD	NTD	NTD	NTD
Headquarters	1,912	15,848	13,204	10,629
Advantech China	3,736	3,523	1,389	944
Advantech Japan	232,830	40,564	19,885	15,137
Advantech Korea	7,972	7,822	9,222	8,690
Advantech Europe	89,925	71,859	79,503	106,477
Advantech USA	37,710	17,961	28,511	13,876
Other regions	-	12,802	24,319	30,120
Total average cost (NTD)	13,568	18,536	11,521	13,439

*Note:

1. Unit: NTD/person, formula: Average cost of recruitment per employee = Annual recruitment cost / Number of new employees.
2. Recruitment expenses include advertising, recruitment bonuses, and funds for recruitment activities.

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Talent Retention

Advantech produces a wide range of products in small quantities for an industry that emphasizes innovation and flexibility. Advantech has locations all over the world and is able to provide employees with diverse career options through cross-domain transfer, cross-border cooperation, and overseas job opportunities. We also continue to optimize mechanisms for promotion, performance evaluation, and employee development plans to provide employees with a platform to pursue their careers. We also develop comprehensive education and training courses to cultivate outstanding talents, participate in market salary surveys to provide competitive salaries, and organize outstanding employee selections each year to recognize employees for outstanding performance and increase their sense of belonging. We have also committed to supporting employees in life, and encourage employees through the ABLE Club to innovate, learn, experience life, and give back to society after work (please refer to 5.2 Employee Communication and Benefits). At Advantech, we support employees' long-term development needs through a wide variety of programs.

■ Diverse Career Development Opportunities

- Cross-border cooperation/Overseas job opportunities

  Advantech has locations around the world, which can support the international development of employees and encourage them to apply for job openings at locations worldwide. In addition, they become aligned with international standards while in Taiwan by working together with employees from different countries, providing employees with opportunities to develop international expertise at work, broaden their international perspective, and learn to embrace diversity with an open mind through conflicting views in international teams, so that they become more creative problem solvers and value creators. Advantech also encourages the implementation of multinational projects, so that participating employees can gain valuable experience.

- Internal transfers – My Career+

  Advantech supports employees in their long-term career development within the organization. Executive level supervisors have taken the initiative to shape a corporate culture that encourages internal transfers. With the official introduction of the Global Human Capital Management System, Workday, in 2023, the internal transfer mechanism "My Career+" has been streamlined and provides employees with channels for skill growth and expansion through a more open and transparent mechanism. This helps employees broaden their horizons, 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 further achieving the goal of talent retention.

- **Number of Employees Transferred and Promoted**

Region	2022			2023			2024			2025		
	Sum of transfer & promotion	Total employee (All employee)	Percentage	Sum of transfer & promotion	Total employee (All employee)	Percentage	Sum of transfer & promotion	Total employee (regular employee)	Percentage	Sum of transfer & promotion	Total employee (regular employee)	Percentage
Headquarters	824.00	3,488	23.4%	740	3,588	20.6%	753	3,531	21.3%	999	3,791	26.4%
Advantech China	361.00	1,784	20.2%	1,502	3,357	44.7%	1,233	3,333	37.0%	1,179	3,411	34.6%
Advantech Japan	13.00	231	5.6%	12	232	5.2%	7	225	3.1%	31	246	12.6%
Advantech Korea	5.00	99	5.1%	11	129	8.5%	35	109	32.1%	16	121	13.2%
Advantech Europe	0.00	491	0.0%	56	525	10.7%	70	516	13.6%	49	792	6.2%
Advantech USA	58.00	512	11.3%	64	536	11.9%	67	533	12.6%	62	512	12.1%
Other regions	-	-	-	-	-	-	44	436	10.1%	77	443	17.4%
Total	1,215.00	6,176	19.7%	2,385	8,367	28.5%	2,209	8,683	25.4%	2,413	9,316	25.9%

*Note: Unit: Human, formula: Number of employees transferred for promotion/Number of full-time employees in the current year.

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Performance Evaluation and Promotion System



Advantech's annual performance evaluation is based on the organization's strategies each year. Two performance evaluations are conducted each year, in the middle of the year and at the end of the year.

Diverse feedback questionnaires are provided in the performance evaluation system for supervisors to use when conducting performance evaluations. The feedback from multiple parties is provided as a reference for direct (evaluating) supervisors. We aim to achieve more objective and fair evaluation results by combining the opinions of multiple parties.

Starting in 2023, the performance evaluation is divided into groups by job band. This change aims to improve the fairness and accuracy of horizontal evaluation within groups of employees in the same job band, and ensures that each group is given appropriate incentives and rewards.

Supervisors conduct at least one performance evaluation with each employee annually. At the end of the year, after employees complete the self-evaluations, they engage in performance discussions with their supervisors to formulate individual development plans (IDPs). This process ensures that employees receive appropriate performance feedback and that performance evaluation results and IDPs are adequately documented in the system. During the performance review cycle throughout the year, supervisors are encouraged to communicate with employees at any time, regularly align directions, listen to employee feedback, and provide timely support to achieve proper two-way communication and mutual understanding of evaluation results.

- **Annual:** Advantech's performance evaluation not only focuses on individual job performance but also emphasizes teamwork. By establishing team KPIs and an incentive system, we can achieve our core values of unleashing individual potential and teamwork. We set team targets that apply to all employees and provide incentives and bonuses. The team targets are based on the performance of business units and support units, and their achievement rate is ultimately evaluated. Corresponding rewards are then given to employees of those business units, motivating them to achieve the team's common targets.
- **Project-based:** For projects addressing Advantech's material topics, such as ESG projects and digital transformation projects, members of the project team not only have targets for their individual responsibilities, but also team targets, and they receive corresponding rewards. Executive level supervisors also have common KPIs at the management level. In addition to the targets for their respective business units and support units, they are also responsible for Advantech's strategic KPIs.

- **Performance Evaluation Participation Rate of Employees in the 4 Major Job Categories**

Region	Four major categories	Performance appraisal participation rate of male %	Performance appraisal participation rate of female %	Performance appraisal participation rate of non-disclosed gender %
Headquarters	R&D	95%	91%	-
	Marketing/Sales	93%	96%	-
	Administration	92%	93%	-
	Manufacture	97%	97%	-
Advantech China	R&D	99%	99%	100%
	Marketing/Sales	96%	98%	100%
	Administration	98%	99%	100%
	Manufacture	98%	97%	-
Advantech Japan	R&D	100%	100%	100%
	Marketing/Sales	97%	95%	100%
	Administration	100%	90%	100%
	Manufacture	93%	75%	60%

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Region	Four major categories	Performance appraisal participation rate of male %	Performance appraisal participation rate of female %	Performance appraisal participation rate of non-disclosed gender %
Advantech Korea	R&D	94%	100%	-
	Marketing/Sales	88%	88%	-
	Administration	89%	80%	-
	Manufacture	89%	100%	-
Advantech Europe	R&D	97%	81%	67%
	Marketing/Sales	95%	96%	100%
	Administration	95%	95%	-
	Manufacture	95%	82%	100%
Advantech USA	R&D	94%	100%	-
	Marketing/Sales	94%	94%	-
	Administration	77%	90%	-
	Manufacture	99%	96%	-
Other regions	R&D	90%	83%	73%
	Marketing/Sales	90%	91%	90%
	Administration	89%	95%	100%
	Manufacture	100%	75%	-
Total	R&D	96%	94%	85%
	Marketing/Sales	94%	96%	95%
	Administration	93%	94%	100%
	Manufacture	97%	96%	67%

* Note:

1. The denominator for calculating the participation rate in performance evaluations is the number of all full-time employees, including those who have not completed the three-month probationary period and are not required to participate in the evaluation (Advantech Korea and Advantech China have other requirements), those who were separated from Advantech during the evaluation period and did not complete the evaluation, and those who went on unpaid leave during the evaluation period.
2. Advantech Korea employees who have not yet passed the six-month probationary period and new employees officially hired for less than 6 months are not required to participate in the performance evaluation. Advantech China employees who have not yet passed the six-month probationary period are not required to participate in the performance evaluation.
3. Most employees in Advantech Japan, Advantech USA, and other regions are in marketing and sales. There is a relatively low number of R&D, administrative, and manufacturing employees, so new employees in these 3 categories that have been at Advantech for less than 3/6 months can have a considerable impact on the participation rate in the performance evaluation. As shown in Table 2 below, the participation rate of employees in the 2 job functions was high in Advantech Japan, Advantech USA, and other regions.
4. The "non-disclosed gender" column was added for employees who choose not to disclose their gender.
5. The number of employees who chose not to disclose their gender was relatively low for Advantech Japan, Advantech Europe, and other regions, so new employees who were hired for less than 3/6 months and did not participate in the evaluation and employees on unpaid leave have a more significant effect on the participation rate of the category.

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- **Performance Evaluation Participation Rate of Employees in the 2 Job Functions**

Region	Management level	Performance appraisal participation rate of male %	Performance appraisal participation rate of female %	Performance appraisal participation rate of non-disclosed gender %
Headquarters	Director and above (F and above)	95%	100%	-
	Manger, Sr. Manager (E1, E2)	98%	98%	-
	General Employees (D3 and below)	95%	95%	-
Advantech China	Director and above (F and above)	95%	100%	-
	Manger, Sr. Manager (E1, E2)	100%	100%	100%
	General Employees (D3 and below)	98%	98%	100%
Advantech Japan	Director and above (F and above)	83%	100%	-
	Manger, Sr. Manager (E1, E2)	100%	100%	-
	General Employees (D3 and below)	97%	84%	86%
Advantech Korea	Director and above (F and above)	100%	100%	-
	Manger, Sr. Manager (E1, E2)	100%	100%	-
	General Employees (D3 and below)	86%	88%	-
Advantech Europe	Director and above (F and above)	100%	100%	-
	Manger, Sr. Manager (E1, E2)	98%	100%	-
	General Employees (D3 and below)	95%	93%	80%
Advantech USA	Director and above (F and above)	89%	100%	-
	Manger, Sr. Manager (E1, E2)	97%	93%	-
	General Employees (D3 and below)	93%	94%	-
Other regions	Director and above (F and above)	88%	100%	-
	Manger, Sr. Manager (E1, E2)	95%	92%	50%
	General Employees (D3 and below)	91%	92%	93%
Total	Director and above (F and above)	95%	100%	-
	Manger, Sr. Manager (E1, E2)	98%	98%	60%
	General Employees (D3 and below)	96%	95%	92%

* Note:

1. The denominator for calculating the participation rate in performance evaluations is the number of all full-time employees, including those who have not completed the three-month probationary period and are not required to participate in the evaluation (Advantech Korea and Advantech China have other requirements), those who were separated from Advantech during the evaluation period and did not complete the evaluation, and those who went on unpaid leave during the evaluation period.
2. Advantech Korea employees who have not yet passed the six-month probationary period and new employees officially hired for less than 6 months are not required to participate in the performance evaluation. Advantech China employees who have not yet passed the six-month probationary period are not required to participate in the performance evaluation.
3. All job bands at Advantech worldwide are divided into A to H. The job band of management level supervisors (managers) is E, and executive level supervisors (assistant vice president and above) are F and above.
4. The "non-disclosed gender" column was added for employees who choose not to disclose their gender.
5. The number of employees who chose not to disclose their gender was relatively low for other regions, so new employees who were hired for less than 3/6 months and did not participate in the evaluation and employees on unpaid leave have a more significant effect on the participation rate of the category.

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Performance Reward System

Advantech participates in market salary surveys and provides employees with competitive remuneration. The remuneration structure consists of diverse remuneration methods, including year-end bonuses, individual performance bonuses, team bonuses, sales performance bonuses, and stock or cash dividends for outstanding talent. Different remuneration methods are used to motivate different groups of employees, so as to attract, cultivate, and retain talents, as well as to provide effective rewards to talents who continue to create value together with 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 Salary of Full-Time Non-Managerial Employees: NT$ 1,322 (in thousands)
- Median Salary of Full-Time Non-Managerial Employees: NT$ 1,156 (in thousands)
- Gender pay gap analysis

  Advantech's remuneration policy is based on employees' job responsibilities and duties, and complies with local government labor laws and regulations. In the case of Taiwan, these include: "Labor Standards Act," "Act of Gender Equality in Employment," and "Employment Service Act." The salary standards do not differ based on gender. On the basis of globalized talent management, Advantech regularly participates in external salary surveys, and also comprehensively considers the salary data in other market reports to align our compensation packages with prevailing market salary rates. We also use job function and position to design pay ranges, so that reasonable and competitive salaries are used to recruit and retain talent. The headquarters established and optimized the application of pay ranges (based on job function and band) in 2022, and plan to gradually incorporate all 6 regions in the coming years. Advantech established pay ranges for positions based on job functions and bands to prevent differences based on gender. We have observed that key job functions are mainly held by male employees. Going forward, we will step up efforts to train and encourage female employees to take positions for key functions. During external recruitment, we will also pay attention to the diversity of candidates for key functions, in order to increase the diversity of employees at Advantech for more diverse development.

The table below shows the difference in average salary between male and female employees in each job band. The average salary of men is used as the baseline at 1 for comparison.

1. The gender pay gap at the headquarters is minimal, with female executive level supervisors earning higher salaries than their male counterparts.
2. Among executive level supervisors, there are more male supervisors with roles directly related to profit-making, and performance bonuses are reflected in the bonus component of remuneration, so their overall remuneration is generally higher than female supervisors.
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. Direct employees at the headquarters include foreign migrant workers who were mostly female, which was the reason for the gender pay gap.
5. The 5 major regions: China, Japan, South Korea, Europe, and the United States are sales locations, and the majority of employees are in profit related roles, which are higher paying roles. A higher percentage of employees in profit-related roles are male.
   a. The pay gap between indirect employees at the Kunshan Plant in China is due to job function. The remuneration for key functions (such as product engineering and smart technology) is higher than the administrative functions, and men account for a higher percentage of employees performing key functions.
   b. Among indirect employees in Japan, there are more male employees in profit-related roles, and the pay gap is due to the difference in job function.
   c. Management level supervisors of administrative functions in South Korea are all female, while those in profit-related functions are all male. The pay gap is due to the difference in job function.
   d. Due to the wide range of employees in Europe, the pay gap is not only due to different job functions, but also the different salaries of different countries.
6. The pay gap among executive level supervisors and management level supervisors in the United States is due to the majority of supervisors in profit-related functions being male.



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Average[1.1]		Headquarters		China		Kunshan Plant in China		Japan		South Korea		Europe		United States		Six major locations of operations	
Management level	Basic/Total package	Average pay of women	Average pay of men	Average pay of women	Average pay of men	Average pay of women	Average pay of men	Average pay of women	Average pay of men	Average pay of women	Average pay of men	Average pay of women	Average pay of men	Average pay of women	Average pay of men	Average pay of women	Average pay of men
Director and above (F1 and above)	Basic Salary	0.97	1	0.84	1	-	-	1.03	1	0.89	1	0.71	1	0.98	1	0.96	1
	Total Package =Basic Salary +Bonus + Allowance	0.99	1	0.98	1	-	-	1.08	1	0.93	1	0.64	1	0.64	1	0.85	1
Manager ~ Sr. Manager (E1~E2)	Basic Salary	0.95	1	0.87	1	0.95	1	0.84	1	0.80	1	0.82	1	1.01	1	0.92	1
	Total Package =Basic Salary +Bonus + Allowance	1.01	1	0.90	1	0.94	1	0.79	1	0.76	1	0.80	1	0.73	1	0.88	1
Indirect Employee Engineer/Specialist ~ Assist. Manager (C1~D3)	Basic Salary	0.88	1	0.95	1	0.89	1	0.84	1	0.88	1	0.84	1	0.85	1	0.86	1
	Total Package =Basic Salary +Bonus + Allowance	0.88	1	0.88	1	0.87	1	0.86	1	0.86	1	0.80	1	0.85	1	0.85	1
Direct Employee (A1~B2)	Basic Salary	0.86	1	-	-	0.89	1	0.91	1	-	-	0.81	1	1.01	1	0.93	1
	Total Package =Basic Salary +Bonus + Allowance	0.82	1	-	-	0.90	1	0.85	1	-	-	0.76	1	0.99	1	0.89	1

* Note:

1. All job bands at Advantech worldwide are divided into A to H. The job band of management level supervisors (managers) is E, and executive level supervisors (assistant vice president and above) are F and above.
2. The Kunshan Plant in China was separately listed due to different employee composition and different salary structure.
3. Includes full-time employees, full-time contract employees, and interns.

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The table below analyzes the pay of male and female employees in the 6 major regions, and displays the average and median with the pay of male employees set as 1 for comparison.

Analysis of male and female pay		Six major locations of operations		Six major locations of operations	
Management level	Basic/Total package	Average pay of women	Average pay of men	Median pay of women	Median pay of men
Director and above (F1 and Above)	Basic Salary	0.96	1	0.90	1
	Total Package =Basic Salary +Bonus + Allowance	0.85	1	0.95	1
Manager ~ Sr. Manager (E1~E2)	Basic Salary	0.92	1	0.96	1
	Total Package =Basic Salary +Bonus + Allowance	0.88	1	1.03	1
Indirect Employee Engineer/Specialist ~ Assist. Manager (C1~D3)	Basic Salary	0.86	1	0.88	1
	Total Package =Basic Salary +Bonus + Allowance	0.85	1	0.86	1
Direct Employee (A1~B2)	Basic Salary	0.93	1	1.57	1
	Total Package =Basic Salary +Bonus + Allowance	0.96	1	0.90	1

*Note:

1. All job bands at Advantech worldwide are divided into A to H and aligned with the Global Job Band in 2022. The job band of management level supervisors (managers) is E, and executive level supervisors (assistant vice president and above) are F and above.
2. Includes full-time employees, full-time contract employees, and interns.

Improvement Plan

At Advantech, we are continually adjusting our talent recruitment strategies based on trends in the external talent market and organizational development needs. We are also systematically optimizing the human resources systems, including promotion management, internal transfer, performance evaluation, talent development, education and training, key talent identification, remuneration and benefits, and employee care. Facing the rapid changes of the industry environment, we have actively introduced digital tools to improve the agility of human resource management and timeliness of decision-making.

As global operations continue to expand, Advantech continues to strengthen the integration and management of global talent data. We launched the Global Human Capital Management System in September 2022, launched the Workday system in May 2023, and further introduced the Talent Optimization module in January 2024, gradually building a consistent global talent data platform to improve the transparency and visibility of talent information. In 2025, Advantech made human resource decisions even more systematic and consistent by integrating promotion evaluations and remuneration adjustments into the system platform, and improving the efficiency of cross-regional talent management. At the same time, we continue to optimize key talent identification mechanisms and development strategies through data analysis applications, so as to support the organization's long-term competitiveness.

In terms of talent retention management, we review the turnover rate of each business unit in Taiwan on a quarterly basis, and analyze the overall retention of outstanding employees every 6 months. Improvement measures are implemented based on the analysis results, including strengthening employee care mechanisms, optimizing career development paths, and adjusting the remuneration and benefits system to improve employee satisfaction and overall retention performance.

For overseas locations of operations, we continue to track the turnover rate and retention of key talents in each region through monthly global human resources meetings, and formulate different talent retention strategies based on the characteristics of each market to ensure the appropriateness and implementation effectiveness of global talent management policies.

Going forward, we will continue to deepen the digital transformation of human resources based on data analysis, implement a systematic management mechanism that focuses on talent development, strengthen the connection between talent supply and organizational needs, and strive to create a resilient and sustainable global talent development environment.

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- **Employee Turnover/Attrition**

Region	Category	Item	Male			Female			Non-disclosed gender			Total number of resignations	Total number of employees	Voluntary turnover rate by region	Overall turnover rate by region	Overall turnover rate
			Number of people	Total percentage	Percentage (Voluntary)	Number of people	Total percentage	Percentage (Voluntary)	Number of people	Total percentage	Percentage (Voluntary)					
Headquarters	Job band	Director and above (F and above)	8	4.5%	3.4%	0	0.0%	0.0%	0	0.0%	0.0%	353	3,791	8.3%	9.3%	15.4%
		Manger, Sr. Manager (E1, E2)	18	2.7%	2.4%	5	2.4%	1.9%	0	0.0%	0.0%					
		General Employees (D3 and below)	150	3.4%	2.9%	172	4.7%	4.4%	0	0.0%	0.0%					
	Age of employees	30 years old and under	26	3.8%	3.3%	38	6.4%	6.4%	0	0.0%	0.0%	353	3,791			
		31-49 years old	120	3.4%	3.0%	122	4.3%	4.0%	0	0.0%	0.0%					
		50 years old and above	30	2.7%	1.9%	17	3.3%	2.8%	0	0.0%	0.0%					
		Not disclosed	0	-	-	0	-	-	0	0.0%	0.0%					
China	Job band	Director and above (F and above)	2	1.1%	0.6%	0	0.0%	0.0%	0	0.0%	0.0%	753	3,411	20.9%	22.1%	
		Manger, Sr. Manager (E1, E2)	2	0.3%	0.3%	0	0.0%	0.0%	0	0.0%	0.0%					
		General Employees (D3 and below)	432	9.7%	1.0%	317	8.6%	8.3%	0	0.0%	0.0%					
	Age of employees	30 years old and under	166	24.1%	23.2%	100	16.8%	16.4%	0	0.0%	0.0%	753	3,411			
		31-49 years old	265	7.5%	6.9%	215	7.5%	7.2%	0	0.0%	0.0%					
		50 years old and above	5	0.5%	0.5%	2	0.4%	0.4%	0	0.0%	0.0%					
		Not disclosed	0	-	-	0	-	-	0	0.0%	0.0%					
Japan	Job band	Director and above (F and above)	2	1.1%	1.1%	0	0.0%	0.0%	0	0.0%	0.0%	19	246	6.5%	7.7%	
		Manger, Sr. Manager (E1, E2)	3	0.5%	0.3%	1	0.5%	0.5%	0	0.0%	0.0%					
		General Employees (D3 and below)	7	0.2%	0.1%	6	0.2%	0.1%	0	0.0%	0.0%					
	Age of employees	30 years old and under	0	0.0%	0.0%	1	0.2%	0.2%	0	0.0%	0.0%	19	246			
		31-49 years old	4	0.1%	0.1%	4	0.1%	0.1%	0	0.0%	0.0%					
		50 years old and above	8	0.7%	0.6%	2	0.4%	0.4%	0	0.0%	0.0%					
		Not disclosed	0	-	-	0	-	-	0	0.0%	0.0%					

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Region	Category	Item	Male			Female			Non-disclosed gender			Total number of resignations	Total number of employees	Voluntary turnover rate by region	Overall turnover rate by region	Overall turnover rate
			Number of people	Total percentage	Percentage (Voluntary)	Number of people	Total percentage	Percentage (Voluntary)	Number of people	Total percentage	Percentage (Voluntary)					
South Korea	Job band	Director and above (F and above)	0	0.0%	0.0%	0	0.0%	0.0%	0	0.0%	0.0%	10	121	7.4%	8.3%	
		Manger, Sr. Manager (E1, E2)	0	0.0%	0.0%	0	0.0%	0.0%	0	0.0%	0.0%					
		General Employees (D3 and below)	6	0.1%	0.1%	4	0.1%	0.1%	0	0.0%	0.0%					
	Age of employees	30 years old and under	1	0.1%	0.1%	3	0.5%	0.5%	0	0.0%	0.0%	10	121			
		31-49 years old	4	0.1%	0.1%	1	0.0%	0.0%	0	0.0%	0.0%					
		50 years old and above	1	0.1%	0.1%	0	0.0%	0.0%	0	0.0%	0.0%					
		Not disclosed	0	-	-	0	-	-	0	0.0%	0.0%					
Europe	Job band	Director and above (F and above)	3	1.7%	1.1%	2	2.9%	2.9%	0	0.0%	0.0%	163	792	14.3%	20.6%	15.4%
		Manger, Sr. Manager (E1, E2)	4	0.6%	0.5%	2	1.0%	1.0%	0	0.0%	0.0%					
		General Employees (D3 and below)	116	2.6%	1.7%	33	0.9%	0.7%	3	5.0%	1.7%					
	Age of employees	30 years old and under	31	4.5%	3.0%	5	0.8%	0.7%	1	100.0%	0.0%	163	792			
		31-49 years old	58	1.7%	1.1%	27	0.9%	0.8%	1	25.0%	0.0%					
		50 years old and above	34	3.1%	2.1%	5	1.0%	1.0%	0	0.0%	0.0%					
		Not disclosed	0	-	-	0	-	-	1	1.7%	1.7%					
United States	Job band	Director and above (F and above)	0	0.0%	0.0%	21	30.9%	30.9%	0	0.0%	0.0%	68	512	11.1%	13.3%	
		Manger, Sr. Manager (E1, E2)	20	3.0%	2.3%	2	1.0%	1.0%	0	0.0%	0.0%					
		General Employees (D3 and below)	23	0.5%	0.4%	2	0.1%	0.0%	0	0.0%	0.0%					
	Age of employees	30 years old and under	11	1.6%	1.2%	6	1.0%	1.0%	0	0.0%	0.0%	68	512			
		31-49 years old	20	0.6%	0.4%	13	0.5%	0.5%	0	0.0%	0.0%					
		50 years old and above	12	1.1%	0.9%	6	1.2%	1.0%	0	0.0%	0.0%					
		Not disclosed	0	-	-	0	-	-	0	0.0%	0.0%					

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			Number of people	Total percentage	Percentage (Voluntary)	Number of people	Total percentage	Percentage (Voluntary)	Number of people	Total percentage	Percentage (Voluntary)					
Other regions	Job band	Director and above (F and above)	0	0.0%	0.0%	0	0.0%	0.0%	0	0.0%	0.0%	67	443	12.0%	15.1%	15.4%
		Manger, Sr. Manager (E1, E2)	3	0.5%	0.5%	0	0.0%	0.0%	0	0.0%	0.0%					
		General Employees (D3 and below)	49	1.1%	0.9%	15	0.4%	0.3%	0	0.0%	0.0%					
	Age of employees	30 years old and under	18	2.6%	2.2%	6	1.0%	0.8%	0	0.0%	0.0%	67	443			
		31-49 years old	29	0.8%	0.7%	9	0.3%	0.2%	0	0.0%	0.0%					
		50 years old and above	5	0.5%	0.3%	0	0.0%	0.0%	0	0.0%	0.0%					
		Not disclosed	0	-	-	0	-	-	0	0.0%	0.0%					

*Note:

1. All job bands at Advantech worldwide are divided into A to H. The job band of management level supervisors (managers) is E, and executive level supervisors (assistant vice president and above) are F and above.
2. Turnover rate by age, job band, and gender = Number of resignations in the group in the region / Total number of resignations in the group.
3. Total turnover rate = Total number of resignations / Total number of employees
4. The number of resignations only includes full-time employees, and does not include contract and part-time employees (interns).
5. Other locations that are not major locations of operations (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" all have the same definition when mentioned below.

- **Four-year Employee Turnover Rate**

Region	2022		2023		2024		2025	
	Total employee turnover (Voluntary turnover)	Turnover rate (Voluntary turnover)	Total employee turnover (Voluntary turnover)	Turnover rate (Voluntary turnover)	Total employee turnover	Total turnover rate	Total employee turnover	Total turnover rate
Headquarters	585	16.8%	346	9.8%	291	8.2%	353	9.3%
China	1101	29.6%	631	18.8%	627	18.8%	753	22.1%
Japan	25	10.8%	23	10.8%	21	9.3%	19	7.7%
South Korea	18	14.1%	25	21.9%	12	11.0%	10	8.3%
Europe	87	18.0%	44	8.4%	56	10.9%	163	20.6%
United States	106	20.7%	63	12.0%	52	9.8%	68	13.3%
Other regions	-	-	77	17.7%	85	19.5%	67	15.1%
Total	1922	22.4%	1209	13.9%	1144	13.2%	1433	15.4%

*Note:

1. The total turnover rate (involuntary turnover) in 2022 is an estimate (23.6%).
2. The global data for 2023-2024 (including disclosures of other regions) includes voluntary and involuntary turnover. The voluntary turnover rate was 13.0% in 2023 and 12.0% in 2024.
3. The global data for 2023-2024 (including disclosures of other regions) includes voluntary and involuntary turnover. The voluntary turnover rate was 13.7% in 2025.
4. In 2025, the global total employee turnover rate increased to 15.4% from 13.2% in the previous year. Although the overall fluctuation remained within a relatively stable range, turnover increased more noticeably at certain sites in Europe and China. Advantech will conduct an in-depth analysis of the reasons for employee departures in these regions and further enhance its employee retention mechanisms.
5. The number of resignations only includes full-time employees, and does not include contract and part-time employees (interns).

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5.1.2 Employee Development Plan

Talent is the key driver of corporate growth. Advantech regards talent cultivation and development as an important strategy for corporate sustainability. We are committed to creating a culture of self-management and continuous learning, and support the steady growth of employees at all stages of their careers through a systematic talent management mechanism, so that employees work with Advantech towards sustainable development.

Action Plans

Advantech integrates company strategy with individual development plans through the Organization & People Review (O&PR) and performance evaluation system, systematically understanding employee potential and development needs. This is combined with promotions, job rotations, and diverse training resources to establish a comprehensive talent development mechanism, improving organizational performance and the continuous development and succession pipeline of leadership.

In terms of learning resource allocation, Advantech combines the 4 academies (Management, Professional, General Knowledge, and New Employee Hires) with an e-learning platform and in-person training for employees to flexibly choose learning paths based on their position and career needs, strengthening their management and leadership, deepening their professional skills, facilitating cross-departmental knowledge exchange, and helping new hires rapidly assimilate into Advantech and start their careers.

Tracking Mechanism

To ensure the quality of learning and the effectiveness of implementation, we continue to track the implementation status and improvement directions of various learning programs through systematic review and effectiveness measurement. The Human Resources Department regularly reviews the targets and progress of indicators, and collects students' feedback after courses as the basis for course design and optimizing resource allocation.

At the same time, Advantech has adopted the Kirkpatrick Four-Level Evaluation Model to establish a sustainable and optimized evaluation framework covering student response, learning absorption, behavioral application, and results and impacts, in order to improve the effectiveness and traceability of inputs in learning.

Inventory of Annual Training Categories and Key Implementation Directions

Management Academy: Cultivating Management Talents

Advantech Academy has 4 academies: "Management, Professional, General Knowledge, and New Employee Hires," which provide corresponding learning resources and courses based on employees' career development needs, ensuring that every employee is able to obtain suitable growth opportunities. This framework covers all Advantech employees worldwide, including indirect employees, direct employees, and part-time and contract employees. Key projects of each academy in 2025 are described below.

A. Management Academy: Cultivating Management Talents

Advantech focuses on the tiered cultivation of managers in the Management Academy, and planned learning paths from junior to executive level supervisors based on the survey of annual training needs and the responsibilities of managers at different levels in different scenarios, strengthening their performance management, cross-departmental collaboration, and coaching-style guidance and leadership abilities. This establishes a common language and practices for management. In addition, Advantech introduced the CPAS in team management in the form of a project in 2025 to help employees and supervisors better understand each other's characteristics and how to interact, so that supervisors can adjust their communication and leadership methods based on a better understanding of employees, achieving better and more effective teamwork.

- Global APEX Program: Cultivating future leaders and extraordinary talent

Advantech launched the Advantech People of Excellence (APEX) Program in 2023 and upgraded it to the Global APEX Program in 2024. Cross-business group co-learning, practical issue proposals, and lectures from executive level supervisors/ external experts cultivate the strategic vision, leadership potential, and cross-domain integration capabilities of high-potential talents. In 2025, one global event and one event in China were organized with a total of 64 high-potential talents from Taiwan and overseas, and 14 practical proposals were made (8 globally/6 in China) to strengthen learning and the organization's influence. The talents moved on to individual development plans (IDPs) after the program ended, combining coaching and mentoring mechanisms to support their long-term development. For complete contents and annual results of the program (including specific outcomes and talent development results), please refer to 5.1.2 "Highlight Training" for details.

1. Learning Mechanisms to Bridge the Gap Between Learning and Application
   To improve how supervisors apply their management skills in the workplace, Advantech's Management Academy introduced the learning framework of "Learning- Practice- Feedback- Optimization" for continuous improvement, ensuring that courses are not limited to the transmission of knowledge, but can also be transformed into specific actions and management behaviors.
2. Learning Effectiveness
   - Satisfaction after the course (L2): The average satisfaction score for courses reached 4.64 points in 2025 with a total of about 700 participants.
   - Action plan and re-training mechanism (L3): After the course, the trainees propose an action plan and implement in their own situation at work. After 1-2 months, the instructor provides an analysis and suggestions based on operations and implementation status, helping supervisors continue to make adjustments.

- **Application results**

Aspect	Actual outcomes	Transfer of learning (L2 → L3)
Review of new employee training results	59 cases	Guided by a senior to ensure the transfer of learning to work
Retraining and optimizing tracking of the transfer of learning	Coaching-style guidance: 30 cases	Trainees transform course skills into specific guidance actions
	Managing down: 29 cases	Strengthen the application by supervisors in authorization and team management
	Horizontal management: 29 cases	Use the lessons learned in class to facilitate cross-departmental collaboration and communication

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Advantech continues to review the actual application by supervisors in managing people, feedback and communication, and cross-departmental collaboration through the above operations and feedback from re-training. We then optimize subsequent course design and supporting resources on this basis. This not only bridged the learning gap between L2 satisfaction to L3 behavioral transformation, but also improved the effectiveness of training, creating an implementation mechanism for bridging the gap between learning and application.

[Entry level] Basic management and practical application

For new supervisors and junior managers, the Management Academy starts with the "Role and Values of Supervisors" to help trainees understand their responsibilities and value as managers, instill them with basic management concepts, and allow them to understand how to lead. The courses cover work guidance and in-person demonstration of techniques, empathy and communication and interaction, and extends to new employee guidance and structured experience sharing, assisting supervisors in transforming "managing new employees" and "assigning tasks" into replicable management processes. At the same time, it also includes discussion of laws and cases related to unlawful infringement in the workplace, guiding supervisors to understand principles and handling processes corresponding to laws and regulations, which will reduce management risks and improve their on-site response abilities.

[Mid level] Team management and talent cultivation

For mid-level managers, the Management Academy focuses on the core scenario of "subordinate management and performance feedback," and aims to strengthen managers' ability to manage people and matters in routine operations. On the one hand, the course focuses on "managing down" and uses situation drills and guidelines to train supervisors to make judgment calls when handling employee conduct and problems at work, including negligence at work, discipline and attitude management, communication gaps with subordinates, authorization and incentives, team atmosphere, and personnel arrangements, so that supervisors on site can make decisions faster and be more consistent in their management. On the other hand, the courses introduce practical training through coaching-style guidance, which covers the 5 major systems of communication: effective praises and incentives, and the coaching dialog process of "understand why- clarify the problem- give suggestions." The guidance technique drills and re-training mechanism help supervisors incorporate talent cultivation into routine management activities, in order to improve team output and stability.

[High level] Performance management and cross-departmental collaboration

For executive level supervisors, the Management Academy uses the themes "performance management" and "cross-departmental collaboration" to respond to the common challenges: cross-unit target alignment, resource integration, and carrying out decisions. In terms of performance, we focus on establishing a development-oriented performance management framework, covering performance target setting, performance tracking and calibration, and evaluation and feedback to assist managers in ensuring consistency in talent development and management as they pursue results. In terms of cross-departmental collaboration, it focuses on horizontal management, and starts from the perspective of cross-departmental performance, leading managers to identify conflicts and empty spaces in the organization, establishing cross-departmental project implementation and coordination strategies, and strengthening communication and influence when facing different stakeholders through scenario drills. This improves managers' cooperation and implementation abilities in complex situations.

B. Professional Academy: Enhancing Professional Skills

At the Professional Academy, Advantech focuses on the cultivation of key professional competencies and cross-domain connections, responding to our strategic development and demand for accelerated implementation of digital/AI applications. We continue to increase the depth of employees' learning and their perspectives of applications relating to emerging technologies and product solutions by developing their technical competencies. The Professional Academy focused on AI capability development, professional training related to M&A, technology and product solution training, and technology exchange platforms in 2025. At the same time, it strengthened the systematic cultivation of sales abilities to support business development and enhance market competitiveness.

Domain AI Talent Cultivation Project: Building a chain of learning from the basics to practice

Advantech established the tiered learning pathway "AI General Knowledge → AI Certification → Practical Competition," which promotes cross-departmental co-learning and application from the basics to practice. Please refer to the "Highlight Training" section in 5.1.2 for the complete content of this project and annual results.

Establishment of the M&A Academy

As Advantech expands through mergers and acquisitions (M&A) to navigate industry shifts, integrating diverse cultures, governance, HR, and compensation policies presents adaptation pressures for employees and cross-cultural management challenges for leaders. To mitigate these impacts, Advantech launched the M&A Academy in Q4 2024 to cultivate key talent with strategic investment capabilities. In 2025, the curriculum focused on Post-Merger Integration (PMI), M&A transactions, corporate valuation, due diligence, and performance control. Led by external industry experts, the program utilized case studies and practical exercises to strengthen collaboration across management, corporate support functions, and M&A teams. This comprehensive training empowers departments to systematically assess risks, streamline communication, and support employee transitions throughout all M&A phases. Over the year, the Academy recorded 368 attendances from mid- to senior-level managers and investment department leaders.

AE LEAP Camp: Strengthening the technical competencies of AE/FAE through product plans and solutions to support business development

Advantech strengthens the technical competencies of AE/FAE through product plans and solutions, and involves SI and channel partners to improve product understanding and market promotion capabilities;109 classes were planned during the two-week training, 81 internal experts were mobilized to serve as lecturers, and trained 37 students worldwide with a course satisfaction rate of 4.46, helping students more effectively support business promotion and product introduction.

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EBO technical seminars: Aligning with Advantech's strategies and facilitating technical exchanges, product planning, and new business exploration

Advantech engaged in multiple technical exchange sessions during the EBO technical seminar, and focused on strategic topics such as "technology competitiveness and operational resilience," covering forward-looking topics such as edge vision systems, robots and autonomous vehicles, smart grids and digital transformation of energy, AI applications in retail scenarios, and edge AI in drones. The event facilitates cross-domain technical exchanges and co-creation with ecosystem partners, which serve as an important reference for product planning, function exploration, and the deployment of new businesses. Employee feedback also pointed out that the technical exchanges can further move from simply "listening" to "co-creation" and "hands-on experience" by introducing more cross-domain dialogue and case studies, increasing the depth of interactions during QA, and combined with workshops or roundtable discussions. This will increase the overall benefits of exchanges and participation.

Systematic cultivation of sales abilities

To improve the sales skills of entry-level and mid-level sales personnel and establish a systematic sales management framework, Advantech has implemented WSP training and introduced the 6 key processes of M.A.N.T.C.S. The lectures, group discussions, and role play, help sales partners strengthen strategic sales thinking and customer management capabilities. In 2025, a total of 66 sales personnel were trained, in hopes of more efficiently achieving progress in cases, better managing customer relationships, and assisting supervisors in tracking the quality of sales activities and the consistency of strategies.

Advantech China (ACN) Technology Forum

Advantech China (ACN) organizes technology forums every year to promote internal technical exchanges and cooperation, strengthen employees' professional capabilities, and enhance our competitiveness and sustainable development.

Three major goals of the forum:

1. Technical training benefits: Improve R&D skills and cross-departmental knowledge to optimize design efficiency and product competitiveness.
2. Eliminating technical barriers: Facilitate experience sharing, reduce design traps, and improve R&D efficiency and product quality.
3. Further raising awareness: Encourage technological innovation and sharing, and drive professional growth of individuals and technological development of companies.

In 2025, the ACN Technology Forum continued to be held based on the format: "Solution Sharing + Case Study and Exchanges + Practical Implementation." The themes covered hardware design and high-speed signal quality, testing and verification and reliability, R&D collaboration platforms, and remote maintenance solutions to help employees establish reusable design methods and testing baselines, improving the efficiency of cross-departmental collaboration.

In terms of concrete results, the forum shared the implementation of multiple technologies and operational benefits: For example, the remote maintenance plan for edge devices has been implemented in several projects in 2025, which cumulatively generated more than RMB500,000 in software revenue and supported the integration of other company solutions. After the R&D collaboration platform was introduced, collaboration efficiency improved by 30% and information islands were reduced by 50%.The high-speed signal testing solution is expected to increase the signal integrity compliance rate from 80% to over 95%.We also strengthened NPU platform design specifications and development efficiency through design guidelines, and assisted domestic core products with achieving a revenue of NT$12.5 million and a growth rate of 76% in 2025.

- **ACN Technology Forum in 2025**

Course theme	Participants	Number of participants	Quantitative results
Sharing of Ascend Design Guidelines	EE / RD	54	Strengthened NPU platform design specifications and development efficiency, and assisted domestic core product performance: Revenue was NT$12.5 million and growth rate was 76% in 2025.
Introduction to the energy efficiency grade of microcomputers and monitors	PM / RD	54	Energy saving solutions were implemented in 80% of projects. Reduced the average power consumption of products in standby mode by more than 30%, and reduced the time for subsequent updates and labor costs.
Sharing of remote maintenance and debugging plans for edge devices	PM / AE	22	The solution has been implemented in multiple projects, cumulatively generated more than RMB500,000 in revenue from software (excluding supporting hardware), and completed localized adaptation/certification and launch.
Description of the R&D collaboration platform – iDesign-Align PCB	EE/RD (related teams)	33	Increased collaboration efficiency by 30%, reduced information islands by 50%, and accumulated structured data as the basis for subsequent AI applications.
High-speed signal measurement solution sharing	PM/RD/ QA (related teams)	28	Established a baseline for reusable designs by sorting through specifications and measurement solutions. The signal integrity compliance rate increased from 80% to 95% and above.
In-vehicle communications CANFD test plan and case study	PM/RD/ QA (related teams)	28	Nearly 20 products are now equipped with the CANFD function and have successfully passed tests, improving the efficiency of locating problems and troubleshooting.

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

For the General Education Academy, Advantech promotes general workplace capabilities, compliance, and sustainability literacy for all employees, and facilitates cross-departmental learning exchanges through the Learning Salon/Forum series. At the same time, we combine diverse cultures and soft power development projects, as well as support resources for employees in transitory stages in life, to establish a common language and cultural foundation, and enhance the organization's collaboration and resilience in a changing environment. Key initiatives of the General Education Academy in 2025 are as follows:

- **Compliance and risk literacy training for all employees**

  Advantech strengthened the governance and risk literacy of all employees (including indirect employees, direct employees, and part-time and contract employees) through online learning, and established a consistent code of conduct and compliance awareness. Courses cover human rights education, diversity and sustainability-related topics, internal control and corporate risk management, Advantech Business Conduct, information security promotion, annual EHS education and training, personal data protection, management of material information handling and insider trading prevention, and prevention of sexual harassment in the workplace. The courses help employees act responsibly when performing daily work, reducing operational risks, and supporting Advantech's sustainability governance.

- **Learning Salon/Forum**

  Advantech officially introduced the CommonWealth Leader Campus (CWLC) in 2022 to strengthen the 8 core competencies (digital, strategic, leadership, operational, international perspective, market, management, and innovation) of junior and mid-level managers, allowing employees to self-improve at any time and any place. Advantech hopes that employees will fully utilize this platform and reach the goal of reading 100 articles within one year, in order to deepen its learning application. In 2025, we completed the optimization of the promotion model for the Learning Salon/forum series, and packaged themes that combine demand surveys and competency perspectives. We also integrated the series of promotional materials with registration to improve the learning experience and promotion efficiency. The Learning Salon features small-scale in-depth exchanges, which facilitate cross-departmental dialogue and link knowledge to real problems at work through the guidance of internal and external lecturers and group discussions. The Learning Forum invites experts from diverse fields to share their knowledge and practical perspectives in the form of a lecture, focusing on the transmission of knowledge and skills and a suitable amount of interactions to broaden their horizons and inspire new thinking. Topics in 2025 covered communication insights and micro-expression reading, project management, strategy implementation, and execution, with a total of 261 participants.

- **A culture of diversity and development of soft power for the workplace**

  In response to the concept of Diversity, Equality, and Inclusion (DEI), Advantech continued to implement projects related to the diversity culture and development of soft power for the workplace in 2025. The projects aim to improve employees' understanding of diverse values, cross-cultural communication, and workplace inclusiveness through lectures and training activities, creating a more respectful, inclusive, and collaborative work environment. Six employees in Taiwan and overseas were invited to share their career development strategies, experience with adapting to cultures of different countries, and how they make adjustments when facing challenges during the Women's Career Development Seminar, which was in the form of a webinar, attracting the participation of a total of 139 managers and employees. For the cross-cultural communication leadership training, external lecturers were invited to share the communication and management practices of multinational teams, improving employees' understanding, communication, and collaboration abilities in cross-cultural scenarios. A total of 34 employees participated in the event.

- **Employee support plans for transitory stages in life**

  To support employees' needs when transitioning between different stages of their careers, Advantech provides relevant learning resources at the General Education Academy to help them systematically prepare for transitions when planning their retirement or making career changes. We organize seminars and workshops covering diverse topics, including healthy eating and physical health, disease prevention and health management, mental resilience, and stress adaptation, to help employees improve their physical and mental resilience and adaptability in the workplace. In addition, HRBP provides career transition guidance, job matching (including internal transfer opportunities and external matching resources), as well as explanations and support for the dismissal-related system (including severance pay, procedures, and re-employment support) to strengthen the support network for employees in transitory stages of their career, and respond to stakeholders' expectations for employee care and transition assistance.

D. New Employee Hires Academy: Fast Integration into Advantech

New employee guidance process and mechanisms

Advantech has established a systematic guidance process for new employees to adapt and start making contributions faster. We use the Workday system to manage the progress of new employee journey and conduct evaluations and tracking during their probationary period, so that new employees and supervisors can keep track of their learning progress, key milestones, and evaluation results in during their employment. At the same time, Advantech has introduced the junior and senior system, in which experienced employees in the department provide daily guidance and serve a supporting role to help new employees become familiar with the work process and more quickly assimilate into their team and adapt to the corporate culture.

ACE Camp (Advantech Culture Experience Camp)

To help new employees quickly understand the corporate culture and organizational operations, Advantech incorporated the Advantech Culture Experience Camp (ACE Camp) into the new employee guidance mechanism. The contents cover corporate culture, organizational structure, and development direction, and supervisors share their career experience to help new employees align with our values and vision. At the same time, team activities and park exploration help build cross-departmental connections and deepen their understanding of the corporate environment. A total of 8 ACE Camps were held in 2025 with a total of 332 employees participating in the training. The camps continue to provide a solid starting point for new employees.



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Highlight Training 1
Domain AI Talent Cultivation Project

Background

In response to our AI technology development and accelerated demand for digital transformation, we continue to promote AI capability building, in hopes that AI will not be limited to simply understanding concepts, but be able to truly combine the functions and business scenarios of each department, transforming them into practical application results.

As AI applications become increasingly important in R&D, technical support, operational efficiency, and innovative solutions, we need to establish a common language and basic capabilities across departments, so that employees with different functions can align needs, identify application scenarios, and accelerate the direction of adoption under a consistent framework.

However, there is still a significant gap between understanding AI and using AI. Simply learning general knowledge is no longer sufficient to support the application of technology. Therefore, we combined our tiered training mechanism with basic learning, certification and verification, implementations for competitions, and knowledge communities to gradually build a complete learning chain for employees from understanding, application, to co-creation, and promote the implementation and diffusion of AI × Domain.



Implementation Method

The core design of this project is "Tiered Learning × Practice-oriented × Community Expansion." The project integrates internal and external resources to establish a training path from the basics to practice.

- **AI general education courses: Establishing a common language and basic concepts**

  Advantech helps employees from different backgrounds quickly understand core concepts of AI, application logic, and potential scenarios through general AI knowledge courses and basic training activities, establishing a common language among departments, and improving the efficiency of cross-domain collaboration and building a consensus.

- **AI certification courses: Strengthening professional capabilities and measurable results**

  To systematically cultivate employees' professional AI capabilities, Advantech partnered with Microsoft and Ucom Information Technology to offer AI certification courses, providing employees with opportunities to obtain AI certifications, strengthen their professional skills, and enhance their competitiveness in the workplace. Employees who pass the certification examination can also apply for rewards in accordance with the HR certification management system, so that learning results can be systematically verified and accumulated. According to statistics in 2025, 40 people have passed the AI certification course, forming a specific and measurable talent cultivation result.

- **AI competition (implementation task): Task-driven application**

  Advantech organizes the internal AI competition to facilitate the introduction of AI technologies and inspire innovative thinking. We encourage employees to use generative AI and related technologies to propose applications that can improve business efficiency, productivity, reduce costs, or develop innovative products and solutions. The competition also emphasizes cross-departmental co-learning and being practice-oriented, so that AI capabilities are not limited to individual learning, and can be transformed into teamwork and business value. The competition generates results from task-oriented practices and promotes AI × Domain applications and sharing. We continued to optimize the competition mechanism in 2025. A total of 34 teams participated in the AI competition, which produced 6 finalists, continuing to promote AI × Domain applications and results sharing.

- **AI technology community and knowledge accumulation: Diffusion of learning benefits**

  Advantech further established an AI technology platform/AI Academy to deepen learning results and facilitate horizontal exchanges. The platform provides a space for employees to engage in exchanges on AI, Gen AI, and IT technology applications. Whether it is discussions on the DaVinci technology, sharing experience with the implementation of AI solutions, or exchanges of competition results, they are all accumulated and diffused through this platform. All works entered into the competition are uploaded to the AI Academy (AI community) as knowledge assets for subsequent learning exchanges, application, and reuse, strengthening the organization's overall AI capabilities.

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Training Results

This project uses the Kirkpatrick Four-Level Evaluation Model to examine the effectiveness of training. The actual results of AI talent cultivation are measured through feedback from participants, learning results, actual applications, to organizational results.

1. L1 Reaction: Ensure that the course design meets the needs of participants through satisfaction surveys, in order to increase their willingness to participate in learning

   General AI knowledge and related training activities had a total of 490 participants in 2025. The feedback from the courses and activities shows that participants generally agree with the topics and practice-oriented design, believing that these will help establish a common AI language and increase their willingness to participate in AI learning and implementation.

2. L2 Learning: Establish a concrete competency verification mechanism through tests and practical evaluations

   The tiered learning pathway of "AI general knowledge ■ AI certification ■ Practical competition" ensures that employees not only have the basic concepts of AI, but also have measurable capabilities through certification courses and examinations. Course participation already reached a considerable scale in 2024, and the certification of 40 participants in 2025 shows that the talent cultivation mechanism is gradually developing into a structured system.

3. L3 Behavior: Track whether trainees are able to apply what they learned in actual work scenarios, and promote cross-departmental implementations

   The AI competition provides employees with a field for transforming learning into applications. Employees are able to combine AI technology with their own functions and business scenarios, and propose actual solutions with application value through cross-departmental teams and task-oriented problem-solving model. In 2025, a total of 34 teams participated in the competition, which had 6 finalists, showing that AI applications are gradually extending from individual learning to horizontal practices within the organization. 2025 AI Competition Website https://ai-acceleration.advantech.com/2025-ai-event-zh

4. L4 Results: Analyze the impact of training on business performance and talent development to form the organization's knowledge assets and application value

   Competition results and connections on social media allow individual projects to be more than the experiment results of a single team, but can further become reusable, exchangeable, and extensible knowledge assets of the organization, increasing the overall maturity of AI applications and the momentum of digital transformation.

- Establishes a common language and improves cross-domain collaboration efficiency: Allows different competencies to be more quickly aligned with AI application requirements and direction.
- Strengthens measurable capabilities and methodologies: Certification courses and pass results allow key tools and methods to be verified and accumulated.
- Facilitates practical implementation and dissemination of results: The competition and accumulation of works transform the results of individual projects into knowledge assets that can be reused by the organization.

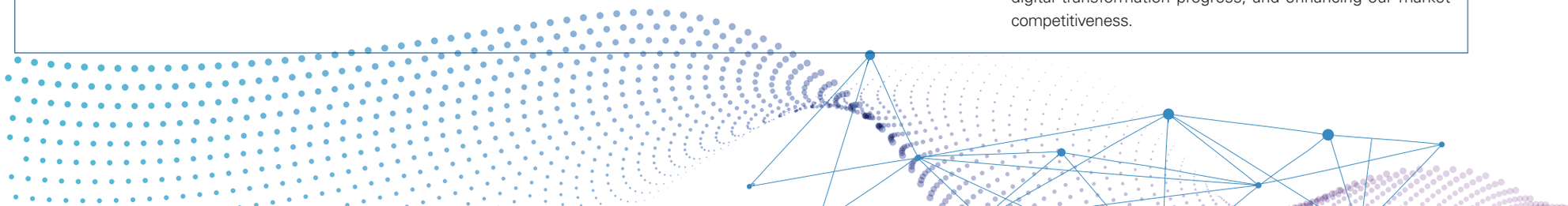
Actual Results

The results of the AI competition and extension projects have demonstrated the value of specific applications and generated quantifiable benefits in terms of technical support, R&D processes, logistics operations, and manufacturing sites.

- **Agentic RAG Building Accurate, Trustworthy AI Agent for Technical Support:** Accuracy of replies increased from 70% to 79%.
- **Electronic circuit design inspection agent:** The inspection time for most circuit diagrams was shortened from several hours to within 20 seconds.
- **3D smart packaging:** Reduces the decision-making time of personnel by 60%, increasing the average load rate of boxes to 64%. Connecting with DHL API testing can reduce transportation costs by 7%-8%.
- **AI Agent-assisted automated generation of testing process:** Significantly reduces generation time, enabling both the motherboard and system manufacturing plants to reduce headcount by one PE.
- **AI Agent maintenance assistant - AI collaboration to overcome experience barriers:** It has been introduced in the 3F/4F production lines of the system manufacturing plant, resulting in a 10% increase in output of maintenance personnel. The accuracy of materials recommended by AI improved from 50% to 70%.

Overall Benefits

Advantech has gradually established a complete AI learning ecosystem from basic knowledge, professional verification, task implementation to knowledge sharing through the Domain AI Talent Cultivation Project. The project not only strengthens employees' ability to use AI tools and cross-domain collaboration efficiency, but also allows individual innovation results to be used as the organization's assets, further supporting Advantech's AI technology deployment, digital transformation progress, and enhancing our market competitiveness.



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Highlight Training 2
Global APEX Program × IDP Program

Background

Talent is the key driver of a company's innovation, transformation, and sustainable growth. Advantech launched the "Advantech People of Excellence (APEX) Program" at the headquarters in the fourth quarter of 2023, which marked our 40th anniversary. The program focuses on cultivating high-potential leaders and professional talents, in hopes of strengthening the strategic vision, leadership abilities, and cross-domain integration capabilities of key talents through systematic development mechanisms, establishing a steady talent pipeline for the organization's mid- and long-term development. The program was further upgraded to the Global APEX Program in 2024, with regular sessions in Chinese and English planned. The program is being gradually expanded to overseas subsidiaries to deepen the cultivation of key talents and the succession pipeline of high-end talents worldwide. The program focuses on cross-business group co-learning, and incorporates exchanges on core capabilities, discussions of practical issues, and experience sharing by executive level supervisors, assisting high-potential talents in developing more comprehensive integrated thinking and practical capabilities in cross-regional and cross-departmental collaboration scenarios.

Implementation Method

The Global APEX Program cultivates the key competencies needed by future leaders through the design of 3 major themes: participation of executive level supervisors, cross-domain co-learning, and practical proposals. APEX held one global event and one event in China in 2025, and a total of 64 high-potential talents from Taiwan and overseas participated in the events. The courses were taught by executive level supervisors and external experts, and cross-business group and cross-departmental team interactions and exchange activities were also arranged to help trainees establish cross-domain connections and common language. In addition, the practical issue proposal and discussion mechanism guided trainees to analyze Advantech's key business and organizational issues from an integrated perspective, so that they could propose strategic ideas and strengthen their collaboration abilities, making their learning results more practical and impactful on the organization.

To build upon the APEX training program, Advantech has launched Individual Development Plans (IDP) for high-potential talents. Following initial competency assessments to identify career goals and skill gaps, participants receive personalized action plans. To bridge classroom learning with on-the-job application, we established a dual-track mentoring system. Participants hold monthly 1-on-1 meetings with a "Coach" (a division-level manager guiding specific IDP tasks) and a "Mentor" (a cross-departmental manager providing broader career perspectives). External consultants are engaged to monitor progress and train these Coaches and Mentors, continuously fortifying our talent development culture. Ultimately, senior executives review the final presentations, and participants' project performance is directly linked to career advancement opportunities such as promotions and job rotations, ensuring comprehensive support for their professional growth.

Training Results

APEX helps high-potential talents strengthen their strategic perspectives, leadership potential, and integrated thinking through cross-business group co-learning, practical issue proposals, and guidance from executive level supervisors, gradually establishing a cross-domain collaboration network. The IDP builds on APEX's learning results and uses individual development goals and action plans combined with the support of coaches/mentors to encourage trainees to continue to apply what they learned in their actual work, increasing their long-term development potential and preparedness for key positions. This program uses Kirkpatrick's Four-Level Model to evaluate the effectiveness of training:

1. **L1 Reaction: Ensure that the course design meets the needs of participants through satisfaction surveys, in order to increase their willingness to participate in learning**
   In 2025, the overall course satisfaction score of the APEX Program reached 4.5 points, showing that participants gave positive feedback on course design, content arrangement, and exchange mechanisms, and recognized the learning value brought by the participation of executive-level supervisors and cross-domain co-learning.
2. **L2 Learning: Establish a concrete competency verification mechanism through tests and practical evaluations**
   The APEX Program helps trainees strengthen their decision-making, leadership, strategic perspectives, and integrated thinking through lectures from executive level supervisors, cross-business group exchanges, and discussions on practical issues. Trainees converted what they learned into concrete analysis and strategic concepts through proposal exercises, showing that the training is not limited to receiving knowledge, and further supports the internalization of key abilities.
3. **L3 Behavior: Track whether trainees are able to apply what they learned in actual work scenarios, and promote cross-departmental implementations**
   The APEX Program guides trainees to apply what they learned from courses to analyze Advantech's key business and organizational issues through the practical issue proposal mechanism. The IDP then builds on the results through a seven-month individual action plan supported by coaching and mentoring, encouraging trainees to bring what they learned back to the workplace for continuous practice and improvement. This improves their practical application abilities for cross-domain collaboration, problem analysis, and strategic planning.

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4. L4 Results: Analyze the impact of training on business performance and talent development to form the organization's knowledge assets and application value
   The design of connecting the APEX Program to the IDP mechanism has already shown the real benefits of talent development to the organization. In terms of talent development, the IDP uses systematic processes and tools to make talent cultivation more systematic and traceable, and has generated concrete results: The successful promotion rate of trainees reached 42.9% and the turnover rate was only 2.8%, indicating that the program has a positive impact on talent retention and career growth. At the same time, a portion of outstanding trainees and supervisors brought the IDP methodology back to their department for extended applications, diffusing the management tools and training culture. The group reviews and cross-BO sharing mechanism also facilitate cross-departmental exchanges and cooperation, and strengthen organizational collaboration. In terms of business applications, the APEX Program emphasizes the connection between training proposals and actual operations, showing that training results are not limited to discussions in class, but also support the optimization of practices and the improvement of organizational efficiency.

Actual Results

The Global APEX Program not only focuses on talent cultivation, but also emphasizes integration with Advantech's actual operational issues, so that learning results will have a greater impact on the organization. For example, the agility of the global end-to-end supply chain and the improvement of direct supply efficiency have improved the accuracy of demand forecasts by approximately 10-15%, and reduced operational load by approximately 6-7%. The APEX Program connects learning proposals to the current pace of operational improvements and implementation scenarios. In doing so, training results are not limited to classroom discussions, and can be linked to actual operations and gradually implemented, providing stronger support for organizational performance improvements.

In addition to supply chain issues, the APEX Program also included a number of issues related to the growth of new businesses in 2025. The cross-business group co-learning and proposal mechanism supports relevant units in cross-domain collaboration and strategy discussions. The growth momentum of relevant business units in the first half of 2025 (e.g., 32% growth in iSystem-related product units, 13% growth in embedded-related product units, and 32% growth in iService medical computer products) can be used as an indicator to assist in observing inputs in talent cultivation and business promotion.

Overall Benefits

Advantech has gradually established a complete mechanism from the identification of high-potential talent, co-learning, and practical proposals, to subsequent support for individual development through the connection of the Global APEX Program to the IDP. As such, talent cultivation is no longer limited to individual courses, and has developed into a systematic development model that is linked to the organization's needs, is traceable, and can support the succession of key positions. This mechanism not only helps cultivate future leaders and outstanding professional talents, but also provides a solid foundation of talent for Advantech's global development, succession, and long-term competitiveness.



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- **Average Training Hours per Employee**

Region	Gender	Total training hours	Total number of employees (Note)	Average hours of training per employee
Headquarters	Male	17,120.1	2,011	8.5
	Female	11,793.7	1,780	6.6
	Undisclosed/ Omitted	0.0	0	0.0
	Total	28,913.8	3,791	7.6
Advantech China	Male	230,177.5	1,892	121.7
	Female	107,772.4	1,504	71.7
	Undisclosed/ Omitted	38.5	15	2.6
	Total	337,988.4	3,411	99.1
Advantech Japan	Male	1,571.5	154	10.2
	Female	186.5	78	2.4
	Undisclosed/ Omitted	97.5	14	7.0
	Total	1,855.5	246	7.5
Advantech Korea	Male	2,605.8	78	33.4
	Female	1,316.1	43	30.6
	Undisclosed/ Omitted	0.0	0	0.0
	Total	3,921.9	121	32.4
Advantech Europe	Male	2,752.3	343	8.0
	Female	1,007.8	174	5.8
	Undisclosed/ Omitted	0.4	3	0.1
	Total	3,760.5	520	7.2
Advantech USA	Male	980.3	329	3.0
	Female	724.3	183	4.0
	Undisclosed/ Omitted	0.0	0	0.0
	Total	1,704.5	512	3.3
Advantech other	Male	5,509.0	291	18.9
	Female	1,948.4	121	16.1
	Undisclosed/ Omitted	329.8	31	10.6
	Total	7,787.3	443	17.6
Total	Male	260,716.5	5,098	51.1
	Female	124,749.2	3,883	32.1
	Undisclosed/ Omitted	466.2	63	7.4
	Total	385,931.9	9,044	42.7
Scope of data coverage	Advantech Headquarters (including headquarters business units, logistics units, and Advantech Taiwan), China, Japan, South Korea, Europe (excluding AURES), and North America, as well as other overseas regions. The total training expense was NT$31,793,393, and the average training expense per person was NT$3515.41. Total training across online and in-person courses was 385931.9 hours, with an average of 42.7 hours per person.			

*Note:

1. The total number of employees is based on the full-time equivalent (FTE) as of December 31, 2025.
2. To improve disclosure accuracy, the LMS data extraction logic was optimized this year to resolve unit conversion discrepancies (minutes to hours). After recalibration, the 2024 total training hours and average training hours per employee are restated as 409,288 hours and 49.6 hours, respectively.

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- **Average Training Hours by Job Category**

Region	Job category	Total training hours	Total number of employees (Note)	Average hours of training per employee
Headquarters	R&D	15,987.9	1,633	9.8
	Marketing/Sales	3,299.3	290	11.4
	Administration	7,191.0	515	14.0
	Manufacturing	2,435.6	1,353	1.8
	Total	28,913.8	3,791	7.6
Advantech China	R&D	2,220.4	684	3.2
	Marketing/Sales	2,288.8	485	4.7
	Administration	9,000.5	323	27.9
	Manufacturing	324,478.7	1,919	169.1
	Total	337,988.4	3,411	99.1
Advantech Japan	R&D	664.5	40	16.6
	Marketing/Sales	919.5	85	10.8
	Administration	141.6	36	3.9
	Manufacturing	129.9	85	1.5
	Total	1,855.5	246	7.5
Advantech Korea	R&D	849.7	24	35.4
	Marketing/Sales	1,842.4	58	31.8
	Administration	565.5	19	29.8
	Manufacturing	664.3	20	33.2
	Total	3,921.9	121	32.4
Advantech Europe	R&D	887.2	94	9.4
	Marketing/Sales	1,348.6	243	5.5
	Administration	805.0	104	7.7
	Manufacturing	719.7	79	9.1
	Total	3,760.5	520	7.2
Advantech USA	R&D	406.3	73	5.6
	Marketing/Sales	698.0	228	3.1
	Administration	216.5	65	3.3
	Manufacturing	383.8	146	2.6
	Total	1704.5	512	3.3
Advantech other	R&D	2,963.5	126	23.5
	Marketing/Sales	2,268.9	172	13.2
	Administration	1,726.6	105	16.4
	Manufacturing	828.3	40	20.7
	Total	7,787.3	443	17.6
Total	R&D	23,979.5	2,674	9.0
	Marketing/Sales	12,665.5	1,561	8.1
	Administration	19,646.7	1,167	16.8
	Manufacturing	329,640.2	3,642	90.5
	Total	385,931.9	9,044	42.7
Scope of data coverage	Advantech Headquarters (including headquarters business units, logistics units, and Advantech Taiwan), China, Japan, South Korea, Europe (excluding AURES), and North America, as well as other overseas regions. The total training expense was NT$31,793,393, and the average training expense per person was NT$3515.41. Total training across online and in-person courses was 385931.9 hours, with an average of 42.7 hours per person.			

*Note:

1. The total number of employees is based on the full-time equivalent (FTE) as of December 31, 2025.
2. In 2025, total training expenditure grew to NT$31,793,393 (up from NT$30,587,833 in 2024), reflecting our sustained investment in talent. The slight decrease in average training cost per employee (from NT$3,708.96 to NT$3,515.41) is primarily due to the cost-averaging effect of an increased headcount. Overall, our training inputs continue to rise, utilizing diverse formats (including an expansion of online course offerings) to enhance employee competencies.

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- **Average Training Hours by Age Group**

Region	Age	Total training hours	Total number of employees (Note)	Average hours of training per employee
Headquarters	30 years old and under	3,032.2	506	6.0
	31-49 years old	19,554.5	2,524	7.8
	50 years old and above	6,327.1	761	8.3
	Undisclosed/ Omitted	0.0	0	0.0
	Total	28,913.8	3,791	7.6
Advantech China	30 years old and under	42,920.2	508	84.5
	31-49 years old	262,919.9	2,699	97.4
	50 years old and above	32,109.9	189	169.9
	Undisclosed/ Omitted	38.5	15	2.6
	Total	337,988.4	3,411	99.1
Advantech Japan	30 years old and under	233.8	12	19.5
	31-49 years old	744.8	100	7.5
	50 years old and above	779.4	121	6.4
	Undisclosed/ Omitted	97.5	13	7.5
	Total	1,855.5	246	7.5
Advantech Korea	30 years old and under	968.4	34.0	28.5
	31-49 years old	2,223.8	65.0	34.2
	50 years old and above	729.7	22.0	33.2
	Undisclosed/ Omitted	0.0	0.0	0.0
	Total	3,921.9	121.0	32.4
Advantech Europe	30 years old and under	350.7	54	6.5
	31-49 years old	2,252.6	304	7.4
	50 years old and above	1,157.3	162	7.1
	Undisclosed/ Omitted	0.0	0	0.0
	Total	3,760.5	520	7.2
Advantech USA	30 years old and under	85.0	45	1.9
	31-49 years old	962.8	268	3.6
	50 years old and above	656.8	199	3.3
	Undisclosed/ Omitted	0	0	0.0
	Total	1704.5	512	3.3
Advantech other	30 years old and under	1,353.3	92.0	14.7
	31-49 years old	4,954.8	262.0	18.9
	50 years old and above	1,149.4	58.0	19.8
	Undisclosed/ Omitted	329.8	31.0	10.6
	Total	7,787.3	443.0	17.6
Total	30 years old and under	48,943.4	1,251	39.1
	31-49 years old	293,613.2	6,222	47.2
	50 years old and above	42,909.5	1,512	28.4
	Undisclosed/ Omitted	465.8	59	7.9
	Total	385,931.9	9,044	42.7
Scope of data coverage	Advantech Headquarters (including headquarters business units, logistics units, and Advantech Taiwan), China, Japan, South Korea, Europe (excluding AURES), and North America, as well as other overseas regions. The total training expense was NT$31,793,393, and the average training expense per person was NT$3515.41. Total training across online and in-person courses was 385931.9 hours, with an average of 42.7 hours per person.			

*Note: The total number of employees is based on the full-time equivalent (FTE) as of December 31, 2025.

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- **Average Training Hours by Age and Gender**

Region	Age	Gender			
		Male	Female	Undisclosed/ Omitted	Total
Headquarters	30 years old and under	1,415.1	1,617.1	0.0	3,032.2
	31-49 years old	11,479.8	8,074.7	0.0	19,554.5
	50 years old and above	4,225.2	2,101.9	0.0	6,327.1
	Undisclosed/Omitted	0.0	0.0	0.0	0.0
	Total	17,120.1	11,793.7	0.0	28,913.8
Advantech China	30 years old and under	34,960.8	7,959.4	0.0	42,920.2
	31-49 years old	163,491.5	99,428.4	0.0	262,919.9
	50 years old and above	31,725.3	384.6	0.0	32,109.9
	Undisclosed/Omitted	0.0	0.0	38.5	38.5
	Total	230,177.5	107,772.4	38.5	337,988.4
Advantech Japan	30 years old and under	232.9	0.9	0.0	233.8
	31-49 years old	589.4	155.4	0.0	744.8
	50 years old and above	749.1	30.3	0.0	779.4
	Undisclosed/Omitted	0.0	0.0	97.5	97.5
	Total	1,571.5	186.5	97.5	1,855.5
Advantech Korea	30 years old and under	604.2	364.2	0.0	968.4
	31-49 years old	1,346.0	877.8	0.0	2,223.8
	50 years old and above	655.6	74.1	0.0	729.7
	Undisclosed/Omitted	0.0	0.0	0.0	0.0
	Total	2,605.8	1,316.1	0.0	3,921.9
Advantech Europe	30 years old and under	282.8	67.7	0.2	350.7
	31-49 years old	1,546.1	706.5	0.0	2,252.6
	50 years old and above	923.5	233.5	0.2	1,157.3
	Undisclosed/Omitted	0.0	0.0	0.0	0.0
	Total	2,752.3	1,007.8	0.4	3,760.5
Advantech USA	30 years old and under	57.5	27.5	0.0	85.0
	31-49 years old	517.3	445.5	0.0	962.8
	50 years old and above	405.5	251.3	0.0	656.8
	Undisclosed/Omitted	0.0	0.0	0.0	0.0
	Total	980.3	724.3	0.0	1,704.5
Advantech other	30 years old and under	1,084.4	268.8	0.0	1,353.3
	31-49 years old	3,544.6	1,410.2	0.0	4,954.8
	50 years old and above	880.0	269.4	0.0	1,149.4
	Undisclosed/Omitted	0.0	0.0	329.8	329.8
	Total	5,509.0	1,948.4	329.8	7,787.3
Total	30 years old and under	38,637.6	10,305.6	0.2	48,943.4
	31-49 years old	182,514.6	111,098.5	0.0	293,613.2
	50 years old and above	39,564.2	3,345.0	0.2	42,909.5
	Undisclosed/Omitted	0.0	0.0	465.8	465.8
	Total	260,716.5	124,749.2	466.2	385,931.9

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- **Training Indicators**

Item	e-Learning Advantech Academy e-learning platform	Training on the Code of Ethics and Business Conduct	Occupational health and safety training	Information security promotion course
Overview	Employees worldwide can learn about Advantech's business philosophy and corporate culture through e-learning. At the same time, they can obtain the latest information based on their own learning needs, so that learning is not limited by time and place. Moreover, employees can simultaneously learn and engage in exchanges with other employees around the world.	Advantech's philosophy and regulations related to ethical corporate management are provided to employees through online courses.	Includes occupational safety and health concepts and safety and health work rules and knowledge, emergency response and handling, and general fire safety and first aid knowledge and drills. Employees regularly receive training through online courses each year.	Common information security risks and cases, basic information security principles, and information security regulations that employees must comply with. Employees regularly receive training through online courses each year.
Participants	General Employees (Indirect employees)	General Employees (Indirect employees)	General Employees	General Employees
Achievement in 2025	Covers 76% of indirect employees worldwide (excluding direct employees)	Covers 100% of indirect employees worldwide (excluding direct employees) Completion rate: 95.8%	Covers 92.8% of employees in Taiwan (including direct and indirect employees)	Covers 94.6% of all employees worldwide (including direct and indirect employees)

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5.2 Employee Communication and Benefits

5.2.1 Employee Relations

Advantech Beautiful Life: Jointly Creating an Altruistic and Happy Enterprise

Being "people-oriented" is the core value of Advantech, while "work, study, and love" are the driving forces behind the growth of our employees. Advantech's "ABLE Club" combines employee services and welfare (ESW), the Foundation, and the Employee Welfare Committee to encourage employees to engage in innovative learning, experience life, and contribute to society. From various aspects such as sports, LOHAS, health, arts and culture, education, and public welfare, we aim to enhance interactions among employees, their families, and society to foster a sense of cohesion!

To help everyone maintain the good habit of exercise, Advantech set the theme of "Love You (20) Love Me (25) Love Health" in 2025. We have always firmly believed that only physical and mental health and happy employees can improve our overall work efficiency. In addition, we also support our employees in moving from the workplace to society, caring for the community, and promoting public welfare and volunteer activities. We practice the concept of altruism through sharing and mutual assistance, creating a better life together!

Employee Relations and Communication

To maintain harmonious employee relationships, Advantech has established numerous two-way communication channels. In addition to disseminating information, we actively listen to and respond to employee feedback in a timely manner to continuously improve and optimize employee services, maintain a harmonious workplace atmosphere, and protect employees' rights and interests.

- **Channel Description**

	Channel	Description
Employee communication	Website	1. Employee Zone: To disseminate important company information to employees, the fields Corporate News, Office Bulletin, and Regional News were created based on the attributes of information. Advantech's systems, policies, and various management regulations are provided on the website for employees to access at any time. 2. The ABLE Club website: The website has 8 major sections covering employee care, club activities, Employee Welfare Committee, Foundation event information and registration, club information, employee health management system, contracted stores, event reports, and highlights, providing employees with an all-round digital platform to enjoy a fulfilling life.
	Videos	Videos are uploaded on the Employee Zone platform from time to time. Issues include annual strategic development, financial trends, sustainability vision, innovation mechanism, and new market strategies, so as to accurately and promptly convey corporate strategies to Advantech employees worldwide, achieving effective and transparent communication.
Employee communication	E-mail announcements	1. HR: Publish the monthly HR Express newsletter, featuring interviews with executive level supervisors, important company information, courses, internal job openings, news reports, videos, and event highlights. 2. Employee Services and Welfare (ESW) Department: Employee benefits and events-related information. The ABLE Club e-newsletter is issued on a weekly basis, health promotion or spiritual articles are irregularly published in the ABLE Club e-newsletter, and the ESR e-newsletter is issued on a quarterly basis.
	In-person meetings	1. Employee kick-off meetings are held twice a year to announce important development strategies and visions, ensuring that employees can understand our future prospects, and grow together with Advantech. 2. Quarterly labor-management meetings are held at the Advantech Headquarters (Neihu) and Linkou Industrial Park to discuss the coordination of labor-management relations, matters requiring labor-management cooperation, and labor conditions. Employee welfare planning, work efficiency improvement, etc., to facilitate communication and negotiation between labor and management, protect the rights and interests of employees, and establish good long-term relationships. 3. Each department holds internal communication meetings on its own, including department direction, work progress, and new knowledge exchange and sharing, to facilitate smooth communication and interaction within the department.
	Periodic information release by PR	Advantech's official website (important information on company operations, business, products, and financial position is updated whenever appropriate), press releases (HQ/RBU), media interviews, press conferences, investor conferences, shareholders' meetings, material information, and annual reports allow all employees better understand overall company information.
	Social media	ABLE Club FB, IG: Announcement of event information, event photo albums, employee happiness feedback, and other text, videos, and highlights.
	Other	1. Advantech's corporate culture and spirit and announcements are made on digital bulletin boards. 2. In addition to learning courses, the e-learning website also has numerous videos to communicate Advantech's core values and culture. 3. Communication with migrant workers: Important internal messages are posted in English at the migrant workers' dormitory to increase the exposure of messages and keep migrant workers informed of Advantech's policies. Migrant workers are also encouraged to sign up for ABLE Club activities.
Employee grievance	Grievance channels: Complaint hotline, e-mail, suggestion box, and HR units of business groups. Please refer to Figure 5.4.2 Whistleblowing and Grievance Mechanism for details.	

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Employee Communication

Life is more than just work. We want employees to stay physically and mentally healthy and enjoy a wonderful life with their families. Therefore, we offer various benefits, such as: marriage subsidies, childbirth subsidies, childcare subsidies for 0- to 3-year-olds, hospitalization allowance, funeral subsidies, emergency relief funds, and holiday benefits (Dragon Boat Festival/Mid-Autumn Festival/birthday). We also provide various insurance in accordance with the law, including pension contributions and group insurance to protect employees' safety at work and in life. In addition, the Employee Welfare Committee and the ESW Department continue to plan various activities, including sports, LOHAS, health, arts and culture, education, and public welfare, and also plan forums related to retirement issues and sports events. All interested employees are invited and encouraged to participate, so that they can understand the life they will face in the future before they retire, and make arrangements and plans in advance, helping employees obtain balanced care for their physical and mental health.



*The events above are mainly based on the actual dates, which are announced in advance in the weekly e-newsletter.

- Employee Welfare Committee Activities

Overview of Benefits by Region

Advantech provides social welfare programs that exceed legal requirements across all global locations of operation. We have established the "Advantech and Affiliates Emergency Relief Fund" to provide immediate assistance to employees and their families when they encounter severe incidents. This system exceeds the scope of social insurance specified in current regulations, and reflects Advantech's emphasis on employee well-being and our commitment to providing 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
Employee group insurance	■ Term life insurance ■ Medical insurance ■ Accident insurance	■ Accident injury insurance ■ Public transport accident insurance ■ Employer liability insurance	Does not provide employee group insurance (the government has labor insurance), but subsidies are provided for health insurance	Accident insurance	EU business travel insurance	Group insurance	Group insurance provided
Health benefits	■ Employee health examinations are provided once a year, better than required by law.* ■ Subsidies for health examinations are provided to management level supervisors and above once every 2 years.	■ Annual employee health examination ■ Kunshan: Assistant manager level and above employees enjoy additional items in health examinations.	Employees receive health examinations once a year and different health examination subsidies based on their seniority.	Annual employee health examination	The UK has health insurance that covers 100% of emergency medical expenses.	Health examinations that meet local regulations and requirements are provided to all employees.	Health examinations that comply with local regulations and requirements are provided to all Advantech employees based on the location of the subsidiary.

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	Headquarters	Advantech China	Advantech Japan	Advantech Korea	Advantech Europe	Advantech USA	Other regions
Marriage subsidies	☑	☑	☑	☑	-	-	☑
Childbirth subsidies	☑	☑	☑	☑	-	-	☑
Hospitalization allowance	☑	☑	☑	-	-	-	-
Funeral subsidies	☑	☑	☑	☑	-	-	☑
Emergency relief fund	The Charity Club Committee provides emergency relief funds (within NT$200,000) based on the situation of each case.	[Advantech China] ■ Poverty relief fund: A one-time subsidy of RMB2,000-20,000 is provided to full-time employees or their immediate family members in severe financial difficulty due to major illness. ■ Emergency relief fund for critical illness: Employees, their spouse, or children suffering from a critical illness will receive RMB10,000-100,000 per person based on their condition. In the event of death due to illness or an accident, the employee/spouse/child will receive an emergency relief fund of NT$10,000 per person. [Advantech Kunshan Manufacturing Center] ■ **If an employee, child, or spouse encounters a major injury or illness or an emergency, the Foundation will provide emergency relief funds (within RMB10,000).**	Accident/Illness subsidy is15% 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 of Advantech worked together to hold a fundraiser. In the event of a natural disaster, Advantech's local subsidiaries and the Human Resources Department will provide emergency relief funds for employees affected by the disaster.
Holiday benefits (Dragon Boat Festival/ Mid-Autumn Festival/ Birthday)	☑ Indigenous employees can also apply for the "Indigenous Annual Festival Leave" according to the time of various tribal ceremonies.	☑	-	☑	☑ Christmas in Europe - Dutch and German Carnival	-	☑

*Note:
(1) According to Taiwan's Regulations of the Labor Health Protection, employers shall regularly provide general health examinations for active employees according to the following provisions:
1. One examination per year for employees who are 65 years old and above.
2. One examination every 3 years for employees who are 40-65 years old.
3. One examination every 5 years for employees who are under 40 years.
Advantech provides employees with one health examination opportunity per year, better than required by law.
(2) Other locations that are not major locations of operations (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" all have the same definition when mentioned below.

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Cash Gifts for Marriage and Childbirth

1. All regular employees of Advantech, regardless of gender, are entitled to a cash gift of NT$10,000 per person for legally getting married by submitting their wedding invitation or marriage certificate. **This policy protects the rights of employees of different genders to get married.** A total of 40 people at the headquarters applied for cash gifts for marriage in 2025, totaling NT$400,000.
2. The ESW Department conducts due diligence and regularly reviews the benefits of Advantech and excellent companies in the market. The department made a proposal in September 2022 to increase the cash gift for childbirth from NT$3,600 to NT$10,000, providing a cash gift for childbirth that is better than required by law. Employees only need to submit the newborn's birth certificate to apply for a cash gift for childbirth. The cash gift for each child is NT$10,000 (it is NT$20,000 for twins). In 2025, 68 employees at the headquarters applied for the cash gift for childbirth, totaling NT$680,000. Furthermore, considering the burden of childcare, Advantech further approved the childcare allowance for 0- to 3-year-old children of employees in October 2025. Each employee can apply for a child care subsidy of NT$9,000 per quarter for 0-3-year-old. In the fourth quarter of 2025, there were a total of 228 applicants, and the application amount totaled NT$1,824,000, enabling employees to balance work and family responsibilities simultaneously while easing the burdens of childcare. Currently, Advantech China, Advantech Japan, and Advantech Korea all provide cash gifts for marriage and childbirth.

Parental Leave

According to Article 16 of Taiwan's Act of Gender Equality in Employment, after being in service for 6 months, employees may apply for parental leave without pay before any of their children reach the age of 3. The period of this leave is until their children reach the age of 3, but it may not exceed 2 years in length. Employees at the Advantech Headquarters (Taiwan) are entitled to parental leave in accordance with the law, which may not exceed 2 years. In addition to statutory maternity and paternity leave in China, employees with children under the age of one may apply for up to 6 months of paid breastfeeding leave (75-80% of their wages). Breastfeeding leave: After female employees take maternity leave, they are given one hour of breastfeeding time each working day. For employees who have multiple babies, they will be given an additional one hour of breastfeeding time each day. Employees will continue to receive their full regular salary until the child reaches one year of age. Japan's labor laws also stipulate that employees may apply for unpaid parental leave if they have children under the age of 2, and the Japanese government will subsidize their salaries during the unpaid parental leave period. In South Korea, employees with children under the age of 8 may apply for unpaid parental leave for up to 2 years.

The unpaid parental leave application rate of all employees (including male and female employees) at the Advantech Headquarters (Taiwan) in 2025 was 18%, a slight decrease compared to the 2024 application rate (20%).The reinstatement rate from unpaid parental leave in 2025 was 83%, a slight decrease compared to the 86% in 2024. The percentage of employees who continued to work for more than one year after reinstatement from unpaid parental leave (retention rate) was 92%. This was a significant increase of 32% compared with the retention rate of 60% in the previous year. The data of unpaid parental leave at Advantech China, Advantech Japan, Advantech Korea, Advantech Europe, and Advantech USA in 2025 is shown in the table below.

* Note: The unpaid parental leave application rate among all employees was 20% in 2024, with a reinstatement rate of 86%. The percentage of employees who continued to work for more than one year after reinstatement from unpaid parental leave (retention rate) in 2023 was 60%.



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- **Parental Leave statistics are shown in the table below:**

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 2025	81	72	153	65	61	126	4	4	8	15	5	20	11	8	19	291	160	451
(b) Number of employees who applied for parental leave in 2025	2	26	28	63	43	106	2	1	3	2	2	4	3	5	8	3	2	5
(c) Number of employees expected to be reinstated after parental leave in 2025	6	24	30	63	43	106	2	0	2	0	0	0	3	1	4	3	2	5
(d) Number of employees reinstated after parental leave in 2025	4	21	25	63	42	105	2	0	2	0	0	0	3	1	4	3	2	5
(e) Number of employees who were reinstated after applying for parental leave in 2024	5	20	25	48	45	93	2	0	2	1	0	1	0	3	3	0	2	2
(f) Number of employees who continued to work for one year after being reinstated from parental leave in 2024	4	19	23	45	43	88	2	0	2	1	0	1	0	0	0	0	2	2
Parental leave application rate (b) / (a)	2%	36%	18%	97%	70%	84%	50%	25%	38%	13%	40%	20%	27%	63%	42%	1%	1%	1%
Reinstatement rate after parental leave (d) / (c)	67%	88%	83%	100%	98%	99%	100%	-	100%	-	-	-	100%	100%	100%	100%	100%	100%
Retention rate after parental leave (f) / (e)	80%	95%	92%	94%	96%	95%	100%	-	100%	100%	-	100%	-	0%	0%-	-	100%	100%

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Family Care Leave/Work from Anywhere (WFA) System

Advantech 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, supervisors can adjust the number of WFA days depending on the team's manpower.

The provisional pandemic family care leave system established during the pandemic was discontinued after the pandemic control measures were lifted. In 2025, family care leave was listed as a formal leave category in accordance with regulations and is now counted towards personal leave days.

Family care leave	Headquarters				Advantech China				Advantech Japan				Advantech Korea				Advantech Europe				Advantech USA			
Ratio	Male	Female	Not disclosed	Total	Male	Femal	Not disclosed	Total	Male	Female	Not disclosed	Total	Male	Female	Not disclosed	Total	Male	Female	Not disclosed	Total	Male	Female	Not disclosed	Total
Total number of indirect employees	1,914	1,224	0	3,138	1,062	812	15	1,889	142	66	12	220	71	46	0	117	290	165	3	458	289	167	0	456
Number of employees who applied for family care leave	24	40	0	64	-	-	-	-	1	2	0	3	-	-	-	-	5	11	0	16	3	2	0	5
Percentage of employees who applied for family care leave (%)	1.3%	3.3%	-	2.0%	-	-	-	-	0.7%	3.0%	0.0%	1.4%	-	-	-	-	1.7%	6.7%	0.0%	3.5%	1.0%	1.2%	-	1.1%
Number of employees who applied for WFA	331	382	0	713	-	-	-	-	1	1	0	2	-	-	-	-	262	158	0	420	230	121	0	351
Percentage of employees who applied for WFA (%)	17.3%	31.2%	-	22.7%	-	-	-	-	0.7%	1.5%	0.0%	0.9%	-	-	-	-	90.3%	95.8%	0.0%	91.75%	79.6%	72.5%	-	77.0%

* Note:

(1) Advantech China (including Kunshan) did not have a family care leave or WFA mechanism. During the pandemic, a mandatory WFA system was implemented in accordance with local government regulations. Advantech Korea does not have a family care or WFA application mechanism in place.

(2) Advantech Taiwan, Advantech Japan, Advantech Europe, and Advantech USA have family care leave and WFA mechanisms.

(3) The numerator is the number of applications and the denominator is the total number of indirect employees in the region when calculating the percentages (%) in the table above.

(4) Advantech Europe does not include AURES.

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Pension System

- [Headquarters]
  There are 2 types of pension contributions. Monthly contributions shall be made in full according to the law.
  - Under the old pension scheme, a monthly retirement reserve is allocated in accordance with regulations, which is managed by the Supervisory Committee of the Labor Retirement Reserve and deposited into a dedicated account in Bank of Taiwan in the committee's name.
  - Under the new pension scheme, Advantech contributes 6% of the employee's monthly salary to their pension account. Employees may also voluntarily contribute 0%-6% of their monthly wages to their individual pension account. Advantech will deduct the corresponding contribution amount from the employee's wage on a monthly basis on behalf of the employee.
- [Advantech China]
  Handled in accordance with China's retirement-related laws and regulations. Employees who have paid the statutory social insurance for 15 years can receive monthly pension after retirement. Retirement age in accordance with the Labor Law: The retirement age of male employees is 60 years old, 55 years old for female managers, and 50 years old for female employees. Starting from January 1, 2025, for male employees and female employees whose statutory retirement age was originally 55 years old, the retirement age will be raised by one month every 4 months until it reaches 63 years old and 58 years old, respectively. For female employees whose statutory retirement age was originally 50 years old, the retirement age will be raised by one month every 2 months until it reaches 55 years old.

  In addition, Advantech China established the Deferred Retirement Management Policy. Female non-management level employees can postpone their retirement to the age of 55 years old. Female managers and female non-management level employees can apply for re-employment after retirement at the age of 55 years old, while executive level supervisors can apply for re-employment after reaching 60 years old.
- [Advantech Japan]
  9.15% is allocated to the government's pension account on a monthly basis in accordance with the law, and 1.73-2% of the total monthly salary is transferred into a dedicated pension account at a bank.
- [Other overseas locations of operations]
  Handled in accordance with the labor pension system set forth in local laws and regulations.
- [Priority for participation in retirement-related workshops]
  When planning events, priority will be given to employees who are 55 years old and above if the topics and events are suitable for retirement preparation.

Employee Stock Ownership

To attract and retain outstanding talent, enhance employees' sense of belonging and loyalty, and jointly create benefits for Advantech and shareholders, we established the Employee Stock Option Issuance and Subscription Regulations in accordance with the "Regulations Governing the Offering and Issuance of Securities by Securities Issuers" enacted by the Securities and Futures Bureau of the Financial Supervisory Commission (Taiwan, ROC), Executive Yuan, in accordance with Article 28-3 of the Securities and Exchange Act. Please refer to the annual report for relevant information.

Employee Assistance Program (EAP):

In recent years, companies have mainly assisted employees in facing work, life, making plans and arrangements for life after retirement, and health problems through the "Employee Assistance Program (EAP)," in hopes that the establishment of service systems and resource integration will help employees solve their problems. Advantech introduced EAP services in December 2021, and provides a 24-hour toll-free hotline and e-mail consultation services (completely confidential), allowing employees to receive assistance through consultations when they encounter emotional and mental health-related difficulties. Advantech cares about the mental health of employees!

- [Health] Employee Assistance Program (EAP) – Advantech ABLE Club



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Employee Health Promotion (Headquarters):

I. Health Examination and Disease Prevention

1. Health Examination Services

- Free health examinations are provided every year with 10 sessions organized in 2025. Advantech closed off a section of a hospital this year to provide employees with the option of more advanced examinations and greater privacy (a total of 108 employees participated). A total of 3,922 people (including family members) completed health examinations.
- Health examinations are provided to supervisors once every 2 years. We plan to increase the health examination budget per management level and above supervisor in 2026 to provide even greater care for the health of supervisors.

2. Advanced Examination and Disease Prevention

- Health examination items that are better than those required by law include ultrasound scanning, cancer screening, eye pressure inspection, ECG, and inbody.
- Each health examination provides screening services for 5 types of cancer, including pap smear, mammography, oral cancer screening, and fecal occult blood test. A total of 711 people (including family members) participated in 2025.
- After health examinations, we provide comprehensive tracking and management of abnormal results, including: (1) arranging follow-up consultations with occupational physicians to assess health risks; (2) occupational nurses providing individual health education leaflets to encourage healthy behavior.

II. Employee Participation and Family-inclusive Activities

1. Employee Participation in Sports

- Employee participation in health and sports activities reached a record high of 17,642 participants.
- A total of 1,176 people **participated in the Taipei Technology Run**, ranking No. 1 among the nearly 7,000 companies in Neihu Technology Park.
- [Advantech Cup Enterprise Badminton Tournament] Deepening Partnerships Through Friendly Matches
- We held the 2nd "Advantech Cup Enterprise Badminton Tournament" and attracted teams from well-known enterprise partners such as Micron, WT Microelectronics, Inventec, NXP, and ST. The executive director personally led the team to promote physical and mental health through the competition, building deeper friendships and chemistry with ecosystem partners through sports events after work.

Link to event record

2. Health Promotion Activities

- "Start! Summer Transformation Project" weight loss and muscle gain competition: A total of 136 people participated and lost a total of 312.4 kg. The event helped employees cultivate healthy eating and workout habits, focusing on losing weight while gaining strength. It also provided a team of nutritionists to teach contestants with high blood pressure, high blood sugar, and high cholesterol the correct dietary habits to effectively lose fat and build muscle.



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3. Family and Diverse Group Activities

- **[Advantech Baseball Day@Taipei Dome] Thousands of People Gathered Together for An Exciting Baseball Game**

  In 2025, more than 3,500 employees, family members, and business partners participated in the most anticipated baseball day of the year at Taipei Dome. The exciting professional baseball game not only strengthened employees' sense of belonging, but also provided work-life balance with the participation of family members.

  Link to event record

- **[Maternal Health, Exclusive Lectures for Middle-aged and Elderly People, and Physical Fitness Activities]** A total of 9 lectures were held for the elderly with 925 participants.

Lectures	Number of participants
Age-friendly series - Understanding and care for middle-aged and elderly depression	109
Age-friendly series - Chinese medicine for fatty liver	107
Age-friendly series - Healthy aging for a better later stage of life	165
Age-friendly series - Dementia-friendly workplace	195
(Testing in Neihu) Age-friendly lecture series - Sleep apnea	30
(In-person lecture in Neihu) Age-friendly lecture series - Sleep apnea	84
Bone density preservation from an early stage for less health concerns	161
(Testing in Linkou) Age-friendly lecture series - Sleep apnea	30
(In-person lecture in Linkou) Age-friendly lecture series - Sleep apnea	44
Total	925

- [Advantech Summer Camp for Students] Diverse Learning to Inspire the Next Generation of Creativity

  Advantech organized numerous summer camps in Linkou Park for the children of employees, including the "Science Game Camp" that inspires logical thinking, the "Detective Puzzle-solving Camp" that trains observation, and the "Summer Sports Camp" with professional coaches partnering with the Foundation. With more than 100 Advantech employees' children participating in these camps to date, the initiative offers essential family support while educating future generations through engaging, entertaining methods.

  Link to event record

- [Parent-Child Ecology Day] Seeds of Sustainability for Family Education

  We invited professional ecology teachers to Linkou Park for the Parent-Child Ecology Day event with 2 sessions a day. Over 500 employees and their family members participated in the event. Special topic lectures, sustainability DIY courses, and animal observations and interactions extended the spirit of ESG environmental sustainability from within Advantech to employees' families to practice sustainable lifestyles.

  Link to event record

- [Parent-Child Arts and Culture Day] Parents and Children Sharing Arts and Culture

  We invited the arts and culture team of the Advantech Foundation – Tien Circus Theatre to organize a circus performance and immersive interactive experiences. A total of more than 250 Advantech employees and their children participated in the morning and afternoon sessions, enjoying an artistic and cultural circus performance with games and learning!

  Link to event record

- [Advantech Talent Show] Shining on Stage with Talent

  We organized the 2025 talent show with dozens of individuals and groups participating from the first to the final round, performing singing, dance, martial arts, and cross-unit bands. The winner also went on the stage to perform in front of a thousand people at the annual dinner party, showcasing the vitality and diverse talents of Advantech employees beyond their professional competencies, and supporting employees in realizing their self-worth.

  First round record | Final round record | Backstage with contestants

III. Convenient Health Services and Emergency Response

1. Convenient Pharmaceutical Services

- We collaborated with the "Upharm" platform for delivering medications to the office and picking up refill prescriptions on behalf of employees. A total of 74 employees used the service throughout the year. This effectively reduced the need for external hospital visits, meeting employees' healthcare needs within their busy work schedules.

2. First Aid, Emergency Response, and Training

- Plants have automated external defibrillators (AEDs).
- AED training is organized every year. A total of 143 people participated in the courses (including courses fully taught in English) in 2025.

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An Abundance of Club Activities:

To promote diverse interactions and work-life balance among employees, Advantech has long supported club development and encouraged employees to form various clubs. In 2025, 31 clubs were established at the headquarters (with the addition of the Linkou Basketball Club), covering sports, LOHAS, arts and culture, and charity, with a total of 2,483 participants. Advantech China (including its offices) has a total of 89 clubs with over 2,300 participants. The Kunshan Plant has 7 clubs with 137 participants.

[ABLE] #Advantech Blood Donation Day Achieves Outstanding Results for Public Welfare in August!











Charity Club Blood Donation Event in 2025

Sports Clubs in 2025



Hiking Club



Basketball Club



Music Club



Road Running Club

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Corporate Volunteers in 4 Areas:

Upholding the corporate spirit of "giving back to society," Advantech encourages employees to participate in volunteer services, and aims to promote social inclusion and cultivate diverse employee skills, thereby fulfilling our corporate social responsibility. To encourage more employees to participate in public welfare initiatives, Advantech officially implemented the "Volunteer Leave System" in 2023. Each employee can enjoy 2 days (16 hours) of paid volunteer leave each year, focusing on 4 core areas of ESG: energy conservation, public welfare (including environment), education, and arts and culture to encourage employees to jointly build a sustainable society through practical actions and promote mutual prosperity between enterprises and the environment. Advantech employees actively participate in volunteer activities. A total of 12 corporate volunteer activities were held in Taiwan in 2025, and cumulative service hours reached 1,381.5 hours. This year, Advantech showed even greater love as 54 employees volunteered for a total of 450 hours in the Hualien disaster area. Along with employees' passionate involvement in volunteer initiatives, the events have raised awareness of volunteerism among their families and enhanced parent-child relationships. The involvement of employees and family members in public welfare actions not only deepens the social impact of volunteer services, but also facilitates parent-child interactions and family connections, showing that Advantech's corporate culture emphasizes "balance between work, life, and social responsibility." Volunteer activities cover diverse areas of sustainable development, including:

- **Social welfare:** Blood donations and food bank support are organized twice a year to provide substantial assistance to vulnerable 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 promotion:** Health seminars and sharing of relevant ecological knowledge to raise public health awareness.



2025/06/06Advantech Coastal Cleanup



2025/06/06Advantech Coastal Cleanup



2025/04/13 Earth Day Wetland Conservation and Mountain Cleanup



2025/06/22World Environment Day – Repair the Shuangxi Arboretum Trail

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5.2.2 Employee Living Wage

Advantech believes that a living wage is essential to improving employees' living conditions. Adhering to the core philosophy of "people first," we have included giving employees a living wage as an important management indicator in the overall remuneration system, and ensured that employees' remuneration from standard working hours is sufficient to meet their basic needs and maintain a reasonable living standard. A living wage is not only an important basis for assessing the fairness of remuneration, but also one of our key measures to implement responsible management, promote sustainable development, and protect labor rights.

Advantech referenced the definition of living wage of the International Labor Organization (ILO) and combined it with the 11 core indicators in the "Well-being Framework" proposed by the Organisation for Economic Co-operation and Development (OECD) in 2011, including income & wealth, work & job quality, health, knowledge & skills, environmental quality, subjective well-being, safety, work-life balance, social connection, and civic engagement. Advantech regards a living wage as an important basis for employees to receive fair compensation, support family life, and respond to basic risks. Advantech is committed to ensuring that the remuneration system is transparent, science-based, and sustainable, and continues to respond to changes in the cost of living and economy in different regions.

Advantech introduced the living wage methodology in 2022 based on this principle, and promoted it at the 6 major locations of operations (including the Advantech Headquarters, Advantech China, Advantech Japan, Advantech Korea, Advantech USA, and Advantech Europe). Living wage promotion plans suitable for the living standards in each country are formulated through internal cross-functional seminars on living wages, ensuring that employees receive fair wages within basic working hours. We continue to provide internal employees with training for setting and implementing living wages, so as to drive economic growth and sustainable development. Advantech is also committed to extending the living wage methodology to major suppliers and contractors, and requires suppliers and contractors to pay their employees a living wage, in order to further raise the salary level in the industry.

Scope of Living Wage and Evaluation Results

In 2025, Advantech reviewed the monthly salary (excluding bonuses and overtime pay) of all employees based on the living wage at each location of operations. The scope of evaluation covered the 6 major locations of operations around the world (excluding Advantech AURES), totaling 8,741 employees. In addition to considering the basic cost of living in each region, fixed bonuses, fixed allowances, and emergency reserve funds are also included in the calculation of living wage, so as to ensure that the basic needs of workers and their families, including food, clothing, and housing expenses, can be met, and that they will be able to pay the minimum expenses and costs required for everyday life. This will make the standard for living wages more aligned with employees' actual needs in everyday life, and reflect the real economic pressure of supporting a family after adjusting for inflation. The evaluation results are as follows:



100% of full-time employees met the standard for a living wage.

A total of 459 employees did not meet the standard, all of whom are contract employees.

We will continue to review our remuneration structure and hiring system, and gradually optimize the design of salary and benefits to improve the fairness and consistency of overall remuneration.

In addition, Advantech conducted a living wage questionnaire survey on key Tier-1 suppliers in 2024 to jointly promote and implement living wages with business partners. A total of 407 questionnaires were collected. Analyzing the suppliers that were surveyed, approximately 99% (403 suppliers) have assessed the living wage for their employees (the next survey is in 2026). According to the results of the survey, our suppliers are working hard to improve the wages of their employees. Currently, only less than 0.01% of suppliers' employees receive a wage lower than the living wage in their market. We will invite more suppliers to implement the living wage system through continued external advocacy to increase the achievement rate of a living wage for employees.

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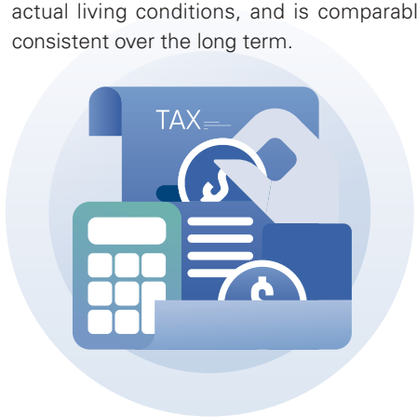
Calculation Method and Assumptions

Advantech adopted the Anker Living Wage Methodology as the core method for calculating the living wage. We also evaluated statistics of international organizations and local governments to determine the living wage for "each person to support a family of 1.97 people" at major locations of operations based on the cost of living index of the 2024 household income and expenditures of the Department of Budget, Accounting and Statistics of Taiwan and international databases. The calculation process and main factors are described as follows:

1. **Basic cost of living:** Includes food, transportation, utilities, communication, and rent.
2. **Fixed bonuses and fixed allowances:** Included in local policies and regulations and the organization's fixed payment system.
3. **Emergency reserve funds:** 5% of the basic cost of living is set as the buffer for coping with unexpected expenses.
4. **Adjusting for inflation:** Adjustments are made based on the 2025 Consumer Price Index (CPI) and inflation in each country.
5. **Family support coefficient:**

- China: Each employee supports 1.45 people.
- Other locations: Each employee supports 1.97 people.

This approach ensures that the living wage reflects actual living conditions, and is comparable, verifiable, and consistent over the long term.



Method Governance and Management Principles

Advantech's principles for living wage management are as follows:

- **Transparency:** The calculation method and assumptions are clearly disclosed, and include fixed bonuses, fixed allowances, and emergency reserve funds.
- **Science-based:** The Anker Living Wage Methodology, official CPI data, and family support coefficient are used for calculation.
- **Fairness:** All full-time employees meet the standard for a living wage, and the remuneration for contract employees continues to be optimized.
- **Global consistency:** The evaluation covers all locations of operation in the 6 major regions, ensuring the consistency of global remuneration policies.

Short-, Medium-, and Long-term Plans

Aspect	Short term (2026–2027)	Medium term and long term (2030)
Stakeholder engagement	Collect feedback from employees in Taiwan and China (accounting for over 76% of employees) on the cost of living, and gradually expand it locations of operations worldwide.	Expand questionnaires and conduct in-depth interviews to systematically collect employees' needs.
Employee compensation and benefits	Optimize the remuneration structure to ensure that all employees (including direct and indirect employees) are earning a living wage. Introduce "daily wages + 10% emergency reserve fund" as the internal reference standard to improve employees' security in the event of an emergency.	Conduct in-depth analysis of main expenses to improve the accuracy of remuneration and benefits.
Value chain initiatives	Collaborate with international living wage-related NGOs and data platforms to introduce diverse sources of data on cost of living to increase the accuracy of evaluation.	Publish the "Living Wage and Impact" Report and obtain third-party verification.

Conclusion:

Advantech conducts regular assessments of living wage conditions and adjusts the remuneration system each year to ensure that employee wages adequately reflect local cost of living standards in response to changes in the economy and inflation in different regions. We strive to implement the living wage initiative in each location of operations through continued stakeholder engagement, optimization of the remuneration system, and actions under the initiative, further expanding the core value of living wages to all locations of operations and supply chain partners worldwide, ensuring employees' labor rights and realizing fair pay.

Work Hours and Wage Management

Advantech provides employees with diverse skills training to improve work efficiency, reduce the need to work overtime, and avoid excessive overtime hours, thereby strengthening work hour management. The number of overtime hours per month may not exceed the limit specified in Advantech's Work Rules, and overtime pay is in accordance with the Work Rules. In addition, Advantech provides paid annual leave in accordance with the law to protect employees' right to rest. We also continue to strengthen work hour control and compliance with labor conditions through system optimization. Supervisors are asked to monitor employees' overtime work situation, provide immediate employee care and support, and strive to create a healthier and more efficient work environment.

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5.3 Diverse, Equal, and Inclusive Workplace

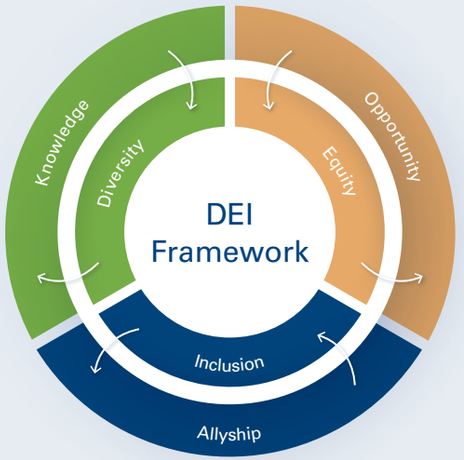
Advantech Global Diversity and Equality Policy

To promote diversity and equality in the workplace, Advantech has actively promoted gender equality in the workplace worldwide with actions such as: eliminating the gender pay gap, establishing fair and impartial performance evaluations and promotion systems, providing flexible work hours and support for women in management positions, and valuing family care provided by women. We also continue to enhance our friendly workplace initiatives by: increasing maternity leave to 9 weeks (full pay) and paternity leave to 10 days (full pay) in 2024.

We ensure that the terms of employment are not affected by gender, race, religion, political position, or marital status, and that these factors do not result in differences in salary. Advantech established clear recruitment strategies to increase employee diversity worldwide, and uses internal diversified training and talent development channels to gradually eliminate the fundamental differences caused by employees' physical or psychological conditions. We also regularly review the compensation-related indicators of each region, various types of work, and job bands to ensure the implementation and creation of a diverse and equal workplace environment.

Advantech formed the Diversity, Equity, and Inclusion (DEI) Task Force in 2023, and launched the DEI implementation strategy and blueprint.

DEI Framework & Metrics



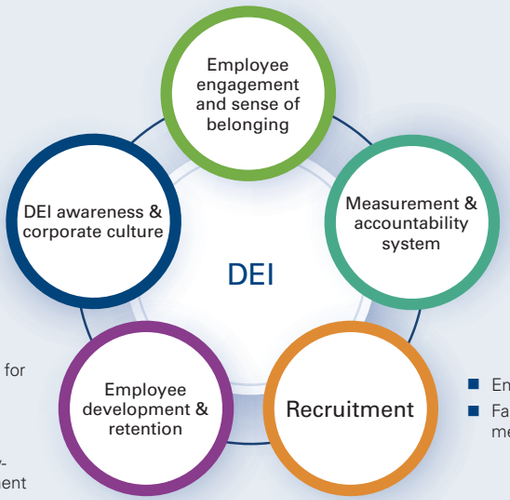
Diversity — Raise awareness
- Gender balance
- Ethnic diversity
- Percentage of disabled employees

Equity — Provide opportunities
- Equal pay for equal work
- Equal opportunity for promotion

Inclusion — Create sense of belonging
- Employee satisfaction
- Employee engagement
- Sense of security at work

DEI strategies and guidelines

- Create inclusive language
- Form a group of allies



- DEI awareness promotion & education
- DEI survey and data analysis
- Formulate DEI commitments
- DEI Task Force
- Ensure equal pay for equal work
- Fair promotion system
- Establish a family-friendly environment
- Employee diversity
- Fair recruitment mechanism

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Advantech regularly reviews the goals and progress of the DEI Task Force through quarterly ESG implementation meetings, and sets implementation goals for 1-3 years. Please refer to the following table for Advantech's current DEI initiatives:

DEI category	Indicator	2025 implementation plan
Diversity Inclusion	[Ethnic diversity] [Employees' sense of belonging]	Cultural communication training seminar: Advantech organizes cross-cultural communication and management seminars to enhance supervisors' cross-cultural collaboration abilities, especially their understanding and respect for colleagues from different backgrounds. This is especially important for multinational teams.
Diversity	[Ethnic diversity] LGBT	Regardless of gender, employees enjoy cash gifts for marriage in accordance with the law.
Diversity Equity	[Parent friendly] Measures to help employees start a family	We increase the flexibility of working hours and support employees in starting a family through flexible working hours and the WFA policy, ensuring that employees can achieve a balance between family and career.
		We planned parent-child seminars in 2025 and invited female employees around the world to share their workplace experience online on International Women's Day.
		Friendly workplace benefits better than required by law: increasing 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, we subsidize pre-employment expenses (including handling fees and airfares) for foreign migrant workers to lift the financial burden of applying for a job in Taiwan.
		Advantech plants have a bilingual policy to maintain smooth communication with foreign employees, and also plan Chinese language courses to achieve better communication with foreign migrant workers.
		We organize Christmas parties for Filipino migrant workers in plants to create 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	[Ethnic diversity] [Employees' sense of belonging] Persons 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 (Manager level and above)	Percentage of supervisors (Manager level and above)
Taiwan	3489	36.7%	594	53.7%
China	3405	35.9%	127	11.5%
United States of America	616	6.5%	148	13.4%
Philippines	468	4.9%	1	0.1%
Japan	232	2.4%	34	3.1%
Germany	153	1.6%	25	2.3%
South Korea	126	1.3%	21	1.9%
Netherlands	116	1.2%	20	1.8%
India	79	0.8%	11	1.0%
France	74	0.8%	20	1.8%
Czech Republic	68	0.7%	8	0.7%
Brazil	67	0.7%	6	0.5%
Poland	64	0.7%	3	0.3%
United Kingdom	60	0.6%	12	1.1%
Malaysia	57	0.6%	7	0.6%
Italy	45	0.5%	9	0.8%
Australia	34	0.4%	7	0.6%
Singapore	33	0.3%	7	0.6%
Vietnam	31	0.3%	4	0.4%
Thailand	28	0.3%	4	0.4%
Türkiye	25	0.3%	2	0.2%
Mexico	24	0.3%	3	0.3%
Indonesia	16	0.2%	2	0.2%
Do Not Declared	63	0.7%	5	0.5%
Others	121	1.3%	26	2.4%
Total	9,494	100.0%	1,106	100.0%

* Note: The total employee in 2025 was 9,494, including full-time permanent employees, full-time contract employees, and interns.

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Distribution of Advantech USA Employees by Ethnicity/Nationality

The distribution of employees in Advantech USA is disclosed according to regulations of the Sustainability Accounting Standards Board (SASB).

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
Management level	Number of women	15	12	2	0	0	0	3	32
	Number of men	35	66	6	1	0	1	9	118
	Number of non-disclosed gender	0	0	0	0	0	0	0	0
	Number of people	50	78	8	1	0	1	12	150
	Percentage	9.5%	14.8%	1.5%	0.2%	0.0%	0.2%	2.3%	28.5%
Technical personnel (R&D personnel)	Number of women	5	2	0	0	0	0	0	7
	Number of men	28	16	4	1	0	0	6	55
	Number of non-disclosed gender	0	0	0	0	0	0	0	0
	Number of people	33	18	4	1	0	0	6	62
	Percentage	6.3%	3.4%	0.8%	0.2%	0.0%	0.0%	1.1%	11.8%
Other personnel	Number of women	71	26	18	0	5	3	22	145
	Number of men	111	26	6	2	3	3	18	169
	Number of non-disclosed gender	0	0	0	0	0	0	0	0
	Number of people	182	52	24	2	8	6	40	314
	Percentage	34.6%	9.9%	4.6%	0.4%	1.5%	1.1%	7.6%	59.7%
Total	Number of people	265	148	36	4	8	7	58	526
	Percentage	50.4%	28.1%	6.8%	0.8%	1.5%	1.3%	11.0%	100.0%

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Percentage of Female Employees/Supervisors

The scope of statistics was expanded to locations of operations worldwide in 2023, disclosing more complete and representative data. The scope of statistics was expanded to Advantech's 6 major regions (including South Korea, Europe, and the United States) in 2022, and a stricter definition of supervisors was adopted compared to 2021. The job band of junior/management level supervisors was adjusted from D (section chief/assistant manager) to E (manager level) and above.

Among the management team at Advantech's global headquarters, more than one-fifth are female supervisors, including Ms. Linda Tsai, who was promoted to the position of Advantech's President of Industrial IoT in 2017, becoming the highest-ranking female supervisor and one of the 3 presidents, showing the succession and gender equality of professional managers.

Among the 6 indicators, we achieved the target set for 3 indicators in 2025, namely "Percentage of female employees," "Percentage of female executive level supervisors," and "Percentage of female employees in STEM-related positions." We achieved a slight improvement in the other 3 indicators compared to the previous year, namely "Percentage of female supervisors," "Percentage of female management level supervisors," and "Percentage of female supervisors in profit-generating units." Statistics for AURES, which was acquired by Advantech, were included in 2025. Due to the company's employee composition, Advantech's "Percentage of female executive level supervisors" and "Percentage of female employees in STEM-related positions" slightly decreased compared with the previous year.

At present, 42.3% of employees are female, 22.1% of supervisors are female, 23.5% of management level supervisors are female, and 16.4% of supervisors in profit-generating units are female. We expect to maintain the percentage of female employees at 42% in 2026, increase the percentage of female managers to 24%, increase the percentage of female management level supervisors to 24%, and increase the percentage of female supervisors in profit-generating units to 17%.

Region	Year	2022	2023	2024	2025	2026 Target
Advantech	Percentage of female employees	42.7%	41.8%	41.5%	42.3%	42.0%
	Percentage of female supervisors	21.2%	22.1%	21.6%	22.1%	24.0%
	Percentage of female junior/management level supervisors	23.6%	23.7%	22.7%	23.5%	24.0%
	Percentage of female executive level supervisors	12.8%	15.9%	17.0%	16.7%	16.0%
	Percentage of female supervisors in profit-generating units (excluding HR, IT, legal, and other support units)	16.0%	16.9%	15.9%	16.4%	17.0%
	Percentage of female employees in STEM positions (Science/Technology/ Engineering/Mathematics)	25.1%	23.4%	24.3%	24.0%	23.5%

* Note:

1. Advantech disclosed data for the headquarters, China, and Japan in 2021.The scope of disclosure was expanded to South Korea, Europe, and the United States in 2022, covering 6 major regions. The scope of disclosure was expanded to include all locations of operations worldwide in 2023.
2. All job bands at Advantech worldwide are divided into A to H and aligned with the Global Job Band in 2022. The job band of junior/management level supervisors (managers) is E, and executive level supervisors (assistant vice president and above) are F and above.
3. The scope of disclosure was expanded to the entire world starting in 2023, and included other regions (Indonesia, Mexico, India, Czech Republic, Australia, Malaysia, Singapore, Thailand, Russia, Turkey, Brazil, United Arab Emirates, Vietnam, Canada, and Israel).

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Diverse Employment

Region	Employee diversity indicator		Number of employees	Percentage of employees
Advantech Taiwan	Number of people with disabilities		36	0.9%
	Age distribution	30 years old and under	560	14.5%
		31-49 years old	2,528	65.6%
		50 years old and above	768	19.9%
		Not disclosed	0	0.0%
		Total	3,856	100.0%
Advantech China	Number of people with disabilities		6	0.2%
	Age distribution	30 years old and under	511	14.9%
		31-49 years old	2,701	78.8%
		50 years old and above	200	5.8%
		Not disclosed	15	0.4%
		Total	3,427	100.0%
Advantech Japan	Number of people with disabilities		0	0.0%
	Age distribution	30 years old and under	14	5.2%
		31-49 years old	109	40.2%
		50 years old and above	135	49.8%
		Not disclosed	13	4.8%
		Total	271	100.0%
Advantech Korea	Number of people with disabilities		3	2.3%
	Age distribution	30 years old and under	37	28.9%
		31-49 years old	69	53.9%
		50 years old and above	22	17.2%
		Not disclosed	0	0.0%
		Total	128	100.0%
Advantech Europe	Number of people with disabilities		4	0.5%
	Age distribution	30 years old and under	107	13.2%
		31-49 years old	449	55.3%
		50 years old and above	256	31.5%
		Not disclosed	0	0.0%
		Total	812	100.0%
Advantech USA	Number of people with disabilities		0	0.0%
	Age distribution	30 years old and under	46	8.7%
		31-49 years old	268	51.0%
		50 years old and above	200	38.0%
		Not disclosed	12	2.3%
		Total	526	100.0%
Total	Number of people with disabilities		49	0.5%
	Age distribution	30 years old and under	1,275	14.1%
		31-49 years old	6,124	67.9%
		50 years old and above	1,581	17.5%
		Not disclosed	40	0.4%
		Total	9,020	100.0%

* Note:

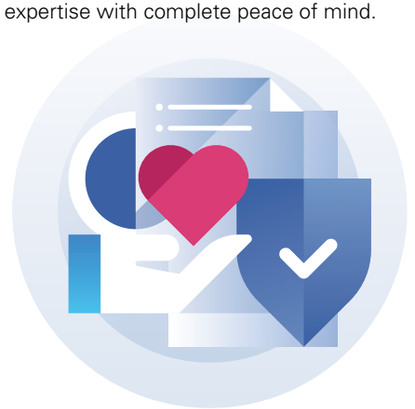
1. Data on persons with disabilities is not investigated and disclosed in response to the GDPR.
2. This table does not include regions other than Advantech's 6 major locations of operations.

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Employment of Persons with Disabilities

According to Taiwan's "People with Disabilities Rights Protection Act," the number of employees with disabilities may not be less than 1% of a company's total number of employees. If the weighted total value does not meet the standard, the company is required to regularly pay difference subsidies to the Disability Employment Fund of the competent labor authority. Advantech is required to hire 39 people with disabilities in accordance with the law. As of the end of 2025, Advantech has hired 36 people with disabilities, and is still 3 short to meet the weighted average percentage. We attach great importance to the employment of people with disabilities. To maintain the required employment of 1% employees with disabilities regardless of any changes that may occur, we will hire an additional 2 people with disabilities after reaching 1%. We will actively pay attention to the resumes of people with disabilities through government employment guidance institutions, and continue to maintain the percentage of employees with disabilities to fulfill our corporate social responsibility.

In addition, employees with disabilities are all involved in actual operations. Before employees with disabilities report for duty, Advantech helps them understand how to commute to work and the actual workflow. After they report for duty, we provide the appropriate staff support, equipment, and workplace environment to ensure they can fully leverage their expertise with complete peace of mind.



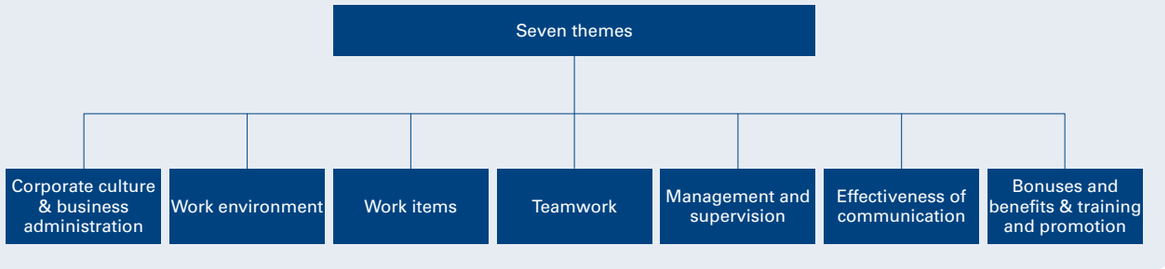
Employee Satisfaction Survey

Advantech upholds the business philosophy of actively caring for employees, values the opinions and feedback of every employee, and is committed to creating an open, inclusive, safe, and healthy work environment. We have always been guided by our core values, and continue to pay attention and improve practices for employee well-being from 4 major aspects: people-oriented environment, integrity and honesty, excellence and innovation, and altruistic contributions. We conduct annual employee satisfaction surveys to improve two-way communication between the organization and employees, and create a people-oriented work culture and a complete benefits system, creating a corporate culture that taps into employees' potential and respects diversity.

To monitor employee needs and overall engagement, Advantech first introduced the annual employee satisfaction survey mechanism in China in 2018, laying the foundation for two-way dialogue between the organization and employees. The scope of the survey was further expanded to include Europe (including all non-management level employees) and Taiwan (a representative sample of 50 people were surveyed) in 2021, gradually establishing a global survey framework. Since the survey was launched, the annual engagement index has remained stable above 90%, and the global coverage rate reached 72.1% in 2021, making it an important basis for Advantech to optimize employee relations and the workplace environment.

In 2023, Advantech integrated and optimized survey mechanisms around the world, and designed a standardized questionnaire that covers 7 major themes and 35 items. The questionnaire is provided in 4 languages and the scope of the survey covers 20 countries around the world, including the 6 major locations of operations: Advantech Headquarters, China, Japan, South Korea, Europe, and the United States. In 2024, we further refined the survey plan, rebuilt the evaluation framework, and commissioned a well-known consulting company to conduct an employee engagement survey. The questionnaire was designed with 4 main themes and 12 aspects, and the survey was conducted in 10 languages and covered the 6 major locations of operations, surveying the opinions and feedback from employees of all plants/units around the world. The targets and results analyzed by the survey were disclosed and used as an important reference to continue improving employee engagement and organizational cohesion. We plan to commission a third-party survey company to serve as an external consultant and assist in conducting employee engagement surveys every 3 years.

In 2025, Advantech integrated and optimized survey mechanisms around the world based on the employee satisfaction survey in the past few years, and designed a standardized questionnaire that covers 7 major themes (Figure 5.3.1) and 36 items. The questionnaire is provided in 10 languages, and the scope of the survey covers 20 countries around the world, including the 6 major locations of operations: Advantech Headquarters, Advantech China, Advantech Japan, Advantech Korea, Advantech Europe, and Advantech USA. The coverage of the employee satisfaction survey in 2025 was 100% with 9,403 people participating and 8,050 people responding, which is a response rate of 86% (6% higher than the employee satisfaction survey in 2023).



- **Figure 5.3.1 Themes of the 2025 Employee Satisfaction Survey**

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We will convene cross-departmental/plant meetings for review and follow-up to improve satisfaction, showing the importance attached by Advantech to employees' opinions, and our determination to create a high-quality work environment. Please see "Table 5.3.1 Response to the Employee Satisfaction Survey in Each Region: by Gender" for the response rate of each region. For follow-up feedback, please see Table 5.3.2.

- **Table 5.3.1 Response to the Employee Satisfaction Survey in Each Region: by Gender**

Region	Total number of employees	Number of respondents	Male	Female	Non-disclosed gender	Response rate	Satisfaction %
Headquarters (Taiwan)	3,860	3,468	1,704	1,736	28	90%	80%
Advantech China	3,397	3,214	1,596	1,618	0	95%	89%
Advantech Japan	262	238	145	85	8	91%	69%
Advantech Korea	130	121	81	38	2	93%	76%
Advantech Europe	482	184	117	59	8	38%	75%
Advantech USA	540	202	129	63	10	37%	77%
Other regions	732	623	425	167	31	85%	80%
Total	9,403	8,050	4,197	3,766	87	86%	83%

* Note:

1. Overall satisfaction statistics are weighted results from calculating: The sum of (satisfaction in each region * number of respondents in each region) / Total number of respondents.
2. The total number of employees includes all Advantech employees, interns, and cooperative education students. (Included in the scope for the first time in the 2025 employee satisfaction survey)
3. The method for calculating satisfaction at the Kunshan Plant in China was revised in 2024.

Satisfaction Survey Results and Improvement Plan for Advantech's Headquarters

Item	Description
Satisfaction	The overall satisfaction rate slightly decreased by 1% for the same items in 2023 v.s. 2025. The scores for <Work environment> and <Work items> slightly decreased.
Work environment	The flexible work system (WFA/flexible working hours) was mentioned more frequently this year, and is also a key factor in talent retention. Improvement plan: Re-adjust the management of flexible working hours.
Training and promotion	Response from senior and key professionals: "Efforts and feedback must reflect the market and individual contributions." Improvement plan: Optimize the development plan and remuneration system for mid-level and senior talents and key professionals.

In addition, in conjunction with the Corporate Strategy Transformation 2030 (CST2030) vision, we are developing a structured training system based on competencies, so that talents can be better utilized.



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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 established the "Advantech Human Rights Policy and Commitment," which was reviewed and approved by the highest-level management to protect the basic human rights of all employees, suppliers, customers, and stakeholders. We take into account 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," and comply with local laws and regulations of our locations of operations. We then established the Advantech Human Rights Policy on the "UN Guiding Principles on Business and Human Rights."

Advantech has also established human rights management procedures and mechanisms (Figure 5.4.1), and conducts regular impact assessments and management improvements for stakeholders. For human rights risk surveys, internal audit committees select relevant risk topics (including "human rights risks"), and then examine the risk rating of each topic and identify high-risk groups for management.

At the same time, Advantech employees are also required to abide by the "Advantech Business Conduct Implementation Rules," which include labor standards, humane treatment, prohibition of child labor, prohibition of employee discrimination, and prohibition of any discrimination or other human rights violations. We organize annual training on the "Advantech Code of Ethics and Business Conduct" and compliance to ensure that all employees understand and abide by the aforementioned policy. The contents include proper channels provided by Advantech for whistleblowing, punishment of employees, and maintaining the confidentiality of whistleblowers' identity and the contents of the report. In 2025, coverage of training on the "Advantech Code of Ethics and Business Conduct" was 100% (indirect employees), and the training completion rate was 95.8% (6,307 indirect employees worldwide). For employees who did not complete the training, the system will notify the employees and their direct supervisors at the beginning of each month, allowing direct supervisors to instruct their subordinates to complete the training as soon as possible.

For direct employees, Advantech's Taiwan Manufacturing Center (plant) organizes annual 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 (e.g., Advantech has established labor unions in Germany, the Netherlands, and Japan, as well as labor representatives in Japan and France) to promote equal rights for employees in various regions. In 2025, the coverage of freedom of association worldwide reached 100%, and 58% of Advantech locations actually established unions. In addition, all employees understand that Advantech supports employees establishing a variety of associations and organizations on their own to express their opinions. Regions without a union have associations and organizations at different levels (e.g., the National Federation of Labor Union, Chinese Federation of Occupation Labour R.O.C., etc.) or channels for complete and smooth communication to protect the rights and interests of employees. The resolutions of related meetings apply to all employees in the region.

- In Europe, employees formed work councils in some regions in Germany (Advantech Europe B.V. and Advantech GmbH) and the Netherlands, and regularly elect labor union representatives. The representatives of labor unions regularly attend labor-management meetings with Advantech on employee-related issues. Advantech France also regularly elects labor representatives to speak out on employee-related issues and attend labor-management meetings.
- In the United States, employees of Advantech USA are free to form a labor union, but have not exercised this right as Advantech USA is exerting every effort to treat its employees well and communicates and collects feedback from employees through e-mails regularly sent by HR.
- In Asia, all employees of Advantech Japan have freedom of association. Among them, Advantech Technologies Japan Corp. (ATJ) has established a labor union and Advantech Japan. Co., Ltd. (AJP) regularly elects labor representatives to speak out on employee-related issues and attend labor-management meetings. Advantech China (including plants) regularly discusses and resolves employee benefits-related issues through representatives of the Employee Welfare Committee. Advantech Headquarters has an Employee Welfare Committee and convenes quarterly labor-management meetings at various locations (Neihu Ruiguang Headquarters, Neihu Yangguang Building, and Linkou Plant) to communicate labor rights (including salary, attendance, and benefits), listen to employees' opinions, and discuss and make resolutions on key matters.

Advantech aims to minimize human rights conflicts and has therefore implemented the following management measures for employees, suppliers, and customers, as well as publicly disclosed related regulations. After conducting an investigation, there are currently no operations and suppliers in which the right to freedom of association and collective bargaining may be at risk.

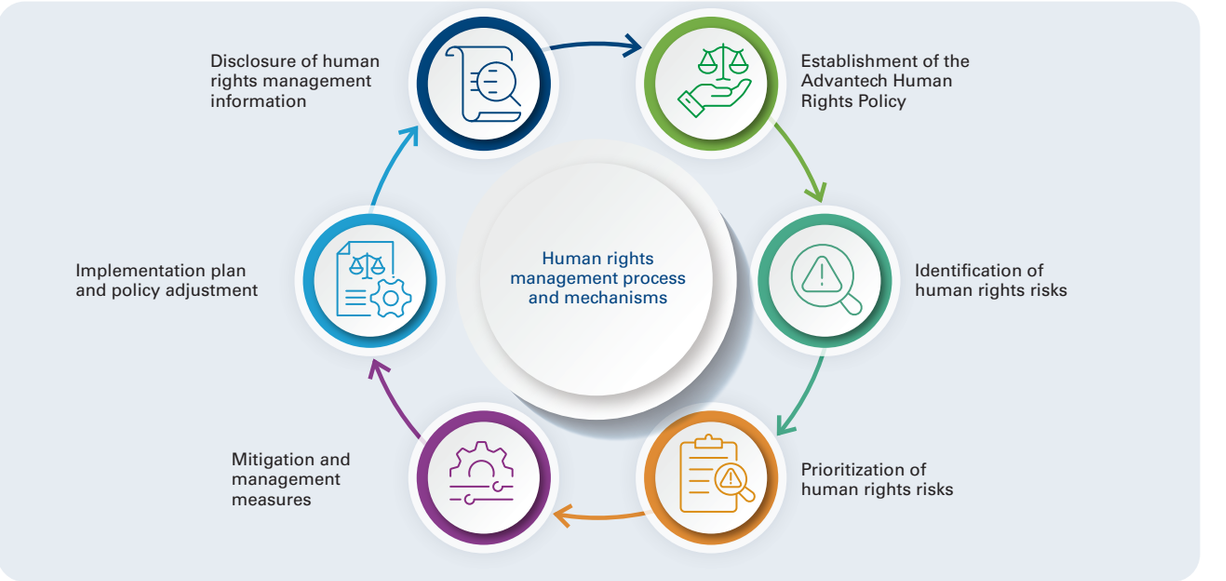
*Note: Other locations that are not major locations of operations (headquarters, Advantech China, Advantech Japan, Advantech Korea, Advantech Europe, and Advantech USA) include Indonesia, Mexico, India, Czech Republic, Australia, Malaysia, Singapore, Thailand, Russia, Turkey, Brazil, United Arab Emirates, Vietnam, Canada, and Israel. "Other regions" all have the same definition when mentioned below.

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Whistleblowing and Grievance Mechanisms

Advantech formulated the "Prevention Plan for Unlawful Infringement During the Performance of Duties" according to guidelines of the Occupational Safety and Health Administration (OSHA), Ministry of Labor (MOL) in 2015. The plan aims to prevent employees from being subjected to unlawful infringement by their employers, supervisors, colleagues, or customers while performing their duties in the workplace (including commuting), and to protect them from physical or mental harm due to external attacks, whether physical, verbal, psychological, or sexual harassment (hereinafter referred to as "workplace violence").

- Grievance mechanism: When employees experience unlawful physical or mental harm while performing their duties, they should fill out and submit the Workplace Unlawful Infringement Report and Handling Form to supervisors at all levels (or the HR unit), or file a complaint through the grievance channels (telephone, fax, e-mail) on the company policy page of Advantech's intranet website, and it 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, HR units, and labor safety personnel must complete the Workplace Unlawful Infringement Report and Handling Form within 24 hours, and handle the matter according to the flowchart for handling physical or mental harm caused by unlawful infringement while performing duties (as shown in Figure 5.4.2 Reporting and Grievance Process).
- In 2025, investigations were opened into a total of 3 cases of discrimination and harassment complaints. A task force was subsequently established, which conducted an investigation, handled matters, and closed each case in accordance with the "Reporting and Grievance Process." Although 0 cases were substantiated, Advantech still conducted relevant reviews and discussed how we could improve preventive measures, so as to provide all employees with a better working environment.



• **Figure 5.4.1 Human Rights Management Process and Mechanisms**



• **Figure 5.4.2 Reporting and Grievance Process**

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5.4.2 Human Rights Due Diligence

Employees are the foundation for realizing corporate values and an essential driving force behind Advantech's sustainable development. Advantech complies with 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," in order to fulfill our corporate social responsibility and respond to the international emphasis on corporate human rights governance. We regularly conduct "human rights due diligence" to identify potential human rights risks to Advantech and stakeholders (including employees, suppliers, customers, and communities), and take appropriate preventive and response measures. The survey results can serve as an important basis for identifying potential human rights risks, implementing mitigation measures, and strengthening the management system, ensuring compliance and the management of regulatory changes.

Advantech has clearly established the frequency and targets of due diligence: Assessments are conducted once every 3 years for employees, contractors, and joint ventures, and human rights risk assessments are conducted once every 2 years for key Tier-1 suppliers. Since the first comprehensive human rights due diligence was performed in 2022, we have gradually deepened our human rights governance practices, and further expanded the scope of human rights due diligence in 2025.

Human Rights Due Diligence: Employees

First, Advantech prepared a list of human rights risks of stakeholders that were identified according to the United Nations and international human rights topics, including forced labor, child labor, privacy, freedom of association, protection of labor conditions, and non-discrimination, diversity, and inclusion.

List of Human Rights Risks (Employees)

Forced labor	Protection of the right to work	Protection of labor conditions	Right to freedom of speech
Human trafficking/ Child labor	Equal pay for equal work	Right to health and occupational safety	Personal freedom and safety
Non-discrimination, diversity, and inclusion	Freedom of association and employee communication channels	Privacy and personal data protection	

Questionnaire Design and Scope

We conducted the evaluation in the form of a questionnaire survey, covering 2 core evaluation aspects: "Probability of occurrence of human rights risks" and "Severity of impact." We systematically identified and evaluated 11 risks to compile a risk matrix as the basis for subsequent governance.

Item	Description		
Assessment aspect	1. Probability of occurrence	2. Severity of impact	
Description	Please refer to Table 5.4.3 and Table 5.4.4		
Survey subjects	1. The number of employees surveyed at each location of operations worldwide (headquarters, Advantech China, Advantech Japan, Advantech Korea, Advantech Europe, Advantech USA, and other regions) is determined based on the "number of employees at each location as a percentage" of all Advantech employees. 2. Stratified sampling is then carried out within each region based on "job band (executive level supervisor/ management level supervisor/general employee) × gender (male/female/not disclosed)."		
Response rate	100 %	Global region coverage rate	100 %

- **Table 5.4.3 Human Rights Risks - Probability of Occurrence**

Grade	Likelihood	Probability	Description
1	Extremely low	<10%	Almost never occurs under normal circumstances and is allowed to occur less than once a year.
2	Low	10%~30%	Occurs in rare circumstances and may occur more than once every 6 months.
3	Moderate	30%~70%	Occurs in certain circumstances and can be observed more than once a quarter.
4	High	70%~90%	Occurs in relatively more circumstances and occurs more than once a month.
5	Extremely high	>90%	Occurs almost normally and occurs more than once a week.

- **Table 5.4.4 Human Rights Risks - Severity**

Grade	Severity	Probability	Description
1	Extremely mild	<10%	Minimal impact, usually does not have a significant negative impact on Advantech or stakeholders, and will take less than one year to recover from or eliminate the negative impact.
2	Mild	10%~30%	The impact is small in scale, only a few stakeholders are impacted, and will take 1-3 years to recover from or eliminate the impact.
3	Moderate	30%~70%	The impact has a moderate scope, involves most stakeholders, and will take 3-5 years to recover from.
4	Severe	70%~90%	The impact is severe and has a large scope, most stakeholders suffer damages, and will take 5 to 10 years to recover from or significantly reduce the impact.
5	Extremely severe	>90%	The impact may cause permanent physical and mental harm or severely impact communities. It even might cause death or significant social impact, and the organization is less likely to fully recover from.

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The results of this survey indicate that the probability of human rights risks occurring among Advantech employees is low (average probability of occurrence is below 2) and not severe (average severity is below 3), especially at major manufacturing sites (Linkou Plant in Taiwan, Kunshan Plant in China, and locations in Japan). They have all obtained the Responsible Business Alliance (RBA) Code of Conduct certification, further verifying that we have a sound and practical system for human rights protection at locations of operations.

To better visualize the risk analysis, Advantech calculates the average probability of occurrence and severity of impact for each human rights risk, and then uses them as the X-axis (probability of occurrence) and Y-axis (severity) of a risk matrix. The relative position of each risk within this risk matrix is used to determine its relative risk level and identify high-priority management items.

Despite the relatively low overall risk, Advantech exercises prudence. The 3 topics with relatively high-risk scores are summarized below:

Risk topic	Description of risk scenario
Protection of labor conditions	The work environment or labor conditions do not comply with regulations or are unequal, resulting in employees' basic work rights (e.g., working hours, wages, health and safety, and equal pay for equal work) not being protected, or inappropriate use of other labor contracts (e.g., mass hiring of contract workers, temporary workers, and migrant workers) to deprive employees of legitimate work needs.
Equal pay for equal work	Employees with the same skills and experience are treated differently due to gender, age, or region, resulting in different pay for the same work.
Right to freedom of speech	Failure to set up safe and effective channels for employees to express their opinions, or the use of lawsuits, intimidation, or threats to control or suppress the opinions of various parties, threatening the lives, work, or everyday life of those who speak up.

According to the survey results, Advantech has established a comprehensive human rights risk management system, which is being extended to locations of operation and value chain partners worldwide, in order to reinforce overall protection and response mechanisms.

In 2025, Advantech did not discover any employee human rights violations or disputes and did not need to take compensatory actions, indicating that existing systems can effectively serve preventive and protective functions.

Human Rights Due Diligence: Suppliers

Investigation Method

To ensure the sustainable resilience of the supply chain and fulfill our human rights responsibilities, we actively identify and manage potential human rights topics of PVL suppliers. The investigation is conducted by the Supplier Sustainability Management Purchasing Department in accordance with international human rights standards and the "United Nations' Guiding Principles on Business and Human Rights." Below is a list of human rights risk topics identified in the supply chain (excerpted from the Advantech Supplier ESG Risk Assessment Form). Potential human rights risks have been integrated into the supplier ESG self-evaluation form to further understand suppliers' management methods and improvement actions concerning human rights topics.

List of Human Rights Risks (Suppliers)

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 non-discrimination

Suppliers are required to conduct self-assessment of the aforementioned topics, describe their preventive measures and mitigation plans, and provide supporting documents. The survey subjects include all Tier-1 suppliers, and the Advantech Quality Team conducts document audits and risk verification one by one.

Subjects/Coverage Rate

Advantech re-assesses the human rights risks of suppliers once every 2 years and performs human rights due diligence. The scope of ESG evaluation was expanded to include all Tier-1 suppliers in 2024. A total of 1,127 Tier-1 suppliers were subjected to the evaluation, accounting for 100% of Tier-1 suppliers in 2024. A total of 873 responses were received, accounting for 77.5% of Tier-1 suppliers in 2024. 284 key/strategic Tier-1 suppliers were evaluated (the response rate was 100%).

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

Survey Results and Improvements

Based on the 2024 survey results, 3 suppliers (accounting for 0.34%) were assessed as having high human rights risks. Their main deficiencies are described below:

Item code	Main deficiencies
A1.1	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 of the deficiencies above have been effectively improved and closed.
- Advantech will continue to conduct on-site audits of high-risk suppliers to ensure that they take action 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 our operations. In response, we include contractors in our human rights due diligence to ensure that outsourced operations comply with regulations and respect labor rights.

Investigation Method

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

List of Human Rights Risks (Contractors)

Forced labor	Protection of the right to work	Protection of labor conditions	Right to freedom of speech
Human trafficking/ Child labor	Equal pay for equal work	Right to health and occupational safety	Personal freedom and safety
Non-discrimination, diversity, and inclusion	Freedom of association and employee communication channels	Privacy and personal data protection	

Potential human rights risks have been integrated into the ESG self-assessment form for contractors, in order to gain a better understanding of the management methods and improvement actions taken by contractors to address human rights topics.

Subjects/Coverage Rate

Year	Scope of evaluation subjects	Response rate	Global coverage rate
2025	Contractors with a transaction amount exceeding NT$1 million in 2024. (702 in total, 186 in Taiwan, 516 in China)	37% (258 in total, 78 in Taiwan, 180 in China)	100%

Survey Results and Improvements

Results up to the most recent survey show that all evaluated contractors do not have any human rights-related risks. Advantech will continue to increase the frequency of audits and strengthen the risk early warning mechanism to ensure that human rights responsibilities are extended into every aspect of implementation.

Human Rights Due Diligence – Joint Ventures (JV)

In light of the increasing complexity of corporate investment activities, Advantech has actively integrated human rights initiatives into the governance of our joint ventures, utilizing structured risk identification and investigations to ensure our corporate values are consistently upheld in cross-company operations.

Investigation Method

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

List of Human Rights Risks (Joint Venture)

Forced labor	Protection of the right to work	Protection of labor conditions	Right to freedom of speech
Human trafficking/ Child labor	Equal pay for equal work	Right to health and occupational safety	Personal freedom and safety
Non-discrimination, diversity, and inclusion	Freedom of association and employee communication channels	Privacy and personal data protection	

Subjects/Coverage Rate

Year	Scope of evaluation subjects	Response rate	Global coverage rate
2025	Joint ventures that meet the following two conditions. (18 JVs in total) 1. Advantech holds 10% or more of shares and the JV has more than 10 employees. 2. Advantech invested over NT$100 million in the JV.	78% (14 JVs responded)	100%

Survey Results and Improvements:

Among the JVs that were assessed, no company was identified as having human rights risks. Going forward, we will continue to ensure that cross-organizational governance responsibilities and human rights protection are implemented simultaneously.

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Human Rights Risk Management (Mitigation and Compensation)

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

Target audience	Topic identification	Current status of human rights topics	Mitigation actions	Target management	Location of voluntary disclosure
Employees	Protection of labor conditions	**Applicable to Taiwan** Advantech has established the "Work Rules" in accordance with the law, stipulating working hours, limit on overtime, wages, and various types of leave. **Applicable worldwide** Advantech has implemented the "living wage" methodology worldwide to ensure that employees' income can cover basic living expenses.	**Applicable to Taiwan** 1. Control overtime: No more than 4 hours per day and no more than 46 hours per month, and prior approval is required. 2. Provide a complete leave system (14 types of leave, including annual leave, family care leave, and volunteer leave) to maintain employee health and work-life balance. 3. Implement equal pay for equal work, cultivate diverse competencies, and avoid unequal pay due to gender or identity.	**Applicable worldwide** Comprehensively implement a "living wage" in locations of operations and supply chains worldwide to improve the fairness of labor conditions. Continue to reduce the percentage of overtime to ensure reasonable working hours and maintain employee health. Regularly track the remuneration structure to ensure equal pay for equal work and employee diversity.	**Applicable worldwide** 1. Advantech's "Human Rights Commitment and Policy" 2. Advantech's "Labor Practice Commitment" 3. Advantech's "Work Rules"
	Equal pay for equal work	**Applicable worldwide** Advantech's remuneration policy is based on employees' job responsibilities and duties, and complies with local government labor laws and regulations. Salary standards do not differ due to gender. In the case of Taiwan, these include: the "Labor Standards Act," "Gender Equality in Employment Act," and "Employment Service Act." Advantech has also established the DEI Workplace Promotion Task Force, which reports to the Sustainable Development Committee on a quarterly basis.	**Applicable worldwide** 1. If new employees have work experience, their job band and salaries may be assessed based on current employees with similar education and experience. 2. Annual raises & bonuses: The Human Resources Department prepares annual salary budgets and operating principles and submits them to the president for approval. Once approved, department heads adjust salaries fairly based on individual performance evaluations.	**Applicable worldwide** The salary and job band system is designed to align with our long-term strategies. It also provides supervisors with greater room for offering salaries based on performance and ability. This system evaluates work rather than people, and takes into account 7 factors to achieve equal pay for equal work.	**Applicable to Taiwan** 1. Advantech's Sustainability Report 2. Announcements of Advantech on recruitment websites (104 Job Bank, etc.) 3. Remuneration and Bonus Management and Implementation Regulations 4. Recruitment and Employment Management Regulations 5. Performance Management and Ranking Regulations
	Freedom of speech	**Applicable worldwide** Established employee clubs, labor unions/ labor representatives, and labor-management meetings to protect the freedom of association and communication rights.	**Applicable to Taiwan** Regularly convene labor-management meetings to protect employees' right to express their opinions, while maintaining clear grievance channels and strictly prohibiting retaliation.	**Applicable worldwide** Ensure that all employees have smooth channels for expressing their opinions, and that all complaints are immediately handled and there is no retaliation.	**Applicable worldwide** 1. "Advantech Business Conduct" 2. Advantech's "Labor Practice Commitment"
Female	Sexual harassment prevention & zero discrimination in the workplace	**Applicable worldwide** Advantech regularly conducts internal and external audits and supplier audits in accordance with the RBA Validated Assessment Program (VAP) Operations Manual. **Applicable to Taiwan** Annual Employee Workplace Health Questionnaire Survey - Includes items of the [Workplace Violence Hazards and Risk Survey] to monitor the risk of sexual harassment and discrimination in the workplace.	**Applicable to Taiwan** 1. The Gender Equality in Employment Committee was established in accordance with the Advantech "Gender Equality in Employment Act," and the "Guidelines for Handling Complaint and Punishment of Workplace Sexual Harassment" were also established. The regulations are promoted during meetings and through e-mails. 2. Labor (occupational) safety and health and occupational care personnel organizations ensure the implementation of Advantech's "Environmental, Occupational Health and Safety Policy" and "Prevention Plan for Unlawful Infringement During the Performance of Duties."	**Applicable worldwide** In 2025, investigations were opened into a total of 3 cases of discrimination and harassment complaints. A task force was subsequently established, which conducted an investigation, handled matters, and closed the case in accordance with the "Reporting and Grievance Process"; 0 cases were substantiated.	**Applicable worldwide** "Advantech Employee Code of Conduct" **Applicable to Taiwan** 1. "Guidelines for Handling Complaint and Punishment of Workplace Sexual Harassment" 2. "Prevention Plan for Unlawful Infringement During the Performance of Duties" and Workplace Unlawful Infringement Report and Handling Form

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Target audience	Topic identification	Current status of human rights topics	Mitigation actions	Target management	Location of voluntary disclosure
Indigenous peoples	Non-discrimination, diversity, and inclusion	Applicable to Taiwan Advantech's remuneration policy is based on employees' job responsibilities and duties, and complies with local government labor laws and regulations. Salary standards do not differ due to race.	Applicable to Taiwan Advantech provides indigenous employees with official leave for the Harvest Festival in accordance with the Labor Standards Act.	Applicable to Taiwan There were no complaints of discrimination against indigenous peoples.	Applicable to Taiwan 1. Labor Standards Act 2. 5.3 Diverse, Equal, and Inclusive Workplace in Advantech's Sustainability Report
Child labor & forced labor	Prohibition of child labor & no forced labor/human trafficking	Applicable worldwide Advantech regularly conducts internal and external audits and supplier audits in accordance with the RBA Validated Assessment Program (VAP) Operations Manual.	Applicable worldwide 1. Advantech conducts internal inspections of CVs and actual age before hiring. Candidates will not be hired if they are under the age of 18. 2. All key suppliers and new suppliers of Advantech must sign the "Advantech Supplier Code of Conduct," which includes the supplier's commitment to protecting labor rights in accordance with internationally recognized standards.	Applicable worldwide 1. Advantech or our suppliers did not use any child or forced labor in 2025. 2. All key suppliers and new suppliers of Advantech were required to sign the "Advantech Supplier Code of Conduct" in 2025. 3. Passed all internal and external audits of Advantech and audits of existing suppliers in 2025.	Applicable worldwide 1. Advantech's ESG Official Website - "Advantech Human Rights Policy and Commitment" 2. Advantech Supplier Code of Conduct 3. RBA Validated Assessment Program (VAP) Operations Manual
Persons with disabilities	Hiring persons with disabilities	Applicable to Taiwan The number of employees with disabilities is tracked on a monthly basis in accordance with labor laws and regulations.	Applicable worldwide Advantech respects equal employment and career development opportunities for employees. Employees are not treated differently due to gender, race, religious belief, party affiliation, sexual orientation, job band, nationality, and age. The opportunity of individuals to be hired by Advantech is not affected by any form of discrimination.	Applicable to Taiwan According to Taiwan's "People with Disabilities Rights Protection Act," the number of employees with disabilities may not be less than 1% of a company's total number of employees. If the weighted total value does not meet the standard, the company is required to regularly pay difference subsidies to the Disability Employment Fund of the competent labor authority.	Applicable worldwide 1. Advantech's ESG Official Website - "Advantech Human Rights Policy and Commitment" 2. 5.3 Diverse, Equal, and Inclusive Workplace in Advantech's ESG Report
Foreign migrant workers	Zero discrimination in hiring Hiring in accordance with the law	Applicable worldwide Advantech regularly conducts internal and external audits in accordance with the RBA Validated Assessment Program (VAP) Operations Manual.	Applicable worldwide Advantech hires foreign migrant workers based on individual ability standards, and does not treat them differently due to gender, race, religious belief, party affiliation, sexual orientation, job band, nationality, and age. The opportunity of individuals to be hired by Advantech is not affected by any form of discrimination.	Applicable worldwide 1. Zero discrimination in hiring foreign migrant workers 2. Passed the external RBA audit	Applicable worldwide 1. Advantech's ESG Official Website - "Advantech Human Rights Policy and Commitment" 2. Advantech Employee Manual 3. 5.3 Diverse, Equal, and Inclusive Workplace in Advantech's Sustainability Report
Employees of third-party contractors	Compliance with the Supplier Code of Conduct	Applicable worldwide Advantech regularly conducts key supplier and new supplier audits in accordance with the RBA Validated Assessment Program (VAP) Operations Manual.	Applicable worldwide 1. Comply with different social responsibility standards and regulations of local competent authorities. 2. Prohibition of child labor and forced labor. 3. Provide a healthy and safe work environment. 4. Promote labor-management cooperation. 5. We do not accept metals (Au, Ta, Sn, W, and Co) from conflict-affected and high-risk areas (CAHRAs), and trace the source and smelters of metals used in parts. 6. Reject any corruption, extortion, blackmail, and bribery.	Applicable worldwide Sign the Supplier Code of Conduct with third party contractors.	Applicable worldwide "Advantech Supplier Code of Conduct"

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5.5 Occupational Health and Safety

Name of material topic	Importance of this material topic to Advantech
Occupational health and safety	Advantech views occupational health and safety as an important cornerstone of sustainable development. We protect the health and safety of employees through systematic management, while improving our operational efficiency, reputation, and sustainability value at the same time.
Policy or commitment	We are committed to exert every effort in occupational health and safety, and strive to achieve zero workplace accidents and total healthcare. We will fulfill our responsibilities as a global citizen, and work tirelessly to achieve sustainable development.
Positive impacts	Improves crisis management capabilities. The implementation of effective health and safety measures significantly reduces the occurrence of occupational injuries and work-related ill health, and further improves work efficiency and morale. It can also improve our reputation and brand image.
Negative impacts	Improper management may also cause negative effects, such as: asset losses resulting in higher costs, employee resentment, lower work efficiency, and impacts on Advantech's reputation.
Actions in response to negative impacts that occur	The actions taken by Advantech in response to negative impacts are as follows: ■ All major production plants have established and obtained the ISO 45001 management system certification. ■ Provide mandatory occupational health and safety training and require participants to complete tests. Irregularly organize occupational safety and health-related seminars and briefings.
Overview of target achievement in 2025	■ No major occupational accidents. ■ No records of penalties/fines imposed by the competent authority for labor safety incidents. ■ No major nonconformities found in external audits. ■ AKMC established and obtained the ISO 45001 management system certification.
2026 targets	■ No major occupational accidents. ■ Major production plants establish and obtain the ISO 45001 management system certification.
2030 targets	■ No major occupational accidents.
Key action plans or programs in 2025	■ The headquarters (Linkou Plant in Taiwan) implemented the Earthquake Business Continuity Plan, and improved response capabilities through scenario simulations and drills. It also evaluated and introduced an earthquake real-time notification system to establish a standardized reporting channel, avoiding inconsistent response decisions due to an information gap. ■ For hidden risks (falling), we identified areas in each office/plant where falling can easily occur, set up electronic fences and surveillance cameras, and used the real-time push notification function of mobile phones to improve safety when working at heights and reduce the risk of falling accidents.
Effectiveness evaluation	■ We identified operations with relatively high-risk through safety and health risk identification, and proposed feasible management plans for improvement. The headquarters (Linkou Plant in Taiwan) proposed a total of 9 management plans and completed improvements. ■ Passed the external audit of a third-party verification company to maintain compliance with requirements of ISO 45001:2018. ■ The headquarters (Taiwan) holds quarterly occupational health and safety management review meetings and invites the president and COO to participate.
Stakeholders affected by this material topic and actions taken by Advantech	■ Employees: Provide mandatory occupational health and safety courses and require participants to complete tests. Irregularly organize occupational safety and health-related seminars and briefings to ensure smooth internal communication. ■ Customers: Respond to customer questionnaires and audits, and provide supporting records as needed. ■ Suppliers and contractors: All suppliers are required to fill out the EHS commitment, and training and audits are conducted to inform contractors of hazards when they enter plants to perform work. ■ Shareholders and investment institutions: Advantech's occupational health and safety performance is disclosed in the annual report and sustainability report. ■ Partners: Respond to inquiries from partners and provide supporting records as needed. ■ Competent authority: Respond to inquiries from government agencies and provide supporting records as needed.

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5.5.1 Creating a Happy Workplace: Sustainable Safety and Health Practice

Advantech views occupational health and safety (OHS) as a core strategy and is committed to building a solid OHS culture. We effectively prevent workplace accidents by raising employees' safety awareness and creating a high-quality safety atmosphere. We not only abide by Taiwan's laws and regulations, but also align ourselves with global occupational safety issues, and have incorporated fire safety management. By establishing a comprehensive management system and combining it with risk management, we ensure that all employees have a healthy, safe, and harmless work environment, thereby fulfilling our commitment to zero occupational accidents and comprehensive healthcare in the workplace.

Occupational Health and Safety Management System (ISO 45001:2018)

Advantech is committed to providing a safe and healthy work environment, and has established and implemented the ISO 45001 Occupational Health and Safety Management System(OHSMS) (including fire safety management). We further required all plants to implement systematic management in accordance with ISO 45001 in 2025. At the same time, the Board of Directors approved the "Occupational Health and Safety Management Policy," which has been implemented and announced on the official website. The OHSMS covers all workers, including Advantech employees and non-employee workers. We have implemented the system from the top down to OHS personnel in each region, who comply with the ISO 45001 management system and are responsible for planning, implementing, supervising, and auditing system operations.

- **Table 5.5.1 Certifications Obtained by Advantech's Main Locations of Operations and Production Sites Worldwide**

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

Occupational Health and Safety Performance Indicators/Measures

Regulatory Identification	Regulatory identification is carried out on a quarterly basis to identify new or revised regulations, the suitability and compliance of plants, and track and confirm the improvement status. Regulations include occupational health and safety, fire safety, waste, and energy.
Occupational Injury Reporting	With the goal of "zero workplace accidents," accidents are reported and filed on a monthly basis. A total of 13 occupational accidents were reported in Taiwan this year (excluding commuting accidents), and internal investigations and necessary improvement measures were completed in the month of the accident.
Audits by competent authorities	There were no violations of laws and regulations that required improvements within a specified time limit or resulted in a fine this year.
Internal/External audits	The internal audit this year found 12 nonconformities and made 26 observations. The external audit made a total of 8 observations, and responsible units continue to implement improvements based on the deficiencies and observations.
Monitoring of working environment	The actual situation in the working environment and the exposure of workers is assessed every 6 months, including the monitoring of chemical factors: isopropanol, acetone, dimethylbenzene, n-Hexane, and carbon dioxide. Physical factor monitoring: noise, lighting, etc.
Contractor management	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. There was a fire-related near-miss incident involving a contractor this year..
Occupational safety and health (including fire safety) education and training	The validity of the certificates of supervisors at all levels and professional licensed personnel was verified (including: occupational health and safety management personnel, waste management personnel, healthcare personnel, first aid personnel, supervisors of organic solvent operations, fire safety management personnel, forklift operators). Safety and health training is organized for new and current employees, with courses including: 6S management, hazardous chemical management, AED training, etc. A total of 10,010 participants completed 13,139.5 hours of training.
Chemicals management	To strengthen chemical safety governance, we implemented the transition from "periodic review" to "real-time monitoring." We integrated on-site self-inspections and classified management assessments through the introduction of an online chemical management system, and achieved dynamic control of chemicals inventory and hazards.
Regular inspection of equipment and machinery	Regular, key, and operational inspections of machinery and equipment, as well as related processes are conducted. Early detection of deficiencies is achieved through these inspections, and preventive measures are taken to prevent occupational accidents from occurring, thereby protecting the safety and health of workers.
Occupational health and safety inspections	Occupational safety inspections are divided into 6 categories: (1) contractor management, (2) chemical handling safety, (3) electrical safety, (4) work environment safety, (5) 6S environmental management, and (6) emergency preparedness (including fire safety). Inspections conducted from time to time help identify and rectify deficiencies, providing a safer work environment.
Occupational Health and Safety Management Review Meeting	Management review meetings are regularly convened, and occupational health and safety management performance and relevant improvement measures in each region are reported to supervisors in accordance with the ISO 45001 management system (including fire safety).

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• **Figure 5.5.1 Occupational safety and health education, training and promotion**

Hazard Identification and Risk Assessment

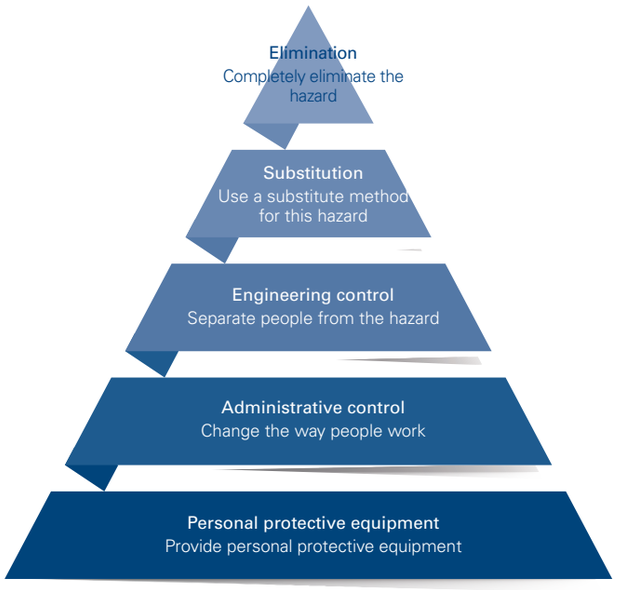
To prevent the occurrence of occupational hazards, Advantech has established procedures for identifying environmental considerations and safety and health risks and opportunities, assessing the hazards and risks arising from operation activities (including routine and non-routine) to employees, stakeholders, or the work environment, and identifying risks that need to be controlled and opportunities for improvement. We analyze the impact on safety and health based on the parameters used for identification, and rank the risks that are identified. 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, operation control, and personal protective equipment, and then establish management plans and targets for monitoring, control, and improvement. Based on the workplace environmental risk assessment results, fire is identified as a high-risk factor, while hazardous chemicals, noise, and ionizing radiation are categorized as medium risks, with the remainder classified as low risks. To address high-risk environments such as fire, comprehensive fire protection equipment is provided. For medium-risk environments involving hazardous chemicals, noise, and ionizing radiation, personal protective equipment (PPE) is supplied, and regular special health examinations are arranged to track and ensure the workplace health of operators.

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 and educated that if they encounter a situation posing an imminent danger during work (including abnormalities that occur in the early stages of a fire accident), in addition to immediately reporting the incident, they may evacuate to a safe location without penalty. This policy further ensures employee safety and health.

Advantech arranges fire safety and chemical leakage drills for each plant each year, and regularly inspects areas with potential fire risks to ensure the effectiveness of response mechanisms. Complete drill records include: the exact date of the drill, customized response scripts, the participation of all members of the fire self-defense team, and post-drill review meetings. We attach importance to every feedback we receive for improvement, and view it as an important basis for improving the safety of plants.

Occupational Health and Safety Committee

Advantech adheres to the requirements of the ISO 45001 Occupational Health and Safety Management System. Each Regional Business Unit (RBU) is required to hold regular management review meetings to implement worker participation, consultation, and communication regarding occupational health and safety (OHS) affairs. The OHS Committee comprises management representatives, department heads, OHS personnel, medical staff, and labor representatives. The labor representatives are elected through a regular re-election process, encouraging employees to spontaneously participate in OHS matters. The Committee meets quarterly, driving initiatives that cover health and safety management, education and training, health promotion, hazard prevention, and incident investigation, while ensuring legal updates and communication. Finally, through management actions, the company implements auditing, equipment hazard prevention, and proposal execution, as well as education and training (including fire safety), company-wide fire drills, emergency response team (ERT) drills, and employee health management activities.



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Advantech USA

Installing reflectors in loading and unloading areas

Forklifts used in loading and unloading areas pose a potential risk (collision) to drivers and employees when cargo is stacked too high, blocking the driver's field of vision. The risk of collisions can be mitigated by improving drivers' visibility through **engineering controls** (such as installing convex mirrors) and **employee training.**



Advantech Headquarters

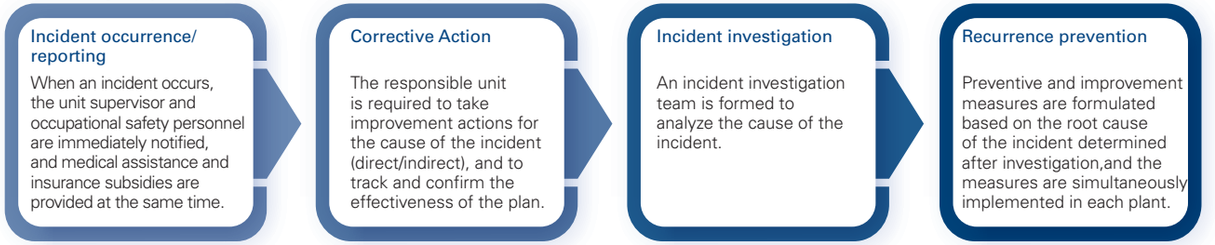
Production machinery engineering improvement

In the production areas, we conducted safety reviews on machinery to assess prospective hazards to employees, such as pinching and entanglement injuries. Without disrupting production workflows, we mitigate employee injury risks through **engineering controls** (installing acrylic shields) and **employee training**.



Incident Reporting and Investigation Procedures

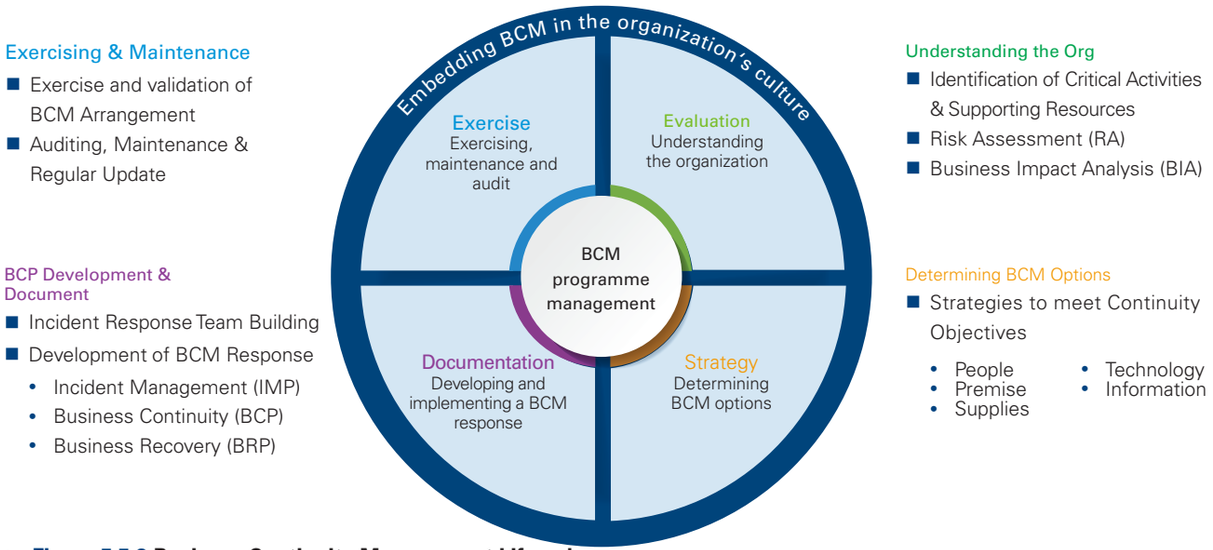
With the ultimate goal of achieving zero workplace accidents, Advantech formulated the "Occupational Incident Investigation and Handling Regulations" to clearly regulate the process of incident reporting, responsibilities for incident investigation, subsequent improvement actions, and prevention of recurrence. (In 2025, a near-miss fire incident occurred during a contractor's acetylene welding operation. The fire was extinguished immediately, resulting in no casualties or property damage. Nevertheless, the contractor was required to conduct a Root Cause Analysis (RCA), implement corrective and preventive actions, and strengthen their emergency response capabilities moving forward.)



- **Figure 5.5.2 Advantech Incident Reporting and Investigation Procedures**

Business Continuity Management Establishment and Practices

Advantech introduced business continuity management (BCM) in 2025 to effectively transform risk awareness into real resilience. Its core advantage is that it minimizes losses caused by unexpected disasters through systematic early warning and response mechanisms, ensures the safety of the core business and assets during crises, and maintains the trust and business reputation of stakeholders. At present, the headquarters has completed the BCP (Business Continuity Plan) for both fire and earthquake scenarios. The drill simulates resource allocation and recovery pathways for critical plants after disasters through risk assessment results, ensuring that they can immediately respond to risks and reduce the damage to stakeholders and company operations.



- **Figure 5.5.3 Business Continuity Management Lifecycle**

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• Statistics on Work-related Injuries of Advantech Employees

2025	Headquarters (Taiwan)	Advantech China	Advantech Japan	Advantech Korea	Advantech Europe	Advantech USA	Total
Total working hours	7,781,312	6,785,280	464,520	247,968	1,041,809.6	1,098,288	17,419,178
Total Number of Occupational Injuries	13	4	0	0	1	1	19
Occupational injury categories	Cuts/Falling/ Other	Cuts/ Collision	None	None	Other	Other	Cuts/Falling/ Collision/ Other
Working days lost due to occupational injuries	46	209.4	0	0	3	26	284.4
Disabling injury frequency rate (FR)	1.67	0.59	0.00	0.00	0.96	0.91	1.09
Disabling injury severity rate (SR)	6	31	0	0	3	24	16
Occupational injury fatality rate	0	0	0	0	0	0	0
Occupational disease fatality rate	0	0	0	0	0	0	0
Serious occupational injury rate	0	0	0	0	0	0	0
Total Recordable Incident Rate (TRIR)	0.33	0.11	0	0	0.19	0.18	0.21

*Note:

1. Total working hours (headquarters): Total working hours are based on monthly data from the Occupational Safety and Health Administration, Ministry of Labor.
2. Total working hours (other regions): Number of employees in each region * Number of working days in the year * Number of working hours per day.
3. FR = (Total number of injury losses × 1,000,000) ÷ Total hours worked (rounded to the second decimal place).
4. SR = (Total number of days lost due to injury × 1,000,000) ÷ Total hours worked (rounded down to the nearest whole number).
5. Occupational injury fatality rate = Number of fatal work-related injuries ÷ Total number of work-related injuries.
6. Occupational disease fatality rate = Number of fatalities as a result of work-related ill health ÷ Number of cases of work-related ill health.
7. Occupational diseases: Determined by an occupational medicine specialist, local competent labor authority, or the Occupational Safety and Health Administration, Ministry of Labor.
8. Occupational Injury Absenteeism Rate = (Total days absent due to work-related injuries and ill health/Total number of workdays) x 100%.
9. Serious occupational injury rate: The worker cannot fully recover from the injury within 6 months, excluding fatalities.
10. The data above exclude commuting accidents.
11. Statistics on the number of employees up to December 31, 2025.

• Statistics on Work-related Injuries of Non-Advantech Workers

2025	Headquarters (Taiwan)	Advantech China	Advantech Japan	Advantech Korea	Advantech Europe	Advantech USA	Total
Total working hours	72,144	29,712	115,656	1,584	1,968	0	221,064
Total Number of Occupational Injuries	0	0	0	0	0	0	0
Occupational injury categories	None	None	None	None	None	None	None
Working days lost due to occupational injuries	0	0	0	0	0	0	0
Disabling injury frequency rate (FR)	0	0	0	0	0	0	0
Disabling injury severity rate (SR)	0	0	0	0	0	0	0
Occupational injury fatality rate	0	0	0	0	0	0	0
Occupational disease fatality rate	0	0	0	0	0	0	0

* Note:

1. Non-Advantech workers: Security, cleaning, catering, and temporary workers.
2. Total working hours (headquarters): Total working hours are based on monthly data from the Occupational Safety and Health Administration, Ministry of Labor.
3. Total working hours (other regions): Number of employees in each region * Number of working days in the year * Number of working hours per day.
4. Occupational injury absentee rate: (Total number of days absent (occupational injury leave)/Total number of workdays) x 100%.
5. Serious occupational injury rate: The worker cannot fully recover from the injury within 6 months, excluding fatalities. The Serious occupational injury rate for the reporting period was 0.
6. The Total Recordable Injury Rate (TRIR) is calculated as follows: Number of recordable occupational injuries × 200,000 ÷ total hours worked. The TRIR for the reporting period was 0.
7. Occupational diseases: Determined by an occupational medicine specialist, local competent labor authority, or the Occupational Safety and Health Administration, Ministry of Labor.
8. Statistics on the number of employees up to December 31, 2025.

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- **Categories of Work-related Injuries Suffered by Advantech Employees**

2025	Headquarters(ACL)		Advantech China		Advantech Europe		Advantech USA	
Type of work-related injury	Number of injuries	Percentage of injuries	Number of injuries	Percentage of injuries	Number of injuries	Percentage of injuries	Number of injuries	Percentage of injuries
Falls	2	0.05429%	0	0.00000%	0	0.00000%	0	0.00000%
Collisions	0	0.00000%	2	0.05836%	0	0.00000%	0	0.00000%
Cuts and lacerations	3	0.08143%	2	0.05836%	0	0.00000%	0	0.00000%
Contusions	0	0.00000%	0	0.00000%	0	0.00000%	0	0.00000%
Other	8	0.21716%	0	0.00000%	1	0.18762%	1	0.19011%
Monthly average number of employees/Number of employees	3,684		3,427		533		526	

*Note:

1. Headquarters injury rate: Number of injuries/Average monthly headcount
2. Injury rate in other regions: Number of injuries/Number of employees
3. No occupational injuries occurred at Advantech Korea and Advantech Japan.

- **Absentee Rate Statistics of Advantech Employees**

2025	Headquarters (Taiwan)	Advantech China	Advantech Japan	Advantech Korea	Advantech Europe	Advantech USA	Total
Total number of workdays	946,680	848,160	58,065	30,750	2,504.35	137,286	2,023,445
Days lost due to occupational injury leave	246.57	373.56	0	0	3	26	649.13
Days lost due to illness	3,248.86	7,714.155	0	0	1	0	10,964.015
Total lost work days	3,495.43	8,087.715	0	0	4	26	11,613.145
Absentee[2.1] rate	0.37%	0.95%	0.00%	0.00%	0.16%	0.02%	0.57%

*Note:

1. Absentee rate calculation method: (Total days of absence (occupational injury leave + unpaid sick leave)/Total work days) x 100%.
2. Absentee rate calculations do not include leave that was planned or approved in advance, such as: personal leave, annual leave, maternity leave, paternity leave, and official leave.

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5.5.2 Comprehensive Response Mechanisms: Deepening Employees' Fire Safety Knowledge and Abilities

Advantech is committed to creating a safe workplace. In addition to conducting fire drills in accordance with the law, we also use evacuation simulations to improve the accuracy of evacuation. In 2025, we planned a fire drill with real fire to strengthen employees' mental resilience and disaster relief capabilities in emergencies. We transform safety awareness into voluntary actions, build a comprehensive line of defense against disasters, and fulfill our commitment to employee safety and well-being through systematic empowerment.

Advantech Headquarters not only conducts regular fire drills and evacuation drills for all employees, but also planned a "real fire simulation" for employees to experience what it is like to be in a fire in a safe and controlled environment, and for them to practice using fire extinguishers. This "immersive" drill broke the boundaries of traditional awareness campaigns, and significantly improved employees' mental resilience and disaster mitigation capabilities in the event of an emergency, ensuring the best protection for Advantech's assets and employees' lives.





Advantech China supported the "Fire Prevention Month" by launching a series of fire safety awareness campaigns and activities, including emergency evacuation drills for all employees to evacuate to an emergency gathering point, inspections of key electrical equipment lines and firefighting facilities, and fire extinguisher techniques. This not only raises employees' fire safety awareness and abilities to help themselves and each other, but also creates a corporate safety culture.





Advantech USA actively engages in cross-sector cooperation with local fire departments to enhance its emergency response capabilities. This year's visit included a guided tour of fire safety facilities, on-site equipment operations, and provided OHS training through fire drills. This not only significantly improved employees' professional knowledge of disaster prevention, but also strengthened the communication mechanism between Advantech and local emergency response systems.





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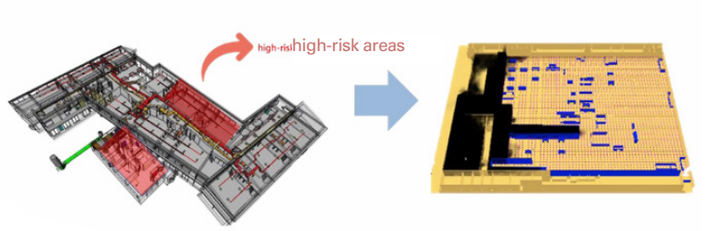
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Encountering and Science-based Response to Fire Risks – Collaboration with Taoyuan City Fire Department in a Disaster Prevention Project

Advantech Headquarters and the Taoyuan City Fire Department jointly implemented the "Corporate Disaster Prevention Project" in 2025. We introduced the Fire/Smoke Flow Simulation (FDS) system in high-risk areas to simulate the impact of 7 different factors (e.g., air conditioning system, fire alarm-linked exhaust equipment, and automatic sprinkler) to analyze the flow of smoke and temperature changes. This simulation assessment not only made the fire response process more effective, but also provided a scientific basis for upgrading and improving existing firefighting facilities. We will subsequently focus on equipment optimization and revise the response process.





5.5.3 Occupational Health Services and Management

Due to the rapid changes in the global business environment, Advantech firmly believes that talent maintenance has shifted from basic labor conditions to comprehensive welfare management. Employees' physical and mental balance is the key to corporate resilience and operational efficiency. Our health services encompass health examinations (including special health check-ups), health promotion activities, Employee Assistance Programs (EAPs), onsite physician consultations, and the tracking of four major health management plans. We provide employees with comprehensive health information through various channels, such as seminars, activities, competitions, and newsletters. Health hazards can be identified through health examinations and questionnaires, and subsequent risks can be minimized through health management and health promotion initiatives..

Physical and mental health
- EAP use: 117 participants
- Hours of EAP use: 63 hours
- Overall EAP satisfaction score: 93 points
- Career issues accounted of EAP at 21%

Healthcare
- Occupational physician interviews: 379 participants

Healthy workplace
- Maternity care: 59 participants
- Overload care: 11 participants
- Human-factor care: 70 participants
- Lectures for the elderly: 925 participants
- Number of employees reinstated: 9 employees
- AED training: 143 participants



Health examinations
- Number of participants in regular examinations: 2,860 participants
- Participation rate: 78%
- Health examination follow-up: 1,187 participants

Health promotion
- Health promotion lectures: 23 sessions
- Number of participants in health promotion activities: 2,489 participants
- Number of participants in weight loss activities: 136 participants
- Weight loss results: Lost 312.4 kg in total

- **Figure 5.5.4 Results of Healthcare Actions for Advantech Employees in 2025**

Health Promotion: Integration of Physical and Mental Protection

The headquarters has hired 4 Occupational Health Nurse in accordance with the law, while the Kunshan Plant exceeds regulatory requirements with 2 occupational health management personnel. Moreover, Advantech's Taiwan, USA, and Kunshan Plants provide health examinations to employees of all ages on an annual basis, exceeding the frequency required by the Occupational Safety and Health Act. In addition to employee health examinations and dividing them by physiological risk, we also actively provide mental health education and stress relief courses. Our Occupational Health Nurse apply the mental health knowledge they acquire from external professional training to practices in the workplace, creating a thoughtful psychological safety net with depth. This improvement in competency from the "inside out" allows health service personnel to more accurately identify workplace psychological risks, thereby creating a sustainable workplace environment with high resilience and humanistic care.

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Health Management: Integration of Diverse Health Resources

Advantech firmly believes that the well-being of employees is the cornerstone of a company. We utilize resources from different channels to not only provide employees with comprehensive physical health knowledge, but also internalize and implement the knowledge and skills of professionals, integrating psychological protection into routine management, ensuring that healthcare reaches every corner of the organization. Advantech continues to implement diverse health management measures, from health examinations, consultations with physicians, disease prevention, to digital health services, building a support system that places equal emphasis on employees' physical and mental health.

In terms of digital health management, in response to the trend of digitalization for workplace health, employees can access their personal health examination reports, make an appointment with an on-site physician, access consultation records, and review physiological measurement results on Line. In addition, physicians are arranged to provide health consultations on site every month, providing individual health guidance to high-risk employees, and continuing to implement health tracking and care.

In terms of disease prevention, Advantech has implemented a health education system based on seasonal health risks to achieve more effective disease prevention. In 2025, Advantech integrated the information of external hospitals and designed the "influenza vaccination map" to help employees quickly search for vaccination resources in different regions to prevent the flu from spreading, improving the convenience of vaccination and the resilience of public health in the workplace. This action combines health management and technology applications to comprehensively strengthen the resilience of public health in the workplace.

We partnered with the "Upharm" platform to launch the exclusive service "Receive medication at the company with one click" to make it more convenient to fill prescriptions for chronic diseases. Employees only need to upload their chronic disease prescription through the exclusive LINE account, and a pharmacist will prepare the medications and directly deliver them to Advantech. This service also extends care to employees' families, saving employees the hassle of traveling to hospitals and queuing for medication, while ensuring family members can conveniently access their required treatments. Advantech has created a thoughtful workplace environment through digital health services, fulfilling our commitment to deliver mutual benefits for employees and their families.

In addition to healthcare measures, we also attach importance to the overall well-being of employees, and incorporate mental health, work-life balance, and friendly support culture into the scope of workplace health management. In addition, for middle-aged and elderly employees, we follow the "Safety and Health Guidelines for Middle-Aged and Elderly Workers" of the Occupational Safety and Health Administration when organizing age-friendly activities and support measures, and continue to create a more friendly and inclusive work environment.

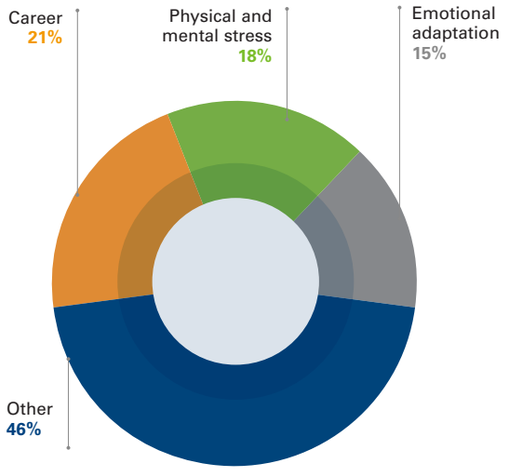


Add Upharm on LINE | Click "Upload Prescription" | Upload photo of prescription | Fill in information to receive medications | Upload completed

- **Figure 5.5.5 Process of Using the "Upharm" Platform**

Healthy Workplace Certification: Badge of Accredited Healthy Workplace

By analyzing annual health examination data, Advantech formulated an Employee Assistance Program (EAP) to provide comprehensive care for employees' physical, mental, and spiritual well-being. The overall satisfaction score for EAP users reached 93 points. The main reason for use was "Career," while other reasons include physical and mental stress and emotional adaptation.



The Advantech Headquarters and Linkou Plant received the "Healthy Workplace Certification – Badge of Accredited Healthy Workplace" from the Health Promotion Administration, Ministry of Health and Welfare this year.





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Advantech's Corporate Citizenship Strategy

Advantech applies its core competencies in IoT technology to support IoT education and innovations in sustainability education, in hopes of cultivating children, teenagers, and young adults in Taiwan into environmentally conscious global citizens. In particular, the Advantech Foundation's actions correspond to 4 United Nations Sustainable Development Goals (SDGs), including: SDG 4 (Quality Education), SDG 8 (Decent Work and Economic Growth), SDG 9 (Industry, Innovation and Infrastructure), and SDG 17 (Partnerships for the Goals).

In terms of social investment, education, and culture, Advantech promotes sustainability education and public aesthetic literacy. Aside from investing in educational innovation, we encourage and launch sustainability education promotion plans in elementary and middle schools, and also support private educational platforms in promoting project-based learning (PBL). Furthermore, Advantech continues to invest resources to assist vocational schools and arts and cultural groups in cultivating talented artists, actively promote public aesthetic literacy, and drive the development of arts and cultural industries, thereby strengthening Taiwan's soft power in the arts.

Medium- and Long-term Targets

Guided by Advantech's core philosophy of altruism, the Advantech Foundation's vision is to promote the development of intelligent and happy communities, and involves Advantech's stakeholders in "building IoT industry-academia co-creation," "enhancing children and youth's sustainability awareness and action," and "advancing the co-prosperity of enterprises and the arts." This allows Advantech to "Enable an Intelligent and Sustainable Planet," as we work towards becoming become a brand characterized by truth, kindness, and beauty.

The Foundation's core value is to "promote the sustainable development of technology and humanities communities through quality education." It aims to drive the balanced development of technology and humanities in all society through talent cultivation, and continually enhance Advantech's core competencies and resources. The Foundation systematically works towards its annual goals through "IoT industry-academia collaboration," "innovative sustainability education," "co-prosperity between arts and enterprises," and "charitable support for rural communities." All projects are reviewed and approved by the Board of Directors. Depending on the attributes and suitability of each project, stakeholders such as communities, employees, customers, and partners are invited to jointly participate to build consensus and expand their influence.

In 2025, the Foundation continued to strengthen international industry-academia collaboration, sustainability education for students, and ESG for culture initiatives. By integrating technology, education, and culture, the Foundation aims to achieve the co-prosperity of technology and humanities, and take action to contribute to global sustainability.

- **Table 6.1.1 Overview of the Foundation's Social Welfare Expenses in 2025**

Type of expense	Arts and culture	Industry-Academia	Education	Public welfare	Total	Percentage
Charitable donations	-	-	-	$ 6,221,350	$ 6,221,350	7 %
Community investment	$ 7,035,352	-	$ 9,305,796	$ 10,599,132	$ 26,940,280	28 %
Business initiatives	$ 7,923,415	$ 51,577,293	$ 2,400,000	-	$ 61,900,708	65 %
Total	$ 14,958,767	$ 51,577,293	$ 11,705,796	$ 16,820,482	$ 95,062,338	100 %

- **Table 6.1.2 Analysis of the Foundation's Expenses in 2025**

Form of expense	Arts and culture	Industry-Academia	Education	Public welfare	Total expenses
Cash donation	$ 14,510,004	50,029,974	$ 11,354,622	$ 16,323,126	$ 92,217,726
Volunteer expenses	-	-	-	$ 497,356	$ 497,356
Donation of goods	-	-	-	-	-
Management costs	$ 448,763	$ 1,547,319	$ 351,174	-	$ 2,347,256
Total	$ 14,958,767	$ 51,577,293	$ 11,705,796	$ 16,820,482	$ 95,062,338

- **Table 6.1.3 Social Welfare Expenses in the Past 4 Years**

Type of expense	2022	2023	2024	2025
Charitable donations	$ 7,476,680	$ 23,295,775	$ 8,438,520	$ 6,221,350
Community investment	$ 30,115,185	$ 23,017,605	$ 33,925,675	$ 26,940,280
Business initiatives	$ 54,460,140	$ 59,118,535	$ 59,222,058	$ 61,900,708
Total	$ 92,052,005	$ 105,431,915	$ 101,586,253	$ 95,062,338

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6.1 Innovative Sustainable Education and Prosperity in the Arts and Culture

Advantech's mission is to "Enable an Intelligent and Sustainable Planet." Therefore, we believe it is our responsibility to promote environmental sustainability, encourage innovation and sustainability education, enhance the development of the arts and culture industry, and cultivate talent, so that arts can thrive together with enterprises.

1. Our topics of concern:

- Promotion of the Sustainable Development Goals (SDGs)
- Problem-based learning (PBL) teaching model
- Diverse learning processes
- Development of arts and cultural industries
- Cultivation of creative talents
- Improvement of humanistic literacy

2. Goals to be achieved/Issues to be improved:

- Improve society's understanding and participation in the SDGs
- Promote PBL applications and innovative teaching models
- Promote diverse learning experiences and expressions in education
- Promote the sustainable development of the arts and culture industry and cultivate related talents
- Cultivate creative talents and improve humanistic literacy

3. Our role:

- As an advocate and leader of society, we are committed to promoting social responsibility and sustainable development in education and culture
- As a sponsor and supporter, we support the development of various innovative education and cultural programs
- As an educator and mentor, we raise public awareness and interest in sustainable development and humanistic literacy through activities and projects

4. Our methods:

- Provide funding to support innovative education and cultural projects, encourage creative, and cultivate talent
- Organize performances, exhibitions, salons, and lectures to provide platforms for exchanges and learning, and also promote the development and exchanges in arts and cultural industries
- Record audiovisual content to convey core messages and cultural values to the public
- Frequent communication and cooperation with schools and cultural institutions to promote the development of educational and cultural undertakings

5. Our strategies:

- Actively engage in sustainability education and incorporate the SDGs into actions and teaching
- Support and promote innovative education, including PBL and diverse learning experiences
- Organize a variety of cultural activities to promote the development of arts and cultural industries and improve humanistic literacy
- Collaborate with professional institutions to cultivate and support the growth and development of creative talents
- Widespread publicity and promotion to improve society's understanding and participation in sustainable development and cultural undertakings

6. Our actions:

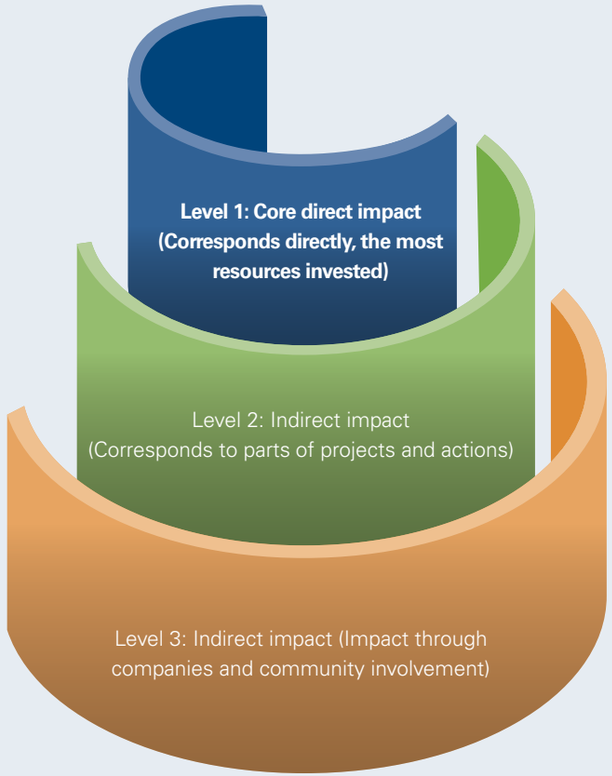
- Participate in various educational and cultural activities to show our commitment and implementation of sustainable development and cultural undertakings
- Encourage employees to participate in volunteer services and social welfare activities for the development and spread of positivity in society
- Establish a platform for cross-industry collaboration, and work with enterprises, academia, and non-profit organizations to jointly promote sustainable development and cultural undertakings
- Constantly assess and adjust our action plans to ensure their effectiveness and sustainability, and respond to the needs and changes in society and markets in a timely manner

- **Table 6.1.4 Sustainability Strategy Development Direction: Drive the Sustainable Development of Technology and Cultural Communities through Quality Education**

Theme	Development direction	Estimated social impact
Sustainability education (ACT Education Campaign & PBL Innovative Education)	Promote PBL in elementary and junior high schools across Taiwan, combining SDGs, and help students learn through action in the ACT Education Campaign	Deepen environmental education: We expect to see more than 100 sustainability action projects launched by students, promoting environmental protection actions on campus
Co-prosperity of arts and enterprises (ESG for culture & collaborative development of enterprises and arts)	Establish a co-creation mechanism between enterprises and the arts sector, support performing arts groups through sponsorship and partnership, and promote the concept of ESG for culture	Sustainable development of culture: Support multiple performing arts groups, improve the cultural literacy of employees and the general public, and drive the healthy development of the arts ecosystem

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ACT Education Campaign: Action, Creativity, Teamwork



■ Quality Education → Sustainability Education
- The ACT Education Campaign introduces PBL in elementary and junior high schools, and allows students to solve sustainability issues through actions and develop the ability to learn on their own.
- Educational resources and opportunities are provided in cooperation with companies, schools, and communities.

■ Responsible Consumption and Production → Sustainability Education
- The ACT Education Campaign encourage students to promote food recycling, plastic reduction, and low-carbon lifestyles on campus and in communities through PBL.

■ Climate Action → Sustainability Education
- Students design carbon reduction, green energy, and environmental protection actions through PBL projects.

■ Decent Work and Economic Growth → Co-prosperity of Arts and Enterprises
- Support the development of the art industry through corporate resources, support performing arts groups, and promote two-way cultural and economic development.
- [Foundation] Arts performances attracted 3,741 attendees in 2025.
- Cultivate technology and art talents to help students find development opportunities in business and cultural industries.

■ Partnerships for the Goals → Co-prosperity of Arts and Enterprises
- Collaboration between the culture and technology industries allows enterprises and art groups to co-create value and drive industrial development and social progress.

6.1.1 Innovative Sustainability Education

The Advantech Foundation has long focused on the innovation and development of education, and encouraged the creation of a learner-centric learning model that combines Advantech's determination to maintain Earth's sustainability with the implementation of sustainability education. We used the PBL model to lay the foundation for better learning experiences and benefits for children, teenagers, and young adults in Taiwan. Furthermore, we are committed to cultivating future talent through the implementation of various projects, including:

- ACT Dreamers: We actively invest in community culture and innovative education projects. Please see the "ACT Highlight Project" below.
- To promote the heritage of sustainable campuses and deepen ACT projects: We plan to add the "ACT Practitioner" program in 2026, and will select several schools to partner with based on their history of participation in ACT Dreamers, providing 3 years of funding and resources to assist each school in carrying out campus sustainability actions.
- Advantech sponsors high-quality sustainability education institutions for the diverse development of innovative education, such as the Chengzhi Educational Foundation, the CommonWealth Education Innovation Hub, DFC Taiwan, Pley School, and the Hsin Kang Foundation of Culture and Education.

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Taiwan's "ACT Education Campaign" Drives Innovative Education on the SDGs in Elementary and Junior High Schools Through PBL

The Advantech Foundation has invested resources into the "ACT Dreamers" program since 2020, and utilizes an innovative education model to unleash the infinite potential of learners. In 2022, we optimized our overall approach and introduced Project-Based Learning (PBL) for students to independently explore and collaborate in the process of solving real problems, deepening their understanding and implementation of the SDGs, and further cultivating future citizens with an international perspective and social responsibility. The Foundation aims to build a learning space full of creativity and the ability to take action by providing resources and systematic training, allowing students to learn through practice, solve real-world challenges through thinking and cooperation, and raise their sustainability awareness in the process of implementing projects, so that they become a key force that impacts the world.

Event Photos of "2025 Sustainable Action for a Better Future! Annual Conference"

The ACT Dreamers project requires all student proposals to address specific SDGs, and the process of project implementation cultivates the literacy needed for global citizenship. From issue discovery, research and design, action planning, to the presentation of results, the entire learning process takes place in the real world. The exploration and practices train their systematic thinking and decision-making abilities, and allow students to show their value in problem solving and community involvement as they work together as a team. To further improve the effectiveness of learning, the Foundation strengthened the PBL teaching system, introduced two-way empowerment courses for teachers and students, provided training for educators on innovative teaching methods, and assisted students in further analyzing SDGs and applying what they learned to actual issues in everyday life.

The ACT Dreamers project calls on approximately 20 Advantech employees to volunteer as industry mentors each semester, engaging in face-to-face discussions with students on logical thinking in real world situations, so that learning is more aligned with trends in society. Industry mentors help students engage in more comprehensive discussions. Issues that student groups have focused on include the environment, health, ecology, local revitalization, education and learning, and community care. The Foundation hopes to sow seeds of sustainability actions through this activity, and give students the ability to take action to care for society and solve problems.

In 2025, we continued to promote and participate in on-campus presentations in various schools. At the end of the semester, we held 4 cross-school sharing sessions for 40 elementary and junior high schools in Linkou Smart Technology Park and Taichung. In January 2026, we organized the 2025 Sustainable Action for a Better Future! Annual Conference at the Center for Public and Business Administration Education, National Chengchi University. A total of 43 schools set up 37 booths to jointly present their achievements at the event, which was attended by nearly 250 parents, teachers, and students. The event was divided into 4 major themes, "Environmental Sustainability, Local Revitalization, Cultural Heritage, and Humanistic Care," allowing students to show their ability to take sustainability actions and connect with the real world.



The 2025 Sustainable Action for a Better Future! Annual Conference at the Center for Public and Business Administration Education, National Chengchi University in January 2026.



Student groups go on stage to discuss project results and sustainability proposals.



Each school showcases the results of their ACT Dreamers PBL project at their booth.

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The "ACT Dreamers" project currently covers 62 schools in 15 counties and cities. We continued to expand our influence in 2025 and engaged in even more diverse cross-domain collaboration to closely align learning with the real world, allowing sustainability actions to be rooted in education and further drive changes in society. Advantech partnered with 29 schools in the fourth year of the project in 2024 (the 2023 academic year), and partnered with 39 schools in the fifth year of the project in 2025 (the 2024 academic year), which is an increase of 34%, reaching a total of 14,531 participants.



Linked SDG	Driving force	Theme	Input and output
4 QUALITY EDUCATION Introduce the PBL model in elementary and junior high schools to encourage students to resolve sustainability issues in their daily lives, such as food waste, energy conservation, and animal protection. 12 RESPONSIBLE CONSUMPTION AND PRODUCTION Students propose action plans for food surplus recycling and plastic reduction through PBL, raising their sustainability awareness. 13 CLIMATE ACTION Many student projects focus on environmental protection, such as community tree planting, carbon reduction initiatives, and energy conservation.	■ Support diverse innovative education, improve learning effectiveness, and encourage the implementation of a learner-centric education model. ■ Cultivate global citizens with sustainability awareness for Taiwan.	Promote sustainability education and organize "ACT Dreamers"	■ In year five, Advantech sponsored ACT Dreamers projects in 39 elementary and junior high schools, which led to 60 on-campus presentations and reached a total of 14,531 participants. ■ Organized 4 cross-school sharing events with over 700 teachers, students, and parents participating. ■ Organized a large-scale education annual meeting with over 250 participants from 43 schools and presented the learning outcomes of 39 groups. ■ The Foundation invested over NT$8 million.
		Sponsor high-quality sustainability education platforms	■ Sponsored the Chengzhi Educational Foundation in operating the KIPP Inspired School in Taiwan (KIST), which is an alliance of 14 schools for children in rural areas to show their talent. ■ Provided funding for DFC Taiwan to attend the "2025 DFC Annual Conference" and engage in exchanges with children from all over the world. ■ Sponsored the Sustainability Board Game Project of Pley School, and trained teachers to use board games to help students understand the SDGs. ■ Sponsored the "Trust Engineering - Community Care Project" organized by the Hsin Kang Foundation of Culture and Education to build a community care and support system. ■ Sponsored EDU-InnoHub's collaboration with 11 schools in Tamsui using the PBL learning model to cultivate problem-solving capabilities. ■ Provided over NT$4 million in funding.

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Highlight Project

ACT Dreamers Influences Local Communities

ACT X EDU-InnoHub Follow in the Footsteps of Mackay to Show the Spirit of Altruism

The Advantech Foundation and EDU-InnoHub jointly launched the three-year project "ACT X EIH Rooting Sustainability Education in Communities." The northern Taiwan project focuses on 5 elementary and junior high schools in the Tamsui River basin, and engages in in-depth education and innovation surrounding the "Mackay culture."

Event video

- We invited 11 schools and 3 teams to collaborate in the construction of a cross-domain sustainability education platform, and organized a total of 6 teacher training activities. We also organized one cross-school sharing event. Produced 11 course modules with the features of each school based on the spirit of the SDGs. In addition, 29 college students wrote a total of 100,000 words in their blog to establish specific social value evaluation standards.
- The project introduced the PBL model to optimize the school-based course module, aiming to help students better understand Dr. Mackay. By bringing historical knowledge and dramatic characters to life across real-world locations in Tamsui, the project guides students to experience Dr. Mackay's profound contributions to Taiwan, inspiring them to practice and pass on his legacy of altruism. The project was launched in 2025 and is committed to building a community cultural learning network, allowing students to complete the blueprint for self-building, local participation,



Students visit the Mackay Clinic and connect the actions of historical figures to local development in the real world, improving their understanding of the Mackay spirit and Tamsui's history.

6.1.2 Co-prosperity of Arts and Enterprises

Inheritance and Promotion of Traditional Culture and Art Education

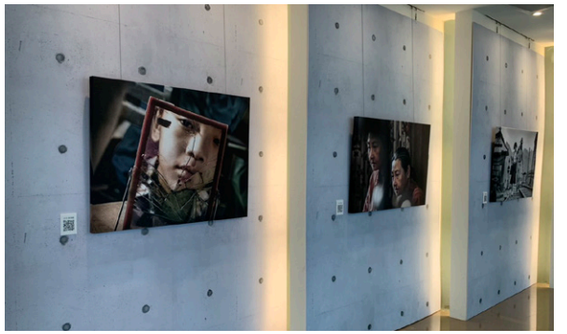
- Promoting Arts and Culture to Create the Co-prosperity of the Arts and Enterprises:
  - Advantech supports performing arts groups by organizing the "Art Salon," and sponsors several outstanding Taiwanese performing arts groups.
  - Produced and aired podcast "Easy Listening to Arts and Culture," inviting artists, curators, authors, and performers to introduce their performances, new books, films, exhibitions, or cultural activities.
  - Promoted cross-domain arts, held diverse exhibitions at the Advantech Gallery, and organized the Advantech Junior Painting Competition.
- Supported the Cultivation of Talented Individuals for the Arts Industry Through the Top-notch Program:
  - Sponsored the Graduate Institute of Performing Arts, National Taiwan Normal University: The Graduate Institute of Performing Arts, National Taiwan Normal University, is currently the only department/institute of a top university in Taiwan to focus on the development of Chinese musical theater. The Musical Theatre Elite Talent Cultivation Program aims to cultivate elite Chinese musical theater performers, which it achieves through a structured curriculum with domestic and overseas performance training. This program enhances the professional capabilities of performing arts talent and contributes to the sustainability of the performing arts market and ecosystem.
  - Sponsorships for the National Taiwan College of Performing Arts: Advantech has been a strong supporter of the National Taiwan College of Performing Arts since 2015, and sponsored graduation performances of the Department of Acrobatics, as well as the Peking Opera troupe and acrobatics troupe to improve their techniques, expanding performance opportunities for students of traditional arts and culture and increasing the visibility of traditional opera. To encourage students with exceptional skills to continue their studies, Advantech sponsored the Department of Acrobatics in establishing the "Advantech Elite Award" scholarship to recognize outstanding students.
  - Sponsored the GuoGuang Opera Company: To address the gap in Peking Opera talent, the "Youth Talent Cultivation Program" focuses on training promising young individuals. The program targets, recruits, and cultivates emerging talent from the current regular members and reserve members of the GuoGuang Opera Company, as well as students from the National Taiwan College of Performing Arts.
  - Sponsored the National Culture and Arts Foundation: The "Young Stars New Vision" program selects 3 artists under the age of 35 for creative presentations and lectures to cultivate creative talents and allow art to take root.

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Linked SDG	Driving force	Theme	Input and output
8 DECENT WORK AND ECONOMIC GROWTH Support the development of the arts and culture industry, provide corporate resources to support the cultivation of art talent, and create cooperation opportunities for arts and enterprises.	Pass on and promote traditional cultural and art education, and promote the cultivation and succession of young talents.	NTNU Graduate Institute of Performing Arts Musical Theatre Elite Talent Cultivation Program	■ Sponsored the "Musical Theater Elite Talent Cultivation Project" of the Graduate Institute of Performing Arts, National Taiwan Normal University, which cultivated 7 young talents and organized 22 performances and activities at the Festival d'Avignon and in the United Kingdom, attracting over 430 attendees. ■ Provided NT$1 million in funding throughout the year.
		Youth Development Project of National Taiwan College of Performing Arts	■ A total of 9 people received the Art Scholarship in the "Advantech ABLE Elite Award." ■ Sponsored public performances by the Department of Acrobatics and the acrobatics troupe. ■ Provided over NT$2 million in funding.
		Youth Talent Cultivation Program of the GuoGuang Opera Company	■ The "Through the Looking Glass – GuoGuang 30 Immersive Theatre" featuring the integration of technology and traditional art was performed a total of 183 times at Taipei 101. ■ The tour of "The Princess and Her Magic Fan" in France included a total of 8 performances, 3 seminars, and 5 lectures. ■ The "Peking Opera Succession Plan" trained 23 young talents, actively cultivating rising stars in Peking Opera in Taiwan. ■ Provided over NT$3 million in funding throughout the year.
17 PARTNERSHIPS FOR THE GOALS Promote cooperation between enterprises, academic institutions, and cultural groups, and combine arts, education, and technology to create greater influence on society.		National Culture and Arts Foundation's Young Stars New Vision Program	■ Sponsored the "Young Stars New Vision" program, supporting 3 young artists to hold 8 ticketed performances and 15 campus lectures across Taiwan, reaching over 500 teachers and students. ■ Provided NT$500,000 in funding throughout the year.
	Promote the development of the arts and culture industry, support and encourage the performance of high-quality arts groups, build the cultural audience, and promote aesthetic literacy education for all.	Promotion of diverse arts and culture	■ Supported close to 110 performances by arts groups. ■ Attracted over 3,800 attendees into the theater for the performances. ■ Sponsored outstanding theater troupes, such as FOCASA Circus Festival and Story Works, to bring performing arts across borders and touching local stories to more audiences. ■ As of the end of 2025, episodes 21 to 134 of the podcast "Easy Listening to Arts and Culture" aired and reached a total of 76,713 listeners. ■ Invited photographer Chen-Hsiang Liu and artist Li-Wei Chen to organize 2 exhibitions at the Advantech Gallery. ■ Provided over NT$7 million in funding.



"Through the Looking Glass – GuoGuang 30 Immersive Theatre" at AMBI SPACE ONE in Taipei 101, featuring the charm of integrating Peking Opera with technology.



In the first half of 2025, we invited photographer Chen-Hsiang Liu, the winner of the Outstanding Contribution Award at the Taipei Film Awards, to plan the "Film Scenes" photography exhibition in the art gallery of Advantech's headquarters.



In the second half of 2025, the artist Li-Wei Chen held a personal exhibition showcasing her unique impasto technique, transforming the canvas into the 4 seasons of Jade Mountain in Taiwan.

For photos of events in 2025

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6.1.3 Community Empowerment

Supporting Promising Athletes by Sponsoring Training Equipment and Related Funds

In recent years, our athletes have continued to achieve excellent results in international competitions, and many national team members have expressed their desire to utilize their experience and skills to cultivate the next generation of athletes. Advantech is willing to sponsor promising athletes in hopes that they become future members of national teams, while helping employees better understand national sports events and activities. The Foundation also organized the "College Division" and "Corporate Division" in the Advantech Cup Badminton Tournament. We also support basketball players through the "Nantou Advan Bulls U12 Basketball Team" and organized a public welfare basketball camp.

Driving force	Theme	Social/Environmental benefits and performance
Help athletes compete successfully at the international level.	National Athlete Heritage Program	Sponsored the training expenses of 2 young athletes in athletics and Judo. Provided nearly NT$800,000 in funding.
Provide the courts in Linkou Park to serve local communities	Community event sponsorship	Eighty students from 6 universities, including National Taiwan University, National Tsing Hua University, and National Yang Ming Chiao Tung University, were invited to enter the College Division of the Advantech Cup Badminton Tournament. Ten teams with 120 members were invited from corporate partners, including Micron, WT Microelectronics, and Macnica Galaxy, to compete in the Corporate Division.
Youth basketball player training program	Provide resources to rural areas	■ The Foundation attaches importance to the long-term development of sports in rural areas, and thus sponsored Empower to establish the "Nantou Advan Bulls U12 Basketball Team." ■ Organized the "Public Welfare Basketball Camp" and selected 60-70 people to participate in the second stage interview. Twelve male and 12 female student athletes were selected to participate in the camp. In the end, 4 student athletes were selected, and assistance was provided for them to apply for an NCAA full-ride scholarship at an American university.

- **Sponsored Athletes in 2025**

Expertise	Name	Competition results
Judo	Chen-Hao Lin	■ Women's 48-kg gold medal in Judo at the Gold Coast Oceania Open in 2025 ■ Women's 48-kg bronze medal at the Judo Grand Slam Tokyo in 2025 ■ The National Games Yunlin County 2025 | Women's 48-kg gold medal in Judo
Athletics (middle and long distance)	Hsin-Chen Chou	■ New Taipei City Athletics Open Competition 2025 ■ First place in the men's 1,500m ■ National Intercollegiate Athletics Open 2025 ■ First Place in the 1,500m College Division A ■ Taipei Autumn Cup Athletics Open 2025 ■ First place in the men's 1,500m



Chen-Hao Lin won the women's 48-kg bronze medal at the Judo Grand Slam Tokyo in 2025.



Hsin-Chen Chou won the gold medal after training camp in 2025.



Advantech began organizing the Advantech Cup Badminton Tournament in 2024, and invited teams in College Division B to participate.



Eleven companies were invited to participate in the second "Advantech Cup Badminton Tournament" at the Linkou Multipurpose Sports Center.

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ACT Public Welfare Basketball Camp: Transform Your Life and Make It to the NCAA

We received over 200 resumes since registration started in March 2025, and selected 60-70 students to participate in the second stage interview. After the interview, 12 male and 12 female student athletes were selected to participate in the camp. Their performance was observed during the five-day camp, and 1-5 student athletes were selected in the end. We formulated plans to assist and accompany them in applying for an NCAA full-ride scholarship at an American university. In 2025, 4 athletes were selected and we are currently accompanying them in their studies and basketball career according to plan. Our goal is to encourage student athletes to focus on their studies and continue to improve their skills to make it to a higher stage outside of Taiwan, so that they can see the world and let the world see their basketball skills. Most importantly, we hope that these elite basketball players will also help others as they continue to receive help, creating a positive cycle in which they use their expertise to benefit others.

Link of event



Advantech Foundation Sponsors the ACT Public Welfare Basketball Camp

Dreaming Bigger with the Nantou Advan Bulls U12 Basketball Team

The Foundation attaches importance to the long-term development of sports in rural areas, and thus sponsored Empower to establish the "Nantou Advan Bulls U12 Basketball Team." The Foundation provides systematic basketball training and team education in hopes of creating a stable and positive learning environment for children, giving them physical health, the spirit of teamwork, discipline, and confidence. At the same time, this closes the gap in resources in urban and rural areas, and makes sports a starting point for children to broaden their horizons and create future possibilities.

Link of event



Formed the "Nantou Advan Bulls" U12 Basketball Team

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6.1.4 Advantech Global Highlight Projects



China

Turning ESG into Action: Cultivating Industry-Academia Digital Talent and Practicing Cross-domain Nature-based Co-learning

- Co-creating with academia to deepen digital talent development for the industry

  In 2025, Advantech China (ACN) focused on promoting IoT adoption, developing teaching resources, and building innovative practice platforms, actively advancing talent cultivation. In terms of industry-academia collaboration, ACN co-established practical training bases, developed curricula, and cultivated faculty with several key universities, including Nanjing University of Science & Technology, Central South University, Beijing Information Science & Technology University, and Henan University of Technology. In terms of outreach, technical experts visited campuses to give presentations, reaching more than 1,000 faculty members and students, and invited faculty from 9 universities to visit and study at the Smart Factory Kunshan, while also organizing corporate visits that brought nearly 100 students into direct contact with frontline R&D activities. In terms of practice platforms, ACN co-organized the AIoT Innovation Application Competition with the China Association of Automation, attracting participation from 97 institutions, 275 teams, and 863 students. The event produced numerous innovative outcomes with practical application value and received 2 accolades on the CSR China Education Award: Best Responsible Enterprise Brand and CSR Impact Award for Responsible Innovation.

  In addition, centered on 4 themes—diverse care, green commuting, volunteer service, and biodiversity—ACN promoted employee ESG participation initiatives across multiple regions nationwide, covering cultural advocacy, green living, charitable donations, and nature education, among other dimensions.

- Cycling and walking: Making low-carbon choices part of everyday life

  ACN encourages employees to incorporate carbon reduction into daily commuting and life through 2 real-world initiatives

  - The Cycling Card Redemption program allows employees to redeem Meituan Bike membership cards using benefit points, offering 30-day and 90-day plans to suit different riding frequencies. The 30-day plan allows up to 3 rides per day, while the 90-day unlimited plan has no ride limit, with the first hour of each ride free of charge. Employees can complete redemption independently using a virtual code.
  - The 8,000 Daily Steps Challenge is conducted through the WeChat mini program Step Sports, with each cycle lasting one month, encouraging employees to reach a daily goal of 8,000 steps and rewarding them based on the number of days accumulated: 20 days or more earns the Gold Footprint Master Badge and 8 benefit points; 16 to 19 days earns the Silver Foot Pioneer and 5 benefit points; and 12 to 15 days earns the Bronze Step Badge and 3 benefit points.

- Journeying together across 3 regions: Deepening nature education, starting with the family

  ACN held Family Day events in North China, East China, and South China, featuring nature talks, mountain and beach cleanups, and eco-craft workshops that invited employees to bring their families out into nature for hands-on environmental education.

  - In North China, more than 300 participants worked together to create Advantech's Altruistic Tree using a fallen-leaf collage technique, realizing a two-way empowerment between altruism culture and sustainability responsibility. The lunch event also launched the Clean Plate Campaign initiative on-site, conveying ESG responsibility and calling on all employees to reduce food waste in daily life to help protect Earth's resources.
  - In East China, more than 170 employees and their families hiked Shuangzi Mountain, increasing their ecological conservation awareness through an immersive experience. In the afternoon, participants explored biodiversity at a greenhouse garden, where informative sessions and parent-child participation helped attendees understand the value of ecological balance and conveyed the concept of sustainable development.
  - In South China, more than 80 families took part in ESG parent-child craft activities centered on natural aesthetics, using fallen leaves and other natural materials to put the concept of circular symbiosis into practice and integrating nature education so that sustainability can take root in children's minds from an early age.

ACN will continue to deepen employee ESG participation, using concrete actions—from an everyday bike ride or walk to a fallen-leaf craft made during family learning—to more deeply root and practice sustainability culture.

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Korea

Innoworks Global Industry-Academia Program Enters Its Third Year with Inha University

In the second half of 2025, Advantech Korea partnered with Inha University to hold the third Advantech Innoworks Global Industry-Academia Collaboration Program. Prior to this, Advantech Korea had already collaborated with several universities, including Sungkyunkwan University, Hanyang University (ERICA Campus), Myongji University, and Kwangwoon University, continuing to cultivate practically skilled talent for the local community.

This year's program guided students in applying IoT and AI technologies to develop solutions for real-world industrial challenges. Project themes spanned 5 major areas: overall equipment effectiveness (OEE) monitoring, industrial site safety management, smart energy monitoring and management, predictive equipment maintenance, and smart factory autonomous research. Participating teams received professional funding support and visited the Advantech Korea Service Center (AKSC) factory in person. At the results presentation on December 29, a total of 6 outstanding teams were recognized with awards.

Since its launch in 2019, the program has entered its sixth edition, with a cumulative total of 10 participating countries, including: Taiwan, China, Vietnam, Malaysia, Singapore, Brazil, Indonesia, Korea, India, and Thailand. In 2025, a total of 360 student teams comprising 1,440 students from 122 universities and colleges across 6 countries took part. The president stated that Advantech Korea will continue expanding collaboration with more universities, providing further opportunities for local AIoT talent development.

Wildfire Relief Donation Supporting Community Reconstruction

In spring 2025, large-scale wildfires broke out across multiple regions of South Korea, leaving many residents homeless. Advantech Korea activated its CSR Emergency Disaster Relief Program and held a donation ceremony on April 15 at its headquarters office in Gangseo District, Seoul, where the representative of the president personally presented KRW 20 million (approximately NT$470,000 to NT$500,000) to the Seoul Chapter of the Korean Red Cross. The funds were designated for emergency living-supplies assistance, as well as environmental cleanup and home restoration work in affected communities.

At the ceremony, the president explained, "Many residents in nearby communities lost their livelihoods in this sudden disaster, and we hope this donation can provide real help when they need it most. Advantech will continue to fulfill its corporate social responsibility going forward, standing with local communities to face challenges together."







Japan

Girls Tech Program: STEM Education and an Opportunity to Explore Careers in Semiconductors and Technology

On February 26, 2025, Advantech Japan held the second Girls Tech Program at its Nogata office, to which it invited 39 second-year high school students from Fukuoka Kaisei Girls' Senior High School to participate. Centered on women's career development in the technology manufacturing industry, the event comprised 3 segments—a company introduction, a factory tour, and a panel discussion with female employees—giving students a more concrete understanding of tech careers. The event concluded with a gift of mimosa flower bouquets, symbolizing gratitude, to send the students well wishes and encouragement.

The event began with an introduction to Advantech's company overview and Industrial PC application scenarios. That was followed by a tour of the factory and showroom, where students witnessed firsthand how components are assembled step by step into finished products. The panel discussion featured 6 female employees from different departments, including production, manufacturing, human resources, and marketing, who shared their work responsibilities and daily lives. For example, some employees travel overseas for business while others balance work with childcare; through these personal experiences, students came to understand that manufacturing careers offer more diverse possibilities than they had imagined. During the discussion, students also asked questions about the workplace environment, making the idea of work feel like a real, imaginable future.

Future Data Scientists: Programming Courses for Primary and Secondary School Students

Since 2022, Advantech Japan has held an annual programming camp every July and August to nurture future data scientists. The camp is run in partnership with Fukuoka Prefecture's Nogata City, Miyawaka City, Kurate District, and Kotake Town, along with AI software development partner GLEAP Co., Ltd. and students from Kyushu University. Now in its fifth year, the program—for junior high and high school students—has earned strong praise from local schools and parents, and continues to spark young people's curiosity about AI and IoT.

In summer 2025, the curriculum was divided into a WEB course and an AI course, each designed as a three-day program for beginners and students with prior programming experience. Participants engaged in hands-on practice and presented their results publicly on the final day. The AI course was held at Advantech's Nogata office, where participants experienced firsthand how programming is applied to the manufacturing and use of Industrial PCs (IPC) by visiting the showroom and manufacturing facility, further embodying Advantech's brand philosophy of "Enabling an Intelligent Planet."

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Europe

From Insect Hotels to Beehive Initiatives: Supporting Biodiversity Through Education, Habitat, and Community Co-creation

In response to global environmental challenges such as biodiversity loss, declining pollinator habitats, and weakening ecosystem services, Advantech Europe continues to drive nature-positive actions through concrete initiatives, supporting biodiversity conservation and ecosystem resilience.

Starting in the Netherlands with local insect hotels, office beehives, and environmental education, Advantech Europe transforms biodiversity issues into participatory, educational, and extendable sustainability practices. It has further extended its beehive initiative through cross-border collaboration to the Skikda region of Algeria in Africa, supporting local beekeeping, women's entrepreneurship, and natural product value chain development, creating shared impact that combines environmental, social, and economic value.

- **Building local habitats: Using insect hotels as environmental education venues**

  Advantech Europe first installed insect hotels at its operating site in the Netherlands, providing habitat space for bees, ladybugs, and other pollinating insects, and enhancing habitat diversity in the surrounding environment. This initiative transforms biodiversity from an abstract issue into an observable on-site practice, giving employees and the community a more intuitive understanding of pollinating insects' importance to ecological balance.

  Building on this foundation, Advantech Europe further partnered with a primary school in the Son en Breugel area, using insect hotels as environmental education materials to introduce students to insect ecology, habitat requirements, and micro-ecosystems within everyday environments. At the same time, beehives made from recycled wood were also installed at the AESC office, integrating resource circularity, environmental education, and pollinator-friendly habitats within the operating site.

- **Cross-border extension: Supporting the Skikda beekeeping initiative and sustainable livelihoods**

  Building on the foundation of its local beehive initiative in the Netherlands, Advantech Europe has further extended its biodiversity support to international communities. Through PUM Netherlands and local partners, Advantech is supporting a beekeeping initiative in the Skikda region of Algeria. From 2024 to 2026, beehives are being donated to local beekeepers and community organizations to help improve pollination efficiency, promote sustainable honey production, and support the health of the local ecosystem.

  This initiative uses beehives as a practical tool linking biodiversity conservation with community development. Through beekeeping activities, it fosters the exchange of local knowledge, boosts the value of bee-derived products, and creates a mutually reinforcing cycle among nature conservation, local economic growth, and sustainable livelihoods.

- **Creating community co-benefit: Connecting women's economic empowerment with local resilience**

  This initiative is also promoted with Green Ladies Cooperative, an important local partner. Green Ladies Cooperative is a women-led organization that combines beekeeping, prickly pear cactus cultivation, and natural cosmetics processing for sale. Honey and beeswax produced from the beehives can be used together with cactus oil in natural skincare products, creating added value and generating additional income opportunities for local women entrepreneurs.

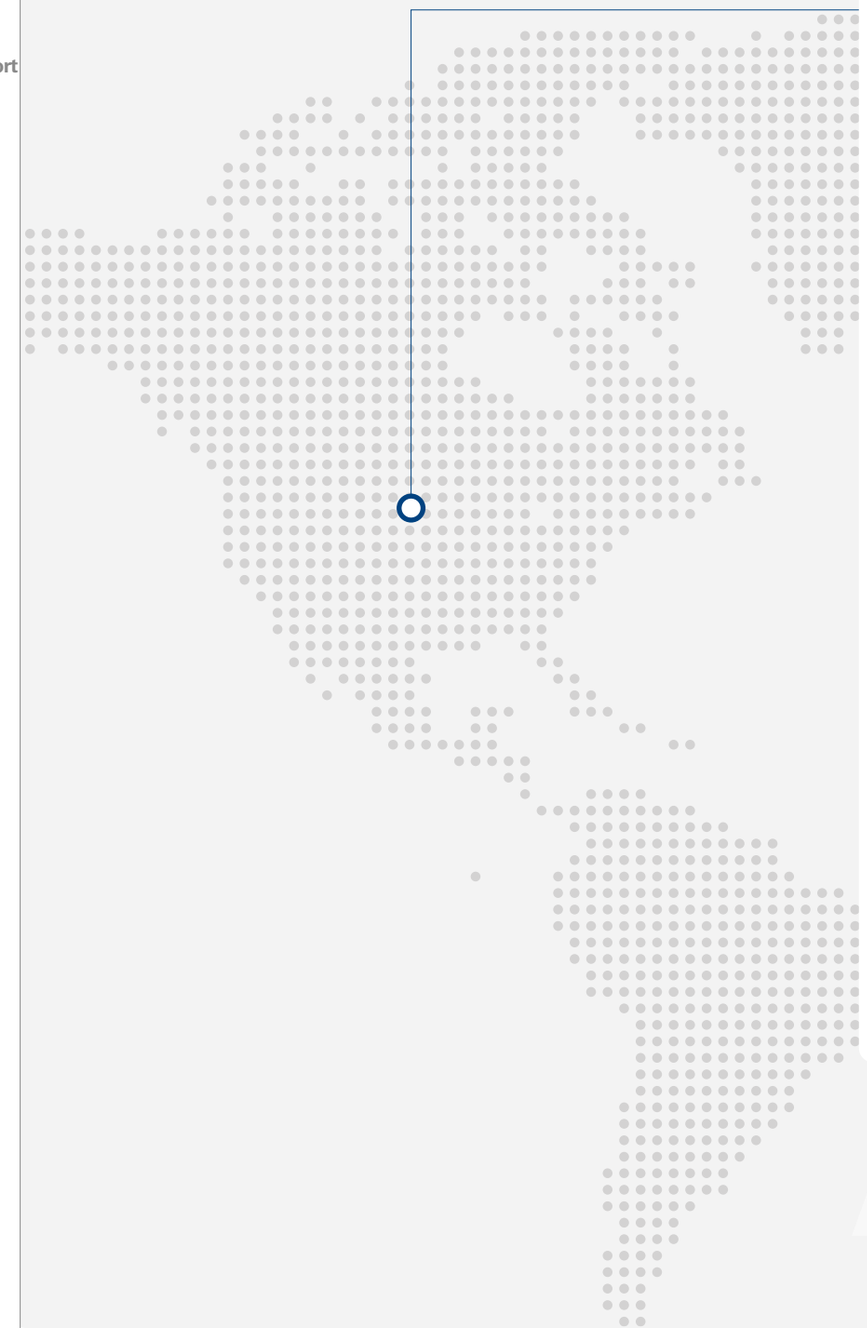
  By integrating local resources such as honey, beeswax, and cactus oil, the beehive initiative supported by Advantech Europe not only helps conserve pollinators and support ecosystem health, but also links to women's economic empowerment, micro-entrepreneurship, income diversification, and community resilience, demonstrating a sustainable impact that extends from local habitat building to cross-border community co-creation.

These initiatives not only reflect Advantech Europe's commitment to ESG values, but also further embed sustainability principles concretely into education and site management. Going forward, Advantech Europe will continue to deepen its nature-inclusive strategy, expanding nature-friendly spaces and environmental education partnerships to build a green social environment where people and nature coexist.



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United States

A4C Program—Corporate Action for Co-creating Warm Communities

To fulfill corporate citizenship responsibility and strengthen local engagement, Advantech USA launched the Advantech for the Community (A4C) program in 2021, aiming to give back to local communities. To that end, it partnered with charitable organizations and foundations that hold special significance for Advantech, integrating corporate resources and employee participation to expand positive impact on the community. A4C encourages employees to propose initiatives, with the A4C Committee coordinating funding allocation and event planning to build a corporate culture that fosters both engagement and a sense of belonging. Through sustained community engagement, the program not only strengthens the connection between employees and the community, but also extends further to employees' families, friends, and partners, driving broader positive impact.

In 2025, the A4C team continued its support for local environmental and social welfare organizations, weaving a spirit of giving back into everyday work and company culture. Through a range of meaningful, sustainability-driven initiatives, the team reflected Advantech's commitment and responsibility as a corporate citizen. The A4C program carried out initiatives across multiple locations, including Cincinnati, Milpitas, and Irvine, covering blood donation, children's medical fundraising, educational supply donations, and animal welfare, among other areas.

- **Medical support: From blood donation drives to children's hospital fundraising**

  In 2025, A4C promoted medical-related initiatives across multiple offices, covering blood donation and children's hospital fundraising, responding to local medical needs in various forms—from basic blood supply to resource support for families of critically ill children.

  The Cincinnati office partnered with the Hoxworth Blood Center to hold 2 blood donation drives throughout the year. A total of 21 employees participated, including 9 first-time donors, collectively donating 19 units of blood, estimated to potentially supply the needs of 57 people. That same year, the Cincinnati office also took part in the 20th annual Cincinnati Children's Hospital Walks for Kids event, supporting Cincinnati Children's Hospital as a participating sponsor. The Milpitas office partnered with the American Red Cross to hold its fourth annual blood donation drive. Employees donated a total of 15 units of blood, estimated to potentially supply the needs of 45 people.

  The Irvine office took part in the CHOC Walk as a Bronze Sponsor, joining the annual fundraising walk held at Disneyland. The office also ran a "Pie in the Face" fundraiser in parallel, which drew support from partners including AMD, Intel, NXP, and QNX and raised US$4,351 in a single event. Over the full year, the office donated a total of US$15,273 to Children's Hospital of Orange County (CHOC). That same year, the office continued its partnership with Ronald McDonald House Orange County, taking part in the annual Walk for Kids fundraiser. For the first time, Advantech set up its own dedicated booth at the event, where employees raised US$4,908 on-site. Combined with a US$10,000 corporate sponsorship, the event raised a total of US$401,954 to reach 107% of its original US$375,000 goal.

- **Supply donations: From school backpacks to pet care**

  During the back-to-school season, A4C simultaneously promoted school supply donation initiatives at the Cincinnati and Irvine offices. The Cincinnati office partnered with Matthew 25: Ministries to hold a "Pack a Backpack" event, with employees personally packing backpacks with school supplies for students in need in the Cincinnati area. The Irvine office partnered with Thomas House Family Shelter, with employees voluntarily organizing supplies and soliciting donations through an Amazon online wish list, preparing 60 back-to-school backpacks for students entering first grade.

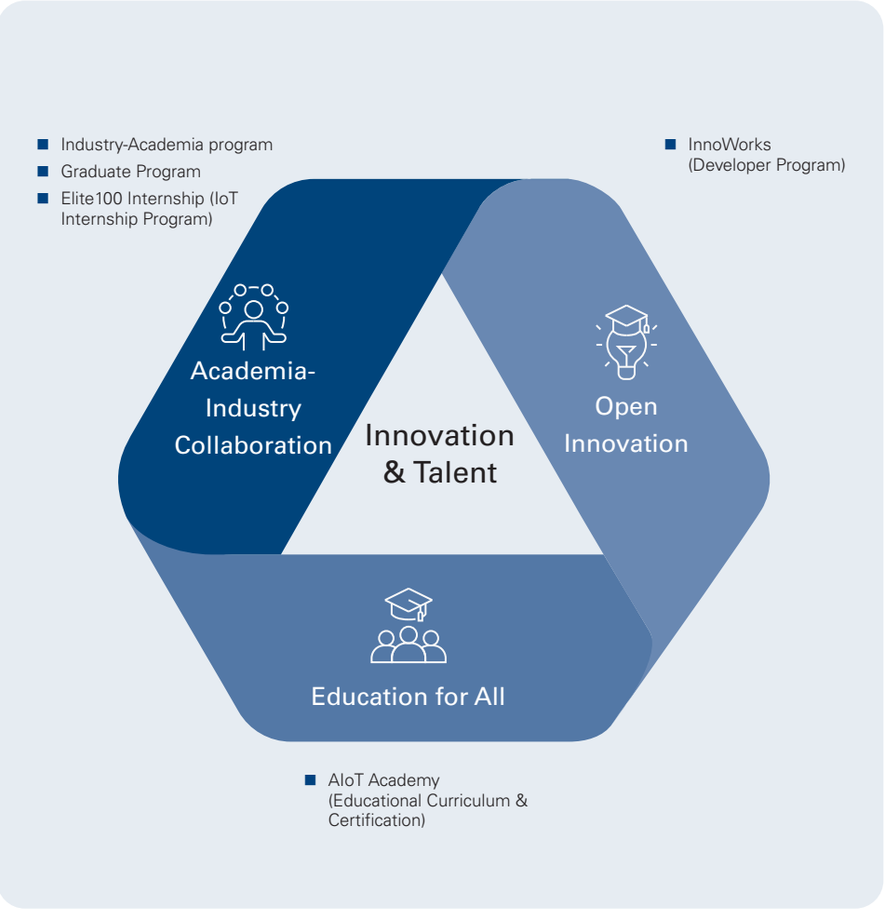
  In addition, Irvine office employees voluntarily visited OC Animal Care in Tustin to collect everyday items such as cat food, dog food, kitty litter, toys, and treats, helping economically disadvantaged families maintain daily pet care and reducing the number of animals entering shelters due to insufficient resources.

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6.2 IoT Education and Industry-Academia Co-creation

As an international benchmark company in IPC and IoT, Advantech considers the cultivation of IoT talents essential to its competitiveness and corporate sustainability. Therefore, with the vision of popularizing and deepening IoT education, we promote 3 major themes and 5 learning projects to cultivate IoT talent.



6.2.1 Industry-Academia Co-creation

Aligning education with employment: Promoting the co-creation ecosystem to drive industrial growth and create employment opportunities

University co-creation industry-academia project (see Chapter 3 for details)
Industry-Academia master's/doctoral students (see Chapter 3 for details)
IoT career exploration: Elite 100 IoT Internship Program

Advantech is committed to IoT education, focuses on innovation issues of each business group through the Elite100 Internship Program, and has built a platform for aligning education with employment. Interns work full time during summer vacation and are led one-on-one by an Advantech mentor, conducting in-depth research of industry practices and producing solutions.

- **Advantech's implementation units:** Human Resources, Business Units, Advantech Foundation
- **Subjects:** Students (practice-based learning), schools (industry-academia exchanges), partners (consultation and innovative co-creation)

We have cultivated over a hundred IoT elites since the program was implemented in 2018. The internship program strategically focused on 3 core aspects in 2025: Young talent elite cultivation, AI technology applications, and innovative businesses and early design.

- **Scale of talent cultivation:** A total of 26 outstanding students participated in the program, and executive level supervisors personally provided guidance and practice feedback during the mid-term/final presentation.
- **Project application:** Advantech insists on adopting a "practice-oriented" approach, and has introduced internal operations or product development processes in all intern projects over the years to implement innovative ideas.
- **Retention of sustainability talent:** A total of 8 students extended their internships in 2025 (the retention rate reached 30.7%), in which one intern was accepted into an R&D position for alternative military service and will report for duty in 2026.We successfully transformed internships into the starting point of careers, in hopes of building a stable and high-quality talent pool.

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- **Number of Interns in Recent Years:**

	2021	2022	2023	2024	2025
Number of interns	26	35	59	66	26
Number of internship extensions or transfers to full-time positions	7	7	18 internship extensions and 2 transfers to full-time positions	32 internship extensions (2 transfers to full-time positions, 1 R&D position for alternative military service)	8 internship extensions (1 R&D position for alternative military service)

*Note:

Internship program website: https://page.advantech.com/tw/intern

Highlights of internship activities:https://www.instagram.com/advantech_careers_tw/







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6.2.2 Innoworks Global Developer Program

• Open Innovation: Guiding Students to Engage in Cross-domain Co-creation to Drive Industrial Innovation

Innoworks Global Developer Program Competition

■ Event mechanism

AIoT Innoworks is an IoT-themed competition for students and developers worldwide. Based on Advantech's full range of products and services, participants learn to develop innovative applications in various industries and fields of industrial IoT, and tackle social and environmental challenges while competing for valuable rewards. Topics include but are not limited to public health, solar and wind power, smart agriculture, smart factories, smart campuses, and smart cities.

■ Continual development mechanism

- Outstanding student teams are recruited to join the R&D Elite 100 Internship Program
- Students participating in the competition are invited to join Advantech's Campus Seed Program, support the implementation of WISE-IoTSuite collaboration projects in various universities, serve as lecturers in campus training workshops, provide first-line AIoT Innoworks technical support, and respond to advanced development questions during technology forums.
- We support teams in the continual development of topics that are aligned with Advantech's product development plan or have long-term significance, and match them with internal product departments as needed to launch industry-academia collaboration projects.

■ Quantified results

- This year marks the sixth year of the competition since it was first held in 2019, and a total of 10 countries have participated, including: Taiwan, China, Vietnam, Malaysia, Singapore, Brazil, Indonesia, South Korea, India, and Thailand. In 2025, a total of 1,440 students in 360 student teams from 122 colleges and universities in 6 countries participated.
- Advantech implemented a social return on investment (SROI) evaluation plan in 2024, and determined that the SROI was NT$1.52. After analyzing the value distribution, we learned that participating in Innoworks helped teachers and students gain the industry's practical perspective and practical experience. This helped participants improve their expertise and further build connections.
- We further strengthened our role in the project implementation process in 2025 based on the survey results in 2024. In addition to inviting domestic and overseas Advantech employees to actively participate in the program as industry mentors, we also invited partners from all regions to jointly provide recommendations and support for the technical and business sides. We also welcomed companies to propose issues and provide sites for students to develop topics that better matched the current state of the industry.

Project-based approach to learn & innovate



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- **Case Study 1:** China – Held the First Advantech AIoT Innovative Application Competition in 2025 to Cultivate Industry Talents
  - Advantech China partnered with the Chinese Association of Automation to organize the "2025 Advantech AIoT Innovative Application Competition" in 2025. This competition is in line with Advantech's vision to "Enable an Intelligent and Sustainable Planet," and provides comprehensive development resources with industrial IoT and edge computing as the core technologies, guiding students to explore the unlimited potential of AI applications.
  - The scale of the competition was unprecedented as it successfully attracted 863 students in 275 elite teams from 97 top universities in China. The competition focused on the 2 main trends of "AI + industrial innovation" and "AI + smart city." It not only expanded forward-looking edge computing scenarios for the industry, but also established an innovation platform that integrates industry, academia, and research institutes. The practical exercises enabled Advantech to effectively close the gap between academic theory and industry practices, and cultivated the next generation of key technical talents for smart industries.

- **Case Study 2:** Vietnam – Expanding Influence Through the Joint Participation of 8 universities in Ho Chi Minh City
  - Advantech co-organized the Innoworks competition with the Vietnamese-German University (VGU), and engaged 7 universities in the southern region to invite student teams to participate in the competition. This year, the competition focused on "Smart Manufacturing and Energy & Environment," and received proposals from 40 teams. After the team of experts carried out the preliminary selection in the first stage, 20 teams were selected into the second round and participated in workshops organized by the Advantech industry mentor team.

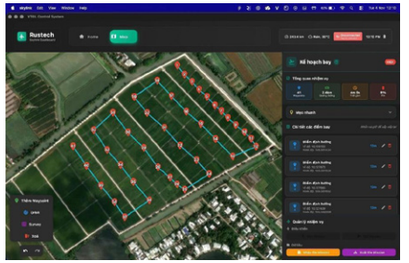
Report on Innoworks Vietnam Developer Program Competition

- **Case Study 3: Taiwan – Advantech partners with AWS to Explore Edge-Cloud Collaboration Possibilities**
  - Advantech joined the Taiwan Generative AI Application Hackathon organized by the National Development Council and AWS in 2025, which is in line with Advantech's strategic direction of edge computing and edge AI in 2025. Under the theme of cloud x edge collaboration, our goal was to allow developers to use their creativity to develop timely, innovative, and commercially feasible solutions through data collection from edge devices and processing of diverse sensing data, combined with AWS cloud and generative AI services.

- **Case Study 4: Thailand – Implementing Proof of Concept Projects to Accelerate the Implementation of IoT Applications**
  - Advantech Thailand collaborated with 3 universities and invited its local partner IBCON to serve as a mentor and provide technical support for issues encountered by students during development, while providing suggestions for the practical development of projects. It invited 9 teams to come up with creative ideas for "environmental monitoring," "energy management," and "AI applications." The team that won first place focused on monitoring underground water pipes, and used sensors to monitor abnormal sounds, vibrations, and water pressure, replacing the existing approach of manually listening. This showed the great potential of applying IoT and edge computing technologies in water management.

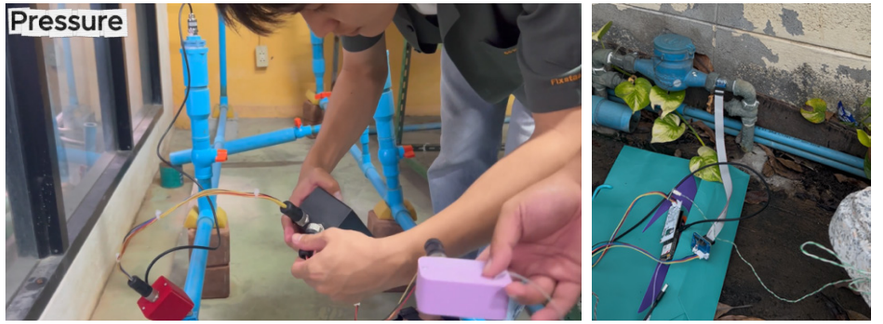


Advantech China's Poster for the AIoT Innovative Application Competition


Student Work – Drone-based Soil Monitoring System



Group Photo of Advantech's President of General Management and the Winner of the Advantech Division in the Taiwan Generative AI Hackathon



Student Work- Smart Water Pipe Monitoring

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6.2.3 AIoT AIoT Academy Higher Education Courses and Certifications for IoT

Closing the gap between higher education and employment by extending training from summer internships → long-terminternships → full-time positions

IoT Online Learning Platform
[AIoT Academy Higher Education Courses and Certifications]

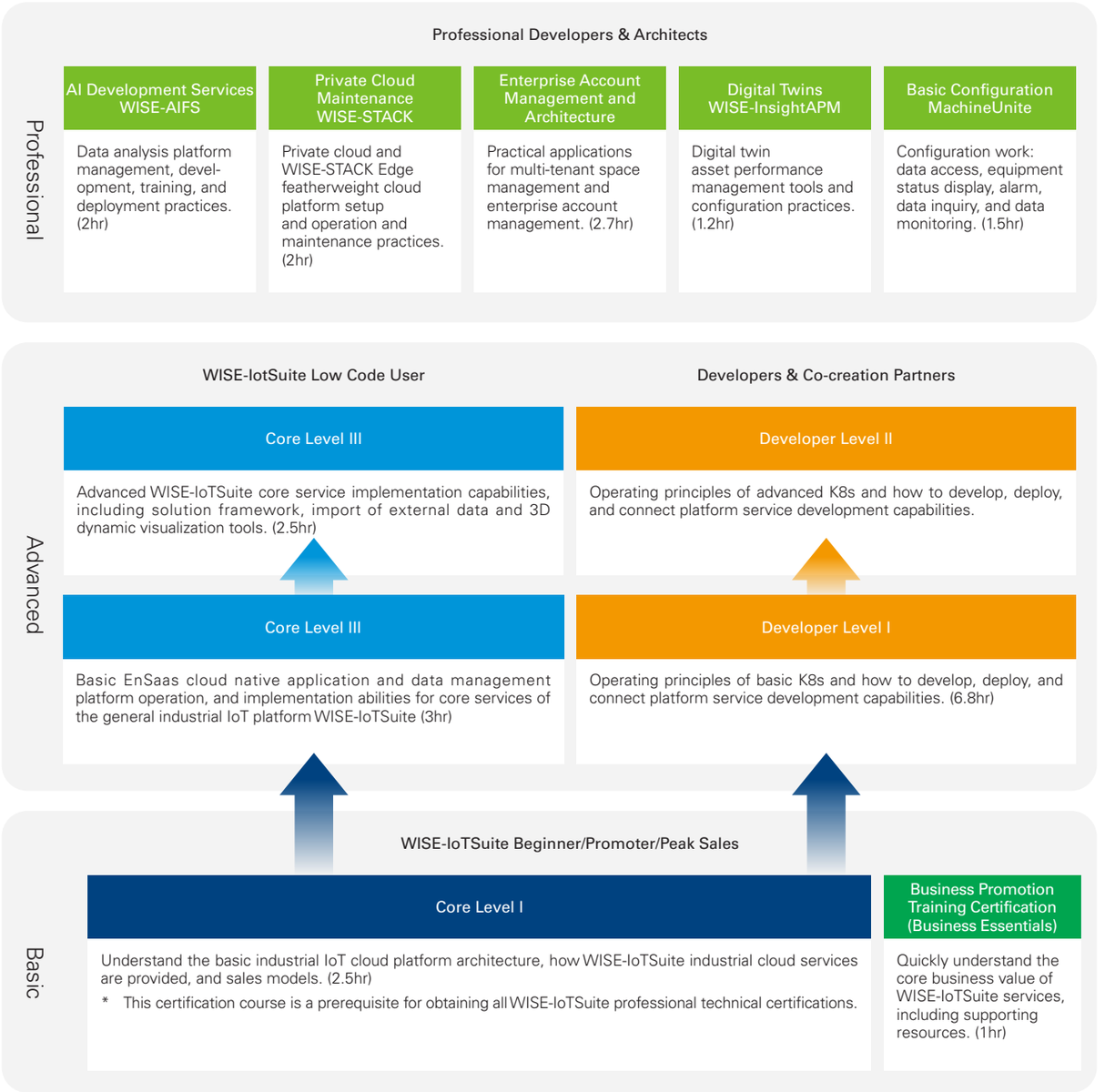
- Advantech's official website for training certification: https://academy.advantech.com/
- As an online platform for global learners to develop cloud-related skills, Advantech provides free accounts, tutorials, and dedicated spaces to explore industry cloud applications. The platform also supports users through course consultations, technology transfers, joint courses led by industry mentors, and certification pathways.
- **Internal units:** Technical Support Department, the Foundation, and Emerging Business Development Department
- **Main beneficiaries:** Students, schools, and the general public interested in IoT education
- **External collaboration:** Experts and scholars in the field of IoT
  - Advantech collaborated with 27 universities and universities of science and technology between 2018 and 2025.
  - IoT internship courses offered between 2018 and 2025: comprehensive experimental courses on smart manufacturing, industrial app development based on WISE-IoT, smart maintenance of equipment and production lines, industrial IoT, cloud data platform, and AI; a total of 6-30 hours of courses combining theory with industry solutions were jointly taught by industry mentors.
  - Nearly 3,500 students/teams had access to education platform services of the WISE-IoTSuite in 2021-2025.

Partner schools	
Taiwan	National Taiwan University, National Yang Ming Chiao Tung University (formerly National Chiao Tung University), National Cheng Kung University, Tunghai University, Chang Gung University, National Taiwan University of Science and Technology, National Taipei University of Technology, Chang Gung University of Science and Technology, National Yunlin University of Science and Technology, National Formosa University, National Chin-Yi University of Technology, and Lunghwa University of Science and Technology
China	Nanjing University of Science & Technology, Henan University of Technology, Donghua University, Beijing University of Technology, Suzhou City University, and Beijing Information Science & Technology University
Preparation of IoT and software engineering teaching materials	
Taiwan	National Taiwan University of Science and Technology, Tunghai University
China	Nanjing University of Science & Technology and Henan University of Technology
Development of IoT seminars and corporate visits	
China	Xi'an Jiaotong-Liverpool University, Dalian University of Technology, Henan University of Technology, Qingdao University of Technology, Nanjing University of Science & Technology, Beijing University of Technology, Qingdao University, Xi'an University of Technology, Wuhan University of Technology, Hohai University, Suzhou City University, and Jiangsu University of Science and Technology



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- **WISE-IoTSuite Certification Course Learning Path**



Case Study: China – IoT Lectures on Campus

Advantech strives to bridge the gap between industry and academia, and therefore launched the "IoT and AI Talent Cultivation Project" in China in 2025. We reached 2,000 teachers and students through 5 in-person seminars and live streams, effectively overcoming geographical constraints through the cyber-physical integration model, achieving equality in educational resources.

The agenda of the seminars focused on core competencies, such as "Deep integration of AI and IoT," "Edge to cloud collaboration," and "AI agent decision-making." The industry cases that were shared helped students develop systematic thinking and inspire innovative imaginations. Advantech not only empowers students with digital skills through knowledge transmission, but also cultivates innovative talents to drive the industry's sustainable development, thereby fulfilling our corporate social responsibility.





Seminar on IoT Organized by Advantech China on Campus

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6.3 Summary of the Foundation's Achievements

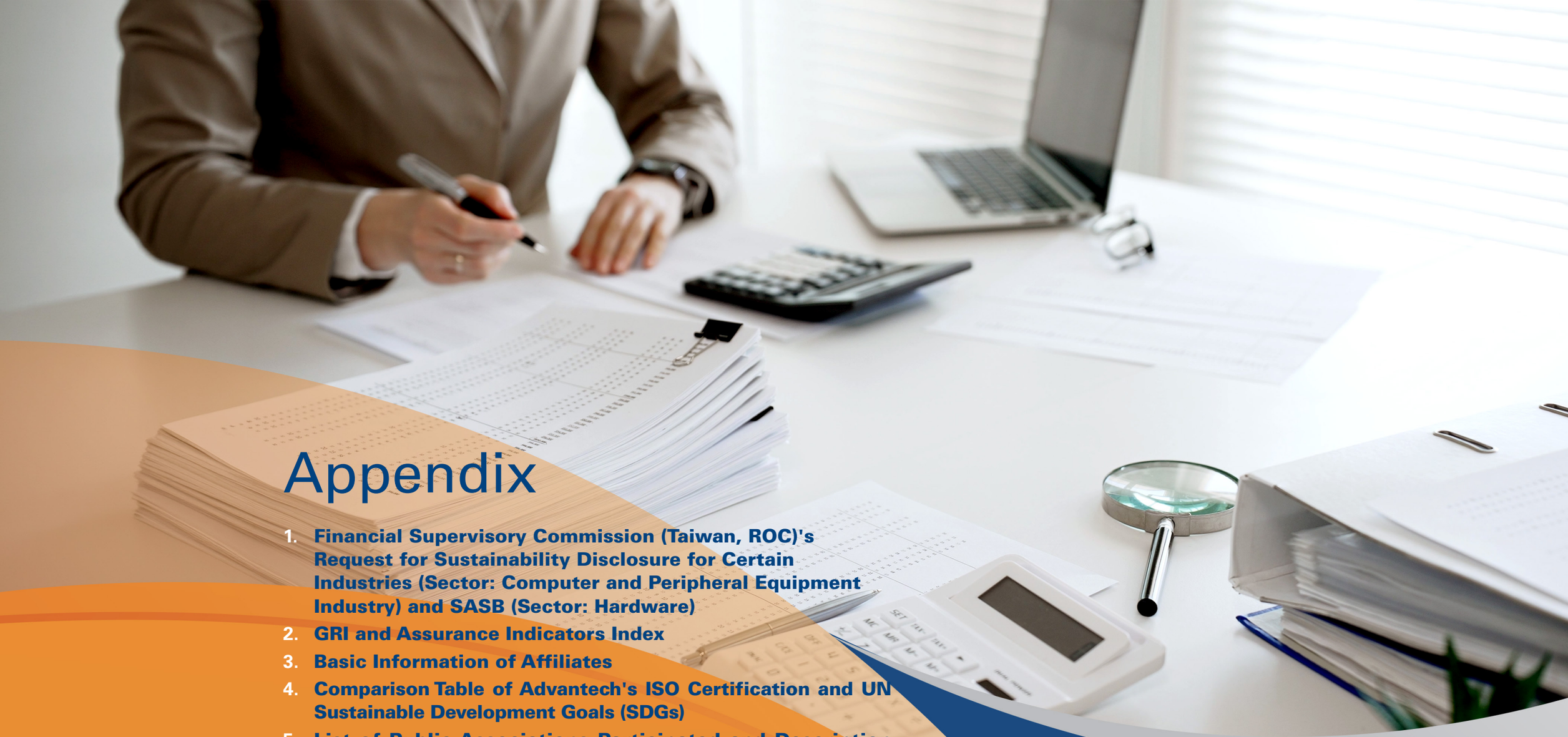
In 2025, the Advantech Foundation spent a total of NT$51,580,000 on IoT talent cultivation, NT$14,958,767 on the promotion of arts and culture, NT$11,705,796 on sustainability education, and NT$16,820,482 on public welfare.

The Advantech Foundation has made a long-term commitment to the cultivation of IoT talent, and continues to implement industry-academia collaboration mechanisms through the connections between locations of operations worldwide with local partners. This bridges the gap between education and employment and cultivates professional talents that meet industry needs. In 2024, Advantech China won 2 major awards in the "CSR China Education Award," including the "Best Responsible Enterprise Brand" and "CSR Impact | Responsible Innovation Award." The awards recognize Advantech's long-term contributions in China by encouraging students to innovate and by engaging in industry-academia collaboration, showing how we have effectively bridged the gap between industry and academia through our practical experience.

Focus	Project name	2025 results	2026 targets
IoT education and innovative talent cultivation	AIoT Innoworks Developer Program	Provided NT$8.7 million in funding. ■ A total of 1,440 students from 122 schools in 6 countries carried out 360 student projects.	Expected to provide NT$57.82 million in funding. **Innoworks** ■ Starting from Advantech's core business, provide software and hardware products, create an ecosystem for developers, and establish an AI expert bank. **AIoT Academy Higher Education Courses and Certifications for IoT** ■ Organize seminars on campus and reach 15 schools and 1,000 students. ■ Organize 4 IoT instructor training courses. **AIoT University Co-creation** ■ Develop a total of 10 industry-academia collaboration projects with National Yang Ming Chiao Tung University/National Taiwan University of Science and Technology/National Taipei University of Technology, and use innovative IoT technology applications to match industry needs with the technologies of key laboratories, assisting in the commercialization of academic results. **Tech Elite Scholarship** ■ Cultivate 30 outstanding students with industry experience. **Elite Internship Program** ■ Recruit 50 interns. ■ Organize 6 Open House corporate visits.
	AIoT Academy higher education courses and certifications for IoT	Provided NT$2.85 million in funding. ■ Nearly 3,500 students/teams had access to education platform services of the WISE-IoTSuite in 2021-2025. ■ Organized 5 campus seminars on IoT topics.	
	Elite Internship Program	Provided nearly NT$4.08 million in funding. ■ Strategically focused on 3 core aspects: Young talent elite cultivation, AI technology applications, and innovative businesses and early design. A total of 26 outstanding students participated. ■ A total of 8 students extended their internships (the retention rate reached 30.7%), in which one intern was accepted into an R&D position for alternative military service and will report for duty in 2026.	
Industry-Research co-creation	Industry-academia collaborative research and co-creation projects- National Yang Ming Chiao Tung University/National Taiwan University of Science and Technology/National Taipei University of Technology/ National Taiwan University College of Bioresources and Agriculture	**Provided NT$29 million in funding.** ■ Implemented a total of 11 industry-academia collaboration projects, including thermal, circuit diagram AI Agent, and high-frequency voltage conversion. ■ Developed new environmental and agricultural businesses and established 2 demonstration sites.	
Sponsoring legal entity	Sponsored the Asia America Multi-Technology Association (AAMA), Epoch Foundation, and AIoT Innovation Award of the Pan Wen Yuan Foundation	**Provided NT$5.2 million in funding.** ■ Recruited 11 startups together with AAMA and discussed co-creation plans with 6 companies. ■ Supported Epoch School in offering entrepreneurship training for college students. The program recruited 87 college students, organized 20 workshops and training events, and provided 100+ one-on-one consultations. ■ The Pan Wen Yuan Foundation recruited a total of 13 startup/student teams working on IoT applications.	
Promoting innovative and sustainability education	ACT Dreamers	**Provided over NT$8 million in funding.** ■ Sponsored ACT Dreamers projects in 39 elementary and junior high schools, which led to 60 on-campus presentations. ■ Organized 3 cross-school sharing events with over 500 teachers, students, and parents participating. ■ Organized a large-scale education annual meeting, invited a total of 43 elementary and junior high schools across Taiwan that set up 37 booths, and over 500 people participated.	This program will expand the scale of participation in ACT Dreamers. We expect 70 schools to transform PBL into concrete sustainability actions, and exert influence through cross-school sharing events. We will also launch the three-year "ACT Practitioner" project, enhance the Teacher Training Program for PBL projects, and organize PBL Youth Workshops during summer vacation. The funding provided for this project is expected to exceed NT$12 million.

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Focus	Project name	2025 results	2026 targets
Promoting innovative and sustainability education	Sponsor high-quality sustainability education platforms	**Provided over NT$4 million in funding.** ■ Sponsored the Chengzhi Educational Foundation to continue operating 7 KIST (KIPP Inspired School in Taiwan), providing a stage for children in rural areas to showcase their talents through its outstanding teaching structure and character. ■ Provided funding for DFC Taiwan to attend the "2025 DFC Annual Conference," so that it could share stories of how Taiwanese children creatively tackle challenges, and engage in exchanges with children from all over the world. ■ Sponsored the Sustainability Board Game Project of Pley School, and trained teachers to use board games to help students understand the SDGs. ■ Sponsored the "Trust Engineering - Community Care Project" organized by the Hsin Kang Foundation of Culture and Education to build a community care and support system. ■ Sponsored EDU-InnoHub's collaboration with 11 schools in Tamsui using the PBL learning model to cultivate problem-solving capabilities.	We will continue to support Education for Sustainable Development (ESD) and partner with quality educational platforms to promote sustainability education, strengthening its foundation throughout Taiwan. We expect to provide over NT$3.2 million in funding.
Promoting Youth Talent Cultivation	NTNU Graduate Institute of Performing Arts Musical Theatre Elite Talent Cultivation Program	**Provided NT$1 million in funding.** ■ Sponsored the "Musical Theater Elite Talent Cultivation Project" of the Graduate Institute of Performing Arts, National Taiwan Normal University, which cultivated 7 young talents and organized 22 performances and activities in Paris, France, attracting over 430 viewers.	Advantech will continue to support the "Musical Theatre Elite Talent Cultivation Program," and plans to provide NT$1 million in funding.
	Youth Development Project of National Taiwan College of Performing Arts	**Provided nearly NT$2 million in funding.** ■ A total of 9 people received the Art Scholarship in the "Advantech ABLE Elite Award." ■ Sponsored public performances by the Department of Acrobatics and the acrobatics troupe.	We will continue to support outstanding students through scholarships and top talent cultivation programs, and will also sponsor Peking Opera troupes and acrobatics troupes. We plan to provide NT$1.1 million in funding.
	Youth Talent Cultivation Program of the GuoGuang Opera Company	**Provided over NT$3 million in funding throughout the year.** ■ The "Through the Looking Glass – GuoGuang 30 Immersive Theatre" featuring the integration of technology and traditional art was performed a total of 183 times at Taipei 101. ■ The tour of "The Princess and Her Magic Fan" in France included a total of 8 performances, 3 seminars, and 5 lectures. ■ The "Peking Opera Succession Plan" trained 23 young talents, actively cultivating rising stars in Peking Opera in Taiwan.	Advantech will continue to support talent cultivation projects, and plans to provide NT$3 million in funding.
	National Culture and Arts Foundation's Young Stars New Vision Program	**Provided NT$500,000 in funding throughout the year.** ■ Sponsored the "Young Stars New Vision" program, supporting 3 young artists to hold 8 ticketed performances and 15 campus lectures across Taiwan, reaching over 500 teachers and students.	We will continue to provide funding for "Young Stars New Vision" projects, and plan to provide NT$700,000 in funding.
Enhance the development of the arts and culture industries	Promotion of diverse arts and culture	■ Provided over NT$7 million in funding. ■ Supported close to 110 performances by arts groups. ■ Attracted over 3,800 attendees into the theater for the performances. ■ Sponsored the high-quality plays and performances of the FOCASA Circus Festival and Story Works. ■ As of the end of 2025, a total of 134 episodes of the podcast "Easy Listening to Arts and Culture" aired and reached a total of 76,713 listeners. ■ Invited photographer Chen-Hsiang Liu and artist Li-Wei Chen to organize 2 exhibitions at the Advantech Gallery.	We remain dedicated to advancing the core value of "Co-prosperity of Arts and Enterprises" and broadening our perspective through diverse arts and cultural activities, including sponsoring outstanding local performing arts groups in Taiwan, organizing private performances for Advantech, and jointly cultivating creative talents with professional institutions. The target is to encourage 5,000 stakeholders to participate in arts and cultural activities. The funding provided is expected to exceed NT$8 million.
Training athletes to compete successfully at the international level	National Athlete Heritage Program	**Provided nearly NT$800,000 in funding.** ■ Sponsored the training expenses of 2 young athletes in track and field and Judo.	Continued to invest resources to organize sports tournaments and exchange events. Regularly organize the "Advantech Cup" Badminton Tournament (College Division and Corporate Division) each year and cultivate young athletes, such as: the public welfare basketball camp to encourage children to bravely pursue their dreams, and Nantou Advan Bulls team training.



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Aspect	Indicator code	Indicator	Indicator type	Unit	Disclosure chapter and page number
Environmental	Financial Supervisory Commission (Taiwan, ROC)'s Request for Specific Industries to Disclose Sustainability Indicator No. 1	Total energy consumption, percentage of purchased electricity, and utilization rate of renewable energy	Quantitative index	Gigajoule (GJ), percentage (%)	Chapter 4 Greenhouse Gas (GHG) Inventory and Energy Management Page number:128
	Financial Supervisory Commission (Taiwan, ROC)'s Request for Specific Industries to Disclose Sustainability Indicator No. 2	Total water intake and consumption	Quantitative index	Thousand cubic meters ($1000m^3$)	Chapter 4 Environmental Management Page number:137
	Financial Supervisory Commission (Taiwan, ROC)'s Request for Specific Industries to Disclose Sustainability Indicator No. 3	Percentage of hazardous waste recycled and its weight	Quantitative index	Metric ton (Mt), percentage (%)	Chapter 4 Greenhouse Gas (GHG) Inventory and Energy Management Page number:140
	■ TC-HW-410a.4 ■ Financial Supervisory Commission (Taiwan, ROC)'s Request for Specific Industries to Disclose Sustainability Indicator No. 5	Disclosure of product lifecycle management: Percentage of scrapped products and electronic waste recycled and its weight	Quantitative index	Metric ton (Mt), percentage (%)	Chapter 4 Eco Design and Sustainability Liability of Product Page number:107
	TC-HW-410a.1	Product Lifecycle Management Percentage of products by revenue that contain IEC 62474 declarable substances.	Quantitative index	Percentage (%)	Chapter 4 Eco Design and Sustainability Liability of Product Page number:104
	TC-HW-410a.2	Product Lifecycle Management Percentage of eligible products, by revenue, meeting the requirements for EPEAT registration or equivalent	Quantitative index	Percentage (%)	Chapter 4 Eco Design and Sustainability Liability of Product Page number:109
	TC-HW-410a.3	Product Lifecycle Management Percentage of eligible products, by revenue, meeting ENERGY STAR®	Quantitative index	Percentage (%)	Chapter 4 Eco Design and Sustainability Liability of Product Page number:109
Social	Financial Supervisory Commission (Taiwan, ROC)'s Request for Specific Industries to Disclose Sustainability Indicator No. 4	Describe the type of occupational disaster, the number of people involved, and rates	Quantitative index	Rate (%), quantity	Chapter 5 Occupational Health and Safety Page number:212-213
	C-HW-330a.1	Percentage of gender and racial/ethnic group representation for (1) management, (2) technical staff, and (3) all other employees	Quantitative index	Percentage (%)	Chapter 5 Diversity, Equality and Inclusive Workplace Page number:196 Appendix 8 Employee Structure Page number:258-263

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Aspect	Indicator code	Indicator	Indicator type	Unit	Disclosure chapter and page number
Governance	■ TC-HW-440a.1 ■ Financial Supervisory Commission (Taiwan, ROC)'s Request for Specific Industries to Disclose Sustainability Indicator No. 6	Description of risk management associated with the use of critical materials	Qualitative index	Not applicable	Chapter 2 Conflict Minerals Procurement Strategy Page number:60-62
	Financial Supervisory Commission (Taiwan, ROC)'s Request for Specific Industries to Disclose Sustainability Indicator No. 7	Total amount of pecuniary losses as a result of legal proceedings related to the anti-competitive behavior-related laws	Quantitative index	Reporting currency	Chapter 2 Integrity Management: Compliance with Laws, Anti-corruption, and Anti-competition Page number:37
	■ TC-HW-000.A ■ Financial Supervisory Commission (Taiwan, ROC)'s Request for Specific Industries to Disclose Sustainability Indicator No. 8	Output of main products by product category	Quantitative index	Varies by product type	Chapter 2 Economic Performance and Brand Value Page number:29
	TC-HW-230a.1	Product Security Description of approach to identifying and addressing data security risks in products	Qualitative index	Not applicable	Chapter 2 Sustainable Management of the Supply Chain Page number: 45
	TC-HW-430a.1	Supply Chain Management Percentage of Tier 1 supplier facilities audited in the RBA Validated Audit Process (VAP) or equivalent, by (a) all facilities and (b) high-risk facilities Tier 1 suppliers' (1) non-conformance rate with the RBA Validated Audit Process (VAP) or equivalent, and (2) associated corrective action rate for (a) priority non-conformances and (b) other non-conformances	Quantitative index	Percentage (%)	Chapter 2 Sustainable Management of the Supply Chain Page number:55
	TC-HW-430a.2	Supply Chain Management Tier 1 suppliers' (1) non-conformance rate with the RBA Validated Audit Process (VAP) or equivalent, and (2) associated corrective action rate for (a) priority non-conformances and (b) other non-conformances	Quantitative index	Rate	Chapter 2 Sustainable Management of the Supply Chain Page number:55
Activity indicator	TC-HW-000.B	Area of manufacturing facilities	Quantitative index	Square feet (ft²)	Chapter 2 Economic Performance and Brand Value Page number:29
	TC-HW-000.C	Percentage of production from owned facilities	Quantitative index	Percentage (%)	Chapter 2 Economic Performance and Brand Value Page number:29

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Statement of use	Advantech Co., Ltd. has reported its Sustainability Report with reference to the GRI standards and reported the information quoted in the GRI Content Index for the period from January 1, 2025 to December 31, 2025.
GRI used	In accordance with the GRI Standards 2021

GRI standards code	Disclosure item	Disclosure chapter	Page number	Note
Organization and practices report				
2-1	Organization details	2.1.1 Company Profile	28	
2-2	Entities[E1.1] included in the organization's Sustainability Report	About Advantech's 2024 Corporate Sustainability Report	3	
2-3	Reporting period, frequency, and point of contact[E1.1]	About Advantech's 2024 Corporate Sustainability Report	3	
2-4	Restatements of information	5.1.2 Employee Development Plan	176	
2-5	External guarantees and assurances	Appendix 7: Third Party Verification Statement Appendix 8: Third Party Assurance Report	264-268	
Events and workers				
2-6	Events, value chains, and other business relationships	2.1.1. Company Profile 2.3.1 Overview of Advantech's Industrial Value Chain	28,49	
2-7	Employee	5.1.1 Talent Attraction and Retention	154-167	
		5.1.2 Employee Development Plan	168-180	
		5.2.1 Employee Relations	181-191	
		5.2.2 Employee Living Wage	192-193	
		5.3 Diversity, Equality and Inclusive Workplace	194-200	
		5.4 Human Rights Protection	201-207	
		5.5 Occupational Health and Safety	208-216	
2-7	Employee	Appendix 6: Employee Structure	258-263	
2-8	Workers who are not employees	Appendix 6: Employee Structure	258-263	

GRI standards code	Disclosure item	Disclosure chapter	Page number	Note
Governance				
2-9	Governance structure and composition	2.1.2. Corporate Governance	31	
2-10	Nomination and selection of the highest governance body	2.1.2. Corporate Governance	31	
2-11	Chair of the highest governance body	2.1.2. Corporate Governance	31	
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Materiality: sustainable intelligent solutions				
3-3	Materiality management	3.1 Sustainable Intelligent Solutions	67	
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Materiality: eco design and sustainability liability of product				
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416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	4.1.2. Product Liability	102	
Materiality: innovative mechanism				
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Materiality management: GHG inventory and energy management				
3-3	Materiality management	4.3 Greenhouse Gas (GHG) Inventory and Energy Management	122	
305-1	Direct (Scope 1) GHG emissions	4.3.1 GHG Inventory and Management	124	
305-2	Energy indirect (Scope 2) GHG emissions	4.3.1 GHG Inventory and Management	125	
305-3	Other indirect (Scope 3) GHG emissions	4.3.1 GHG Inventory and Management	127	
305-4	GHG emission intensity	4.3.1 GHG Inventory and Management	126	
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305-6	Emissions of ozone-depleting substances (ODS)	4.3.1 GHG Inventory and Management	124	
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Materiality management: talent cultivation and development				
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401-1	New employee hires and employee turnover	5.1.1 Talent Attraction and Retention	156-157 165-167	
404-1	Average hours of training per year per employee	5.1.2 Employee Development Plan	176-179	
404-2	Programs for upgrading employee skills and transition assistance programs	-		Information cannot be disclosed
405-2	Ratio of basic salary and remuneration of women to men	5.1.1 Talent Attraction and Retention	162-164	
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401-2	Benefits provided to full-time employees (excluding temporary or part-time employees)	5.2 Employee Communication and Benefits	182-191
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404-3	Percentage of employees receiving regular performance and career development reviews	5.3 Diversity, Equality and Inclusive Workplace	159-161
405-1	Diversity of governance units and employees	2.1.2 Corporate Governance 5.3 Diversity, Equality and Inclusive Workplace Appendix 6: Employee Structure	31-32 194-200 258-263
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Percentage of significant suppliers who have signed the “Supplier Code of Conduct Consent”	2.3.1 Supplier Management	49
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Appendix3: Basic Information of Affiliated Enterprises

(Items marked with an asterisk (*) fall within the disclosure boundary of this report.)

Country/Region	Company Name	Main Business Activities
Taiwan	Advantech Co., Ltd.	Manufacturing, processing, and trading of embedded boards, industrial control products, applied computers, industrial computers, and AIoT hardware and software equipment.
Taiwan	Cermate Technologies Inc.	Manufacturing of electronic components, computer and peripheral equipment.
Taiwan	Advantech Intelligent City Services Co., Ltd.	Design, development, marketing, and sales of smart service solutions.
Taiwan	Advanixs Corporation	Manufacturing, marketing, and sales of industrial computers.
Taiwan	Yan Xu Green Electricity Co., Ltd.	Development of green energy power plants.
Taiwan	Huan Yan Water Solution Co., Ltd.	Sewage and wastewater treatment AIoT applications and operation management service solutions.
Taiwan	Advantech Corporate Investment	Securities investment.
Taiwan	Expetech Co., Ltd.	Computer systems integration services.
China	Beijing Yan Hua Xing Ye Electronic Science & Technology Co., Ltd.	Marketing and sales of industrial computers.
China	Advantech Technology (China) Company Ltd.	Production and sales of interface cards, peripheral equipment chassis, plastic casings, and accessories.
China	Shanghai Advantech Intelligent Services Co., Ltd.	Overseas investment.
China	Xi'an Advantech Software Ltd.	Software technology development and software product manufacturing.
China	Advantech Service-IoT (Shanghai) Co., Ltd.	Technical development, consulting, and services in the field of intelligent technology.
China	Shenzhen Cermate Technologies Inc.	Production of LCD touch screens, USB data cables, and industrial computers.
China	Adveco Technology Co., Ltd.	Technical development, consulting, and services in the field of smart buildings.
China	Adveco Management Consulting Co., Ltd.	Corporate management consulting, information consulting, planning, and services.
China	Adveco Management Consulting No.1 (Limited partnership)	Corporate management consulting, information consulting, planning, and services.
China	Adveco Management Consulting No.2 (Limited partnership)	Corporate management consulting, information consulting, planning, and services.
China	Shanghai Fuhua Huichuang Intelligent Information Technology Co., Ltd.	Development and sales of information security equipment, intelligent systems, and cloud technology.
Japan	Advantech Japan Co., Ltd. (AJP)	Marketing and sales of industrial computers.
South Korea	Advantech KR Co., Ltd. (AKR)	Marketing and sales of industrial computers.
Netherlands	Advantech Europe Holding B.V. (AEUH)	Overseas investment in manufacturing and service industries.
Netherlands	Advantech Europe B.V. (AEU)	Marketing and sales of industrial computers.
Netherlands	Advantech Automation Corporation B.V. (AAC NL)	Overseas investment in manufacturing and service industries.
Germany	AURES Technologies GmbH	Sales of retail-related hardware and computer equipment.
Germany	Advantech Europe B.V. (German branch)	Provision of marketing support services.
USA	Advantech Corporation (ANA)	Assembly, marketing, and sales of industrial computers.
USA	BitFlow, Inc. (ABO)	Core high-speed image acquisition technologies in the high-end imaging and AI machine vision fields.
USA	A.G.H. US Holding Company, Inc.	Holding company.
USA	Retail Technology Group Inc.	Maintenance, installation, and technical support for retail services.
USA	Aures Technologies Inc.	Sales of retail-related hardware and computer equipment.
Czech Republic	Advantech Czech s.r.o. (ACZ)	Automatic control manufacturing.
Ireland	Advantech Technology Limited (AIE)	Industrial network communication.
Poland	Advantech Poland Sp zo.o. (APL)	Marketing and sales of industrial computers.

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Country/Region	Company Name	Main Business Activities
Poland	Advantech Europe B.V. (Polish branch)	Provision of marketing support services.
Spain	Advantech Europe B.V. (Spanish branch)	Provision of marketing support services.
France	Aures Technologies S.A.	Sales of retail-related hardware and computer equipment.
France	Advantech Europe B.V. (French branch)	Provision of marketing support services.
Italy	Advantech Europe B.V. (Italian branch)	Provision of marketing support services.
Sweden	Advantech Europe B.V. (Swedish branch)	Provision of marketing support services.
UK	J2 Systems Technology Limited	Holding company.
UK	AURES Technologies Ltd.	Sales of retail-related hardware and computer equipment.
UK	Advantech Europe B.V. (UK branch)	Provision of marketing support services.
Singapore	Advantech Co., Singapore Pte, Ltd. (ASG)	Marketing and sales of industrial computers.
Thailand	Advantech Corporation (Thailand) Co., Ltd. (ATH)	Marketing and sales of industrial computers.
Indonesia	PT. Advantech International (AID)	Marketing and sales of industrial computers.
Malaysia	Advantech Co., Malaysia Sdn. Bhd (AMY)	Marketing and sales of industrial computers.
India	Advantech Industrial Computing India Private Limited (AIN)	Marketing and sales of industrial computers.
India	Advantech Raiser India Private Limited (ARI)	Marketing and sales of industrial computers.
Australia	Advantech Australia Pty Ltd. (AAU)	Marketing and sales of industrial computers.
Australia	AURES Technologies Pty Ltd.	Sales of retail-related hardware and computer equipment.
Vietnam	Advantech Vietnam Technology Company Limited (AVN)	Marketing and sales of industrial computers.
Hong Kong	Advantech Automation Corp. (HK) Limited (AAC HK)	Overseas investment in manufacturing and service industries.
Hong Kong	HK Advantech Technology Co., Ltd. (ATC HK)	Overseas investment in manufacturing and service industries.
Canada	Advantech Corporation (Canadian branch)	Provision of marketing support services.
Canada	Cermate Software Inc. (CSI)	Software development.
Brazil	Advantech Brasil Ltd. (ABR)	Marketing and sales of industrial computers.
Mexico	Advantech Electronics, S.A.P.I. DE C.V. (AMX)	Marketing and sales of industrial computers.
UAE	Advantech Technology FZCO (ADB)	Industrial network communication.
Turkey	Advantech Turkey Teknoloji A.S. (ATR)	Wholesale of computers and peripheral equipment.
Israel	ADVANTECH IOT ISRAEL LTD. (AIL)	Industrial network communication.
British Virgin Islands	Advantech Technology Co., Ltd. (ATC)	Overseas investment in manufacturing and service industries.
Samoa	Landmark Co., Ltd. (Landmark)	Investment company.
Cayman Islands	Advantech Corporate Investment Ltd. (ACI KY)	Investment company.

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Appendix 4: Advantech's ISO Certifications and UN Sustainable Development Goals (SDGs) Mapping Table

ISO Certification		Certification Scope							Corresponding SDGs
Category	ISO Standard	HQ	ATMC	AKMC	AJP	AKR	ANA	AEU	
Quality	ISO 9001 Quality Management System	☑	☑	☑	☑	☑	☑	☑	
	ISO 13485 Medical Devices Quality Management System	☑	☑	☑			☑	☑	
	ISO 17025 Laboratory Quality Management System	☑	☑	☑			☑		-
Environment	ISO 14001 Environmental Management System	☑	☑	☑	☑	☑	☑	☑	
	ISO 14064 Greenhouse Gas Inventory Standard	☑	☑	☑	☑	☑		☑	
	ISO 50001 Energy Management System	☑	☑	☑					
Safety	ISO 45001 Occupational Health and Safety Management System	☑	☑	☑		☑	☑	☑	
Information Security	ISO 27001 Information Security Management System	☑	☑	☑			☑	☑	-

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Appendix 5: Participation and Resources Invested in Associations

Significance and Importance of Participation in Associations

Advantech participates in domestic and overseas government and non-governmental organizations to promote industrial IoT solutions for smart factory, smart manufacturing, smart healthcare, smart transportation, smart logistics and retail, and the iEMS. In addition, we also participate in various IoT technology certification bodies around the world to ensure the introduction and promotion of cutting-edge IoT technologies to the public.

Under Advantech's vision of "Enabling an Intelligent Planet," we have dedicated consistent efforts to building a complete industrial ecosystem with various industries and partners from day one, and co-created various IoT software and hardware solutions.

Performance Overview

Advantech participates in more than 40 government and non-governmental associations and organizations around the world, engaging in and investing more than NT$4 million in industry promotion, technological development, and green sustainability, mobilizing hundreds of employees around the world to take part.

Highlight Project 1
From AI implementation to global collaboration, Advantech pushes forward high-quality development in the manufacturing industry



Advantech was invited to attend the Industrial Internet Conference. Allan Tsay, president of the Industrial IoT Group, Advantech China, participated in the roundtable discussion on "The Era of Artificial Intelligence, Insights and Exploration of the Pathway for High-Quality Development of Industrial IoT" as a "practitioner and promoter of smart manufacturing," and discussed the new trend of integrating AI into industry with representatives of SAP, Huawei, Zenith Steel Group, and Antiy Labs. He shared Advantech's real-world experience in AI+ manufacturing and global ecosystem strategy, which received enthusiastic responses and attracted great attention at the venue.

Advantech pointed out that the value of AI is not limited to innovative concepts, but whether it can stably provide better results that can be replicated in real-world production situations. Using our own electronics manufacturing production lines as an example, we optimized the switching and spot inspection process through multi-modal edge AI technology, significantly reducing the amount of manpower needed and improving production efficiency and yield. In terms of energy management, we integrated AI algorithms with photovoltaic and energy storage systems to realize dynamic coordination of production and energy consumption, and help reduce carbon emissions and improve the efficiency of the manufacturing process.

With operations around the world, Advantech further extended its mature smart manufacturing experience to overseas markets, supporting customers in building a smart factory system that takes into account local operations and global collaboration. Through the integrated application of "technology, scenario, and system capabilities," Advantech continues to advance the manufacturing industry toward greater quality, resilience, and sustainability.

Highlight Project 2
Advantech accelerates AI-powered upgrade to situation-based smart manufacturing



In the manufacturing industry's smart and sustainable transformation process, Advantech is implementing situation-based AI applications in our production sites. In 2025, we were invited to attend the "China Industrial AI Conference" organized by the China Association for Mechatronics Technology and Application. Senior Industry Development Manager Li Jin was invited to share Advantech's practical experience in edge computing and AI integration.

Advantech pointed out that the key to smart manufacturing is not the stacking of technologies, but whether it can create replicable application results in core scenarios, including equipment operation and maintenance, energy management, EHS, and supply chain. Using Advantech's manufacturing center as an example, nearly 20 AI application scenarios have been introduced in the 7 major manufacturing services. We are using AI Agents to analyze production bottlenecks, perform preventive maintenance of equipment, and optimize the supply chain, significantly improving productivity and the speed of decision-making.

In terms of energy and safety management, we further extended the capabilities of AI to carbon management and EHS applications, helping Advantech reduce energy consumption and strengthen compliance management. We provide the manufacturing industry with upgrade paths that take into account efficiency, resilience, and sustainable development through total solutions of "Edge AI+ Scenario Application."

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Highlight Project 3

Precision alignment with key system integrators during the CSIA Annual Conference expands edge AI business opportunities for Advantech in North America

Advantech North America (ANA) participated in the annual conference of the Control System Integrators Association (CSIA) held in San Diego, California. The top system integrators and automation experts in North America gathered together at the event. The main goal for participating in the event was to make contact with key system integrators and retailers, and raise market awareness of Advantech edge AI products through demonstrations and real-world examples. At the booth, we introduced an edge AI computing platform equipped with NVIDIA's Blackwell GPU, IPCs and AI hardware designed for real-time factory operations, and LoRaWAN sensors for predictive maintenance and energy monitoring, presenting a variety of applications for manufacturing scenarios. The event successfully attracted multiple heavy weight potential customers and channel partners. The team plans to build on the benefits from participating in the event and follow up on these qualified potential customers, arranging exclusive calls to explore cooperation opportunities, and strengthening strategic partnerships in the system integration ecosystem through LinkedIn.





Highlight Project 4

Advantech collaborates with Taiwan Cold Chain Association and industry partners to develop efficient, low-carbon smart logistics scenarios

As AI, edge computing, and IoT technologies mature and importance continues to be attached to ESG, energy conservation, and carbon reduction, Advantech is committed to connecting sensing, computing, and cloud applications through edge computing and AIoT platforms, helping logistics and transportation companies make progress in their digital transformation and low-carbon operations. At the "30th Taipei International Logistics & IoT Exhibition" in August 2025, Advantech collaborated with the Taiwan Cold Chain Association and multiple ecosystem partners to showcase all scenarios solutions for warehousing, automated handling, cold chain monitoring, smart fleet, port asset tracking, and retail services, showing actual results of technology-driven improvements in operational efficiency reduction of carbon emissions. The solution used for demonstration showed that real-time route optimization, driving behavior analysis, and preventive maintenance mechanisms effectively reduced carbon emissions and fuel consumption by more than 25%, creating a win-win situation for energy conservation and operations.



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Highlight Project 5
Advantech joins the Taiwan Nature Positive Initiative (TNPI), empowering ecological protection through its core business

Advantech is deeply involved in the Taiwan Nature Positive Initiative (TNPI) for ecological protection, and stays up to date on the latest trends in "Nature Positive" and biodiversity by attending the Chief Sustainability Officer Lunar New Year Engagement Tea Party, engaging in exchanges on biodiversity cooperation and governance strategies with the public sector and companies, attending forums related to CBD COP16 and UNFCCC COP30, monitoring the latest business activities related to global biodiversity and climate change, and attending the nature expert engagement tea and workshops. We are also attempting to assist ecological conservation or environmental monitoring with the advantages of our core business.



Highlight Project 6
RE100 and supply chain empowerment

As an important member of RE100, Advantech not only regularly attends its general meetings and online technical meetings, but also participates in the latest Tre 100 initiatives, discussions on Taiwan's CPPA price survey, and discussions on the supply and demand of renewable energy in Taiwan. Advantech has also served as the chair of general meetings and guided participatory discussions. We consider energy transition to be a collective action. In response, we organized several exclusive training sessions for supply chains and RBUs, and deeply embedded knowledge of the transition to green electricity in the global operations network and supply chain partners, ensuring that upstream and downstream partners move at the same pace to accelerate the achievement of 100% renewable energy.

Advantech actively participates in climate change-related initiatives, and strives to become aligned with international carbon reduction targets

Advantech's policy statement on climate change is consistent with the Paris Agreement's goal of keeping global warming below 1.5 degrees Celsius. We actively participate in climate change-related initiatives and organizations, and issue statements on our ESG official website regarding our participation in the management mechanisms of climate change-related associations.

We are actively participating in the following climate change-related initiatives:

- **SBTi:** Advantech aligned with the target to keep global warming below 1.5°C in 2025, and our application to update the target was approved in 2026.



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Topics of concern of the associations that Advantech participates in:

Topic of concern	Level of support	Advantech's position and significance of participation	Actual investment in 2025 (NTD)
Topic of Concern 1 Smart manufacturing and industry promotion	1. Strong support 2. Advantech's technological expertise and development strategies are highly aligned with global market trends. We show our commitment to cultivating domestic and global markets through practical actions.	Advantech has focused on the field of smart manufacturing with edge computing and AI as the core, combining industrial computers, IoT platforms, and industry application solutions to help companies realize equipment networking, data visualization, and decision optimization. As such, Advantech has become a key driver of digital transformation in the manufacturing industry. In terms of industry promotion, we not only provide technologies, but also actively participate in associations and industry alliances, connecting system integrators, equipment manufacturers, and end users to set standards and facilitate cooperation in the ecosystem. The platform provided by these associations enables Advantech to stay up to date on policy trends and respond to industry demands, while expanding our technological influence and strengthening our key role in the value chain of smart manufacturing.	$1,536,092
Topic of Concern 2 Innovative applications of edge AI and AIoT	1. Strong support 2. Showcase our technical capabilities and promote the application of AI and edge computing technologies in the global market	Advantech actively participates in related industry associations and technology alliances to promote innovative applications of edge AI and AIoT. We accelerate the formulation of technical standards, platform integration, and verification of applications in the field through cross-domain cooperation. The platform provided by these associations enables Advantech to connect chip manufacturers, system integrators, and end customers for the implementation of a complete architecture from sensing, computing, to cloud management. At the same time, we increased the exposure of edge AI's actual performance in key scenarios, such as smart manufacturing, energy management, and smart cities through initiatives and dialogue with the industry, increasing the brand's influence and international visibility, and consolidating Advantech's strategic position in the edge AI ecosystem.	$1,817,029
Corporate sustainability and support for climate change initiatives	1. Strong support 2. Advantech mainly sponsors professional research and participates in climate change-related forums, training, policy initiatives, and discussions	Advantech actively sponsors the projects of non-profit organizations related to biodiversity, climate change, and forest protection. We regularly attend climate change and renewable energy policy discussions, training, and workshops organized by RE100, the Taiwan Nature Positive Initiative, the Business Council for Sustainable Development of the Republic of China, and the CommonWealth Sustainability Association. We also actively follow up on SBTi, TCFD, TNFD, and IFRS related commitments and information disclosures. Advantech regularly sponsors community biodiversity and forest protection projects, such as river and wetland protection as well as community park maintenance work at the Neihu headquarters. Advantech has adopted the coastlines near Linkou Park, actively cleaning and maintaining them. We engage in reforestation at our Taichung office.	$1,093,222

Item	Amount invested in 2025 (NTD)
Lobbying, interest representation or similar	0
Local, regional or national political campaigns /organizations / candidates	0
Trade associations or tax-exempt groups (e.g. think tanks)	4,446,343
Other (e.g. spending related to ballot measures or referendums)	0
Total contributions and other spending	4,446,343
Data coverage (as % of denominator, indicating the organizational scope of the reported data)	95%

*Note: Calculation logic and methods in 2025:

*Number of employees covered/Number of Advantech employees worldwide= 9020(3,856 ACL+526 ANA+1,200 ACN+2,227 AKMC+271 AJP+128 AKR+812 AEU)/9494

Number of Advantech employees worldwide: 9,494

Number of ACL employees: 3,856

Advantech Corp. Number of ANA employees: 526

Number of ACN employees: 1,200

Number of AKMC employees: 2,227

Advantech Japan Co. LTD. Number of AJP employees: 271

Number of AKR employees: 128

Number of AEU employees: 812

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No	Association or Special Inerest Group (SIG)	Investment Type	Investment (NTD)	Investment (Local Currency)	Association Type (A=Industry, B=Technology C=Sustainable)	Membership Type	Strategic Meaning for Joining the Associations or SIG
1	Taipei Computer Association (Taiwan)	2025 annual membership fee	15,000	-	A	Tier 1 membership	Promote computer applications, drive economic development, and coordinate industry solidarity
2	Taiwan Automation Intelligence and Robotics Association (TAIROA) (Taiwan)	2025 annual membership fee	40,000	-	A	Tier 1 membership/ Director	Promote smart manufacturing and smart factory automation, and serve as a practical lecturer in association courses numerous times
3	Petrochemical Industry Association of Taiwan (Taiwan)	January to June 2025 membership fee	21,000	-	A	Tier 1 membership	Promote IoT platforms and smart manufacturing development
4	Petrochemical Industry Association of Taiwan (Taiwan)	July to December 2025 membership fee	21,000	-	A	Tier 1 membership	Promote IoT platforms and smart manufacturing development
5	Taiwan Electronic Equipment Industry Association (TEEIA) (Taiwan)	2025 annual membership fee	36,000	-	A	Organization membership	Promote the establishment of IoT platforms and improve Taiwan's electronic equipment ecosystem
6	Chinese International Economic Cooperation Association (CIECA) (Taiwan)	2025 annual membership fee	20,000	-	A	Organization membership	"Participation in the organization's international economic cooperation initiatives helps expand Taiwan's IIoT applications and substantial relationships with other countries"
7	Taiwan Association of Machinery Industry (TAMI) (Taiwan)	2025 annual membership fee	52,800	-	A	Organization membership	Assist machine tool and other machinery industries in implementing smart machinery applications and expanding Taiwan's smart machinery cloud ecosystem
8	Taiwan Telematics Industry Association (Taiwan)	2025 annual membership fee	20,000	-	A	Tier 2 membership/ Director	Drive the development of Taiwan's Internet of Vehicles industry and enhance its international competitiveness
9	Taiwan Cold Chain Association (Taiwan)	2025 annual membership fee	20,000	-	A	Tier 1 membership	Collaborate with association members from industry, government, and academia to form a national cold chain team, establishing a strong presence in Taiwan while expanding into Southbound markets
10	Institute for Biotechnology and Medicine Industry (Taiwan)	2025 annual membership fee	20,000	-	A	Organization membership	Jointly drive the development of Taiwan's smart healthcare together with medical institutions and industry peers that are members of the organization, and also jointly promote Taiwan's smart healthcare to Southeast Asia.
11	Intelligent Computer & AIoT Association (Taiwan)	2025 annual membership fee	50,000	-	A	Type A membership	"This association was jointly founded by peers in Taiwan's industrial PC industry, and aims to jointly implement AIoT-related policies and form an industry consensus and direction"
12	PCI Special Interest Group	2024 annual membership fee	121,706	USD 3,750.00	B		

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13	AIA (Association for Advancing Automation) (USA)	2025 annual membership fee	57,258	USD 1,800.00	B	Enterprise membership	Advance industrial automation technology
14	OPC Foundation (USA)	2025 annual membership fee	715,725	USD 22,500.00	B	Enterprise membership	Define future technology standards for IIoT
15	ODVA (Open Device Net Vendors Association) (USA)	2025 annual membership fee	248,118	USD 7,800.00	B	Enterprise membership	Promote technologies and standards related to industrial automation
16	CSIA (Control System Integrators Association) (USA)	2025 annual membership fee	72,368	USD 2,275.00	B	Enterprise membership	Promote technologies and standards related to industrial automation
		sponsor of the conference exhibition	63,620	USD 2,000.00	B	Enterprise membership	Promote technologies and standards related to industrial automation
17	AHTD (Association for High Technology Distribution) (USA)	2025 annual membership fee	106,564	USD 3,350.00	B	Enterprise membership	Promote technologies and standards related to industrial automation
		sponsor of the conference exhibition	31,810	USD 1,000.00	B	Enterprise membership	Promote technologies and standards related to industrial automation
18	CC-Link Partner Association (Japan)	2025 annual membership fee	21,680	JPY 100,000.00	A	Enterprise membership	Promote industrial automation-related industries
19	Anritsu Fuji Meeting annual membership fee (Japan)	2025 annual membership fee	9,539	JPY 44,000.00	A	Enterprise membership	Promote industrial automation-related industries
20	Semiconductor Equipment Association of Japan (Japan)	2025 annual membership fee	78,048	JPY 360,000.00	A	Enterprise membership	Promote Japan's semiconductor technology

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21	Tokyo GAS Joywatcher Partner annual membership fee (Japan)	2025 annual membership fee	21,680	JPY 100,000.00			Promote industrial automation-related industries
22	Guangdong Printed Circuit Association	2025 annual membership fee	8,882	CNY 2,000.00	B	General membership	Promote IoT related technologies and trends
23	Shanghai Association for Artificial Intelligence	2025 annual membership fee	22,205	CNY 5,000.00	A	General membership	Promote machine vision-related technologies and trends
24	Shanghai Internet of Things Industry Association (China)		0		A	Enterprise membership	Promote energy storage technologies and trends
25	China Printed Circuit Association (China)	2025 annual membership fee	13,323	CNY 3,000.00	A	General membership	
26	Chinese Association of Automation (China)				A	Vice chairman	
27	China Motion Control Industry Alliance (China)	2025 annual membership fee	13,323	CNY 3,000.00			
28	LoRa Alliance (Global)	Participation in association forums or related exhibitions	233,175	USD 7,500.00	B	General membership	Develop LPWAN for IoT applications
29	Taiwan High-Tech Facility Association (Taiwan)	2025 annual membership fee	20,000	-	A	Founding member	Promote the WISE-IoT platform and ESG-related solutions to high-tech companies in Taiwan
30	Business Council for Sustainable Development of the Republic of China (Taiwan)	2026 annual membership fee	60,000	-	C	Permanent member	Gain new knowledge on corporate sustainability to improve corporate sustainability performance
31	Taiwan Nature Positive Initiative (Taiwan)	Participation in association forums or related training events	350,000	-	C	General membership	Gain new knowledge on corporate sustainability to improve corporate sustainability performance
32	CommonWealth Sustainability Association (Taiwan)	Participation in association forums or related training events	120,000	-	C	General membership	Gain new knowledge on corporate sustainability to improve corporate sustainability performance
33	RE100 (Global)	Participation in association forums or related training events	242,175	USD 6,500.00	C	General membership	Gain new knowledge on corporate sustainability to improve corporate sustainability performance

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34	The Society of Wilderness (Taiwan)	Sponsor of restoration activities in Xizhi and Neihu	103,900		C		Gain new knowledge on corporate sustainability to improve corporate sustainability performance
35	Taiwan Reforestation Association (Taiwan)	Assisted in the reforestation of Taiwan's shallow mountains	103,900	-	C	General membership	Gain new knowledge on corporate sustainability to improve corporate sustainability performance
36	CDP Worldwide	Joined the initiatives and disclosure	113,247	USD 3,875.00	C	General membership	CDP carbon disclosure reports are required by key accounts (KA) and various ratings, so an annual fee must be paid.
37	EcoVadis (Global)	Joined the initiatives and disclosure					Joined the initiatives and disclosure
38	PICMG (PCI Industrial Computer Manufacture)	2024 annual membership fee	121,706	USD 3,750.00	A	Enterprise membership	
39	Information Service Industry Association of R.O.C.	2025 annual membership fee	15,000		B	General membership	
40	Taiwan Energy Service Association	2025 annual membership fee	18,000		A	General membership	
41	Taiwan Silk & Filament Weaving Industrial Association	2025 annual membership fee	15,000		A	General membership	
42	Taiwan Chemical Industry Association	2025 annual membership fee	100,000		A	General membership	
43	ProfiBus & ProfiNet International	2025 annual membership fee	50,000		A	General membership	
44	Food Industry Intelligent Automation Association Taiwan	2025 annual membership fee	21,800		A	General membership	
45	(ISA)International Society of Automation	Membership fee for July 17, 2025 to December 2026	44,750	USD 1,531.00	A	General membership	
46	Open Source Robotics Foundation, In	2025 annual membership fee	53,792	USD 1,665.00	A	General membership	
47	Taiwan Defense Industry Development Association		90,000		A	General membership	Joined the association to promote drone products

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48	Single Pair Ethernet System Alliance (SPE Alliance)	2025 annual fee	84,625	EUR 2500	B	General membership	Define future technology standards for IIoT
49	Taoyuan Linkou Gong San Industrial Zone Manufacturers Association	2025 annual membership fees of the manufacturers association	18,000		A	General membership	
50	Taiwan Intelligent Building Association	Annual fee (2023-2026)	46,000		A	General membership	Expand building energy management solutions
51	National Association of Small and Medium Enterprises, R.O.C.	2025 annual membership fee of the Friendship Club of Winners of National Award of Outstanding SMEs	15,000		A	General membership	
52	Taipei Neihu Technology Park Development Association	Annual fee	5,000		A	General membership	
53	Taiwan Chain Stores and Franchise Association	2025 annual membership fee	38,000		A	General membership	
54	Taiwan Electronic Equipment Industry Association	2025 annual membership fee	36,000		A	General membership	Promote factory automation and Industry 4.0 applications
55	The Autoware Foundation	2025 annual membership fee	405,625	USD 12,500	A	General membership	Define future technology standards for IIoT
Total Investment			NTD 4,446,343.45				
NTD:USD=1:31.81 NTD:JPY=1:0.2168 NTD:CNY=1:4.441							
			$1,093,222	ESG (Climate Change and Sustainability Activities)			
			$1,817,029	Innovative applications of edge computing and AIoT			
			$1,536,092	Smart manufacturing and industry promotion			

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Appendix 6 Employee Structure

Number of Advantech Employees in 2025

Region	Taiwan	China		Japan	South Korea	Europe	United States	Other regions	Total worldwide
		ACN	AKMC(Kunshan)						
Number of employees	3,856	1,200	2,227	271	128	812	526	474	9,494
Remarks			Manufacturing center						

* Note:

1. The number of employees does not include affiliated companies.
2. This report only discloses information on the 6 major regions. The "Total worldwide" in the table is the total number of Advantech employees in the 6 major regions and other regions.

Region	Item		Number and proportion of males (%)		Number and proportion of women (%)		Number and proportion of people whose gender is not disclosed (%)		Total number of people
Headquarters	Employees	Total number of employees	2,046	53.06%	1,810	46.94%	0	0.00%	3,856
	Job Grade	Senior Executives (F and above)	81	86.17%	13	13.83%	0	0.00%	94
		Mid-level Managers (E1, E2)	362	78.02%	102	21.98%	0	0.00%	464
		General Staff (D3 and below)	1603	48.61%	1695	51.39%	0	0.00%	3,298
	Employee Age	30 years old and under	216	38.57%	344	61.43%	0	0.00%	560
		31-49 years old	1,352	53.48%	1,176	46.52%	0	0.00%	2,528
		50 years old and above	478	62.24%	290	37.76%	0	0.00%	768
		Not disclosed	0	0%	0	0%	0	0%	0
	Employment Type	Full-time	2,011	53.05%	1,780	46.95%	0	0.00%	3,791
		Full-time contract	27	61.36%	17	38.64%	0	0.00%	44
		Intern/Part-time	8	38.10%	13	61.90%	0	0.00%	21
	Job Function Classification	R&D	1,272	76.67%	387	23.33%	0	0.00%	1,659
		Sales and Marketing	110	37.16%	186	62.84%	0	0.00%	296
		Administration	201	37.36%	337	62.64%	0	0.00%	538
		Manufacturing (Direct + Indirect)	463	33.97%	900	66.03%	0	0.00%	1363

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Region	Item		Number and proportion of males (%)		Number and proportion of women (%)		Number and proportion of people whose gender is not disclosed (%)		Total number of people
Advantech China	Employees	Total Company Employees	1900	55.44%	1512	44.12%	15	0.44%	3,427
	Job Grade	Senior Executives (F and above)	22	73.33%	8	26.67%	0	0.00%	30
		Mid-level Managers (E1, E2)	80	63.49%	45	35.71%	1	0.79%	126
		General Staff (D3 and below)	1798	54.97%	1459	44.60%	14	0.43%	3,271
	Employee Age	30 years old and under	323	63.21%	188	36.79%	0	0.00%	511
		31-49 years old	1424	52.72%	1277	47.28%	0	0.00%	2,701
		50 years old and above	153	76.50%	47	23.50%	0	0.00%	200
		Not disclosed	0	0.00%	0	0.00%	15	100.00%	15
	Employment Type	Full-time	1892	55.47%	1504	44.09%	15	0.44%	3,411
		Full-time contract	8	53.33%	7	46.67%	0	0.00%	15
		Intern/Part-time	0	0.00%	1	100.00%	0	0.00%	1
	Job Function Classification	R&D	432	63.16%	244	35.67%	8	1.17%	684
		Sales and Marketing	284	58.20%	199	40.78%	5	1.02%	488
		Administration	128	38.10%	206	61.31%	2	0.60%	336
		Manufacturing (Direct employees)	1056	55.03%	863	44.97%	0	0.00%	1919
Advantech Japan	Employees	Total Company Employees	172	63.47%	85	31.37%	14	5.17%	271
	Job Grade	Senior Executives (F and above)	8	80.00%	2	20.00%	0	0.00%	10
		Mid-level Managers (E1, E2)	24	96.00%	1	4.00%	0	0.00%	25
		General Staff (D3 and below)	140	59.32%	82	34.75%	14	5.93%	236
	Employee Age	30 years old and under	12	85.71%	2	14.29%	0	0.00%	14
		31-49 years old	60	55.05%	48	44.04%	1	0.92%	109
		50 years old and above	100	74.07%	35	25.93%	0	0.00%	135
		Not disclosed	0	0.00%	0	0.00%	13	100.00%	13

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Advantech Japan	Employment Type	Full-time	154	62.60%	78	31.71%	14	5.69%	246
		Full-time contract	18	72.00%	7	28.00%	0	0.00%	25
		Intern/Part-time	0	0%	0	0%	0	0%	0
	Job Function Classification	R&D	35	83.33%	3	7.14%	4	9.52%	42
		Sales and Marketing	69	72.63%	23	24.21%	3	3.16%	95
		Administration	15	39.47%	21	55.26%	2	5.26%	38
		Manufacturing (Direct employees)	53	55.21%	38	39.58%	5	5.21%	96
Advantech South Korea	Employees	Total Company Employees	82	64.06%	46	35.94%	0	0.00%	128
	Job Grade	Senior Executives (F and above)	11	91.67%	1	8.33%	0	0.00%	12
		Mid-level Managers (E1, E2)	8	88.89%	1	11.11%	0	0.00%	9
		General Staff (D3 and below)	63	58.88%	44	41.12%	0	0.00%	107
	Employee Age	30 years old and under	23	62.16%	14	37.84%	0	0.00%	37
		31-49 years old	39	56.52%	30	43.48%	0	0.00%	69
		50 years old and above	20	90.91%	2	9.09%	0	0.00%	22
		Not disclosed	0	0%	0	0%	0	0%	0
	Employment Type	Full-time	78	64.46%	43	35.54%	0	0.00%	121
		Full-time contract	4	57.14%	3	42.86%	0	0.00%	7
		Intern/Part-time	0	0%	0	0%	0	0%	0
	Job Function Classification	R&D	18	75.00%	6	25.00%	0	0.00%	24
		Sales and Marketing	33	53.23%	29	46.77%	0	0.00%	62
		Administration	9	47.37%	10	52.63%	0	0.00%	19
		Manufacturing (Direct employees)	22	95.65%	1	4.35%	0	0.00%	23

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Region	Item		Number and proportion of males (%)		Number and proportion of women (%)		Number and proportion of people whose gender is not disclosed (%)		Total number of people
Advantech Europe	Employees	Total Company Employees	553	68.10%	254	31.28%	5	0.62%	812
	Job Grade	Senior Executives (F and above)	31	81.58%	7	18.42%	0	0.00%	38
		Mid-level Managers (E1, E2)	64	76.19%	20	23.81%	0	0.00%	84
		General Staff (D3 and below)	458	66.38%	227	32.90%	5	0.72%	690
	Employee Age	30 years old and under	73	68.22%	33	30.84%	1	0.93%	107
		31-49 years old	294	65.48%	152	33.85%	3	0.67%	449
		50 years old and above	186	72.66%	69	26.95%	1	0.39%	256
		Not disclosed	0	0%	0	0%	0	0%	0
	Employment Type	Full-time	542	68.43%	245	30.93%	5	0.63%	792
		Full-time contract	5	50.00%	5	50.00%	0	0.00%	10
		Intern/Part-time	6	60.00%	4	40.00%	0	0.00%	10
	Job Function Classification	R&D	181	90.05%	17	8.46%	3	1.49%	201
		Sales and Marketing	212	65.63%	110	34.06%	1	0.31%	323
		Administration	65	37.57%	108	62.43%	0	0.00%	173
		Manufacturing (Direct employees)	95	82.61%	19	16.52%	1	0.87%	115
Advantech USA	Employees	Total Company Employees	342	65.02%	184	34.98%	0	0.00%	526
	Job Grade	Senior Executives (F and above)	24	82.76%	5	17.24%	0	0.00%	29
		Mid-level Managers (E1, E2)	99	78.57%	27	21.43%	0	0.00%	126
		General Staff (D3 and below)	219	59.03%	152	40.97%	0	0.00%	371
	Employee Age	30 years old and under	26	56.52%	20	43.48%	0	0.00%	46
		31-49 years old	165	61.57%	103	38.43%	0	0.00%	268
		50 years old and above	139	69.50%	61	30.50%	0	0.00%	200
		Not disclosed	12	100.00%	0	0.00%	0	0.00%	12

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Region	Item		Number and proportion of males (%)		Number and proportion of women (%)		Number and proportion of people whose gender is not disclosed (%)		Total number of people
Advantech USA	Employment Type	Full-time	329	64.26%	183	35.74%	0	0.00%	512
		Full-time contract	12	100.00%	0	0.00%	0	0.00%	12
		Intern/Part-time	1	50.00%	1	50.00%	0	0.00%	2
	Job Function Classification	R&D	66	90.41%	7	9.59%	0	0.00%	73
		Sales and Marketing	113	67.26%	55	32.74%	0	0.00%	168
		Administration	69	50.36%	68	49.64%	0	0.00%	137
		Manufacturing (Direct employees)	94	63.51%	54	36.49%	0	0.00%	148
Other regions	Employees	Total Company Employees	314	66.24%	129	27.22%	31	6.54%	474
	Job Grade	Senior Executives (F and above)	8	88.89%	1	11.11%	0	0.00%	9
		Mid-level Managers (E1, E2)	38	69.09%	13	23.64%	4	7.27%	55
		General Staff (D3 and below)	268	65.37%	115	28.05%	27	6.59%	410
	Employee Age	30 years old and under	83	70.34%	35	29.66%	0	0.00%	118
		31-49 years old	188	70.68%	78	29.32%	0	0.00%	266
		50 years old and above	43	72.88%	16	27.12%	0	0.00%	59
		Not disclosed	0	0.00%	0	0.00%	31	100.00%	31
	Employment Type	Full-time	291	65.69%	121	27.31%	31	7.00%	443
		Full-time contract	7	77.78%	2	22.22%	0	0.00%	9
		Intern/Part-time	16	72.73%	6	27.27%	0	0.00%	22
	Job Function Classification	R&D	123	86.62%	8	5.63%	11	7.75%	142
		Sales and Marketing	115	63.89%	55	30.56%	10	5.56%	180
		Administration	39	35.14%	62	55.86%	10	9.01%	111
		Manufacturing (Direct employees)	37	90.24%	4	9.76%	0	0.00%	41

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Region	Item		Number and proportion of males (%)		Number and proportion of women (%)		Number and proportion of people whose gender is not disclosed (%)		Total number of people
Total	Employees	Total Company Employees	5,409	56.97%	4,020	42.34%	65	0.68%	9,494
	Job Grade	Senior Executives (F and above)	185	83.33%	37	16.67%	0	0.00%	222
		Mid-level Managers (E1, E2)	675	75.93%	209	23.51%	5	0.56%	889
		General Staff (D3 and below)	4,549	54.26%	3,774	45.02%	60	0.72%	8,383
	Employee Age	30 years old and under	756	54.27%	636	45.66%	1	0.07%	1,393
		31-49 years old	3,522	55.12%	2,864	44.82%	4	0.06%	6,390
		50 years old and above	1,119	68.23%	520	31.71%	1	0.06%	1,640
		Not disclosed	12	16.90%	0	0.00%	59	83.10%	71
	Employment Type	Full-time	5,297	56.86%	3,954	42.44%	65	0.70%	9,316
		Full-time contract	81	66.39%	41	33.61%	0	0.00%	122
		Intern/Part-time	31	55.36%	25	44.64%	0	0.00%	56
	Job Function Classification	R&D	2,127	75.29%	672	23.79%	26	0.92%	2,825
		Marketing/Sales	936	58.06%	657	40.76%	19	1.18%	1,612
		Administration	526	38.91%	812	60.06%	14	1.04%	1,352
		Manufacturing (Direct employees)	1,820	49.12%	1,879	50.72%	6	0.16%	3,705

* Note:

1. The denominator for calculating percentages in the table above is the total number of employees in the region.
2. The number of employees is as of December 31, 2025. The total number of employees increased compared to 2024 due to capacity expansion and the inclusion of the employees of AURES, which was acquired.
3. Full-time employees in the table above are permanent full-time employees; full-time contract employees are fixed-term full-time employees; interns are fixed-term part-time employees. Advantech did not have any temporary employees and employees with non-guaranteed hours in 2025.
4. All job bands at Advantech worldwide are divided into A to H and aligned with the Global Job Band in 2022. The job band of management level supervisors (managers) is E, and executive level supervisors (assistant vice president and above) are F and above.
5. The "non-disclosed gender" column was added for employees who choose not to disclose their gender.
6. The "non-disclosed age" column was added for employees who choose not to disclose their age.
7. The number of employees above does not include workers who are not employees.

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SGS

ASSURANCE STATEMENT

SGS TAIWAN LTD.'S REPORT ON SUSTAINABILITY ACTIVITIES IN THE ADVANTECH CO., LTD.'S SUSTAINABILITY REPORT FOR 2025

NATURE AND SCOPE OF THE ASSURANCE

SGS Taiwan Ltd. (hereinafter referred to as SGS) was commissioned by ADVANTECH CO., LTD. (hereinafter referred to as ADVANTECH) to conduct an independent assurance of the Sustainability Report for 2025. The assurance is based on the SGS Sustainability Report Assurance methodology and AA1000 Assurance Standardv3 Type 2 high level during 27 March 2026 to 30 April 2026. The boundary of this report includes ADVANTECH Taiwan and oversea operational, production and service sites as disclosed in ADVANTECH CO., LTD.'s Sustainability Report of 2025. The boundary is not the same as ADVANTECH CO., LTD.'s consolidated financial statements.

SGS reserves the right to update the assurance statement from time to time depending on the level of report content discrepancy of the published version from the agreed standards requirements.

INTENDED USERS OF THIS ASSURANCE STATEMENT

This Assurance Statement is provided with the intention of informing all ADVANTECH's stakeholders stated in the Sustainability Report for 2025.

RESPONSIBILITIES

The sustainability information in the ADVANTECH's Sustainability Report of 2025 and its presentation are the responsibility of the directors or governing body (as applicable) and management of ADVANTECH. SGS has not been involved in the preparation of any of the material included in the Sustainability Report.

Our responsibility is to express an opinion on the text, data, graphs and statements within the scope of assurance based upon sufficient and appropriate objective evidence.

ASSURANCE STANDARDS, TYPE AND LEVEL OF ASSURANCE

The assurance of this report has been conducted according to the AA1000 Assurance Standard (AA1000AS v3), a standard used globally to provide assurance on sustainability-related information across organizations of all types, including the evaluation of the nature and extent to which an organization adheres to the AccountAbility Principles (AA1000AP,2018).

Assurance has been conducted at a type 2 high level of scrutiny.

SCOPE OF ASSURANCE AND REPORTING CRITERIA

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

TWLPP 5008 Issue 2601

Reporting Criteria Options	
1	AA1000 Accountability Principles (2018)
2	GRI (In Accordance with)
3	SASB HARDWARE Sustainability Accounting Standard (Version 2023-12)
4	Taiwan Stock Exchange Corporation (the "TWSE") Sustainability Indicators for Hardware Industries

- The evaluation of the reliability and quality of specified sustainability performance information in ADVANTECH's Sustainability Report is limited to determined material topics or those clearly marked in the report as conducted in accordance with type 2 of AA1000AS v3 sustainability assurance engagement at a high level of scrutiny for ADVANTECH and moderate level of scrutiny for its subsidiaries or joint ventures.
- The evaluation of the report against the requirements of GRI Standards, includes GRI 1, GRI 2, GRI 3, 200, 300 and 400 series claimed in the GRI content index as material and is conducted in accordance with the standards.

SPECIFIED PERFORMANCE INFORMATION AND DISCLOSURES INCLUDED IN SCOPE

The specified performance information includes the data for 2025, which is related to GRI 2, GRI 3, GRI 200, 300 and 400 series claimed in the GRI content index as material in ADVANTECH's Sustainability Report.

The specified performance information includes the data for 2025, claimed in the content index of the SASB HARDWARE Standard, version2023-12, in ADVANTECH's Sustainability Report.

ASSURANCE METHODOLOGY

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

LIMITATIONS

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

INDEPENDENCE AND COMPETENCE

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

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

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FINDINGS AND CONCLUSIONS

ASSURANCE OPINION

On the basis of the methodology described and the assurance work performed, we are satisfied that the specified performance information included in the scope of assurance is accurate, reliable, has been fairly stated and has been prepared, in all material respects, in accordance with the AA1000 AccountAbility Principles (2018).

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

ADHERENCE TO AA1000 ACCOUNTABILITY PRINCIPLES (2018)

INCLUSIVITY

ADVANTECH has demonstrated a good commitment to stakeholder inclusivity and stakeholder engagement. A variety of engagement efforts such as survey and communication to employees, customers, investors, suppliers, CSR experts, and other stakeholders are implemented to underpin the organization's understanding of stakeholder concerns. For future reporting, ADVANTECH may proactively consider having more direct two-ways involvement of stakeholders during future engagement.

MATERIALITY

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

RESPONSIVENESS

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

IMPACT

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

QUALITY AND RELIABILITY OF SPECIFIED PERFORMANCE INFORMATION

On the basis of the verification work performed, we checked records, project documents, project presentation, minutes of meetings, ISO certificates. We have confidence that the specified performance information included in the scope of assurance is reliable at a high level of scrutiny for ADVANTECH and at a moderate level of scrutiny for its subsidiaries.

ADHERENCE TO GRI

The report, ADVANTECH' s Sustainability Report of 2025, is reporting in accordance with the GRI Universal Standards 2021. The significant impacts were assessed and disclosed in accordance with the guidance defined in GRI 3: Material Topic 2021 and the relevant 200/300/400 series Topic Standard related to the material topics claimed in the GRI content index. The report has properly disclosed information related to ADVANTECH' s contributions to sustainability development.

For future reporting, it is recommended ADVANTECH to improve its processes of assessing impacts on the economy, environment, and people as well as the management of significant impacts.

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ADHERENCE TO SASB

ADVANTECH has referenced with SASB' s Standard, Hardware, VERSION 2023-12 to disclose information of material topics that are vital for enterprise value creation. The reporting boundaries of the disclosed SASB information correspond to the financial data reported in ADVANTECH' s audited Sustainability Report of 2025. Process to identify, assess, and manage SASB-topic-related risks and opportunities were integrated into ADVANTECH' s overall management process.

Signed:
For and on behalf of SGS Taiwan Ltd.



AA1000
Licensed Report
000-8/V3-X32CS

Stephen Pao
Business Assurance Director
Taipei, Taiwan
26 May, 2026
WWW.SGS.COM

TWLPP 5008 Issue 2601

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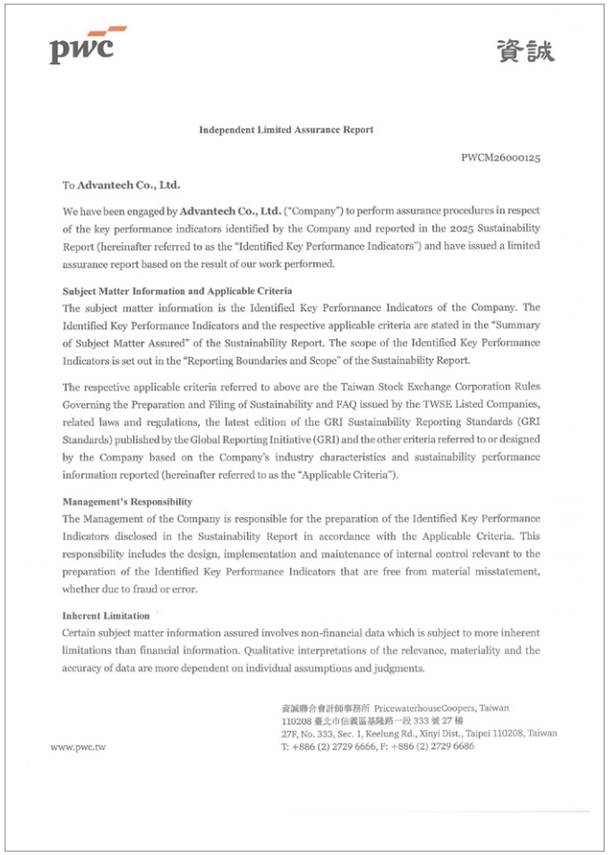
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Independent Limited Assurance Report

PWCM26000125

To **Advantech Co., Ltd.**

We have been engaged by **Advantech Co., Ltd.** ("Company") to perform assurance procedures in respect of the key performance indicators identified by the Company and reported in the 2025 Sustainability Report (hereinafter referred to as the "Identified Key Performance Indicators") and have issued a limited assurance report based on the result of our work performed.

Subject Matter Information and Applicable Criteria

The subject matter information is the Identified Key Performance Indicators of the Company. The Identified Key Performance Indicators and the respective applicable criteria are stated in the "Summary of Subject Matter Assured" of the Sustainability Report. The scope of the Identified Key Performance Indicators is set out in the "Reporting Boundaries and Scope" of the Sustainability Report.

The respective applicable criteria referred to above are the Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability and FAQ issued by the TWSE Listed Companies, related laws and regulations, the latest edition of the GRI Sustainability Reporting Standards (GRI Standards) published by the Global Reporting Initiative (GRI) and the other criteria referred to or designed by the Company based on the Company's industry characteristics and sustainability performance information reported (hereinafter referred to as the "Applicable Criteria").

Management's Responsibility

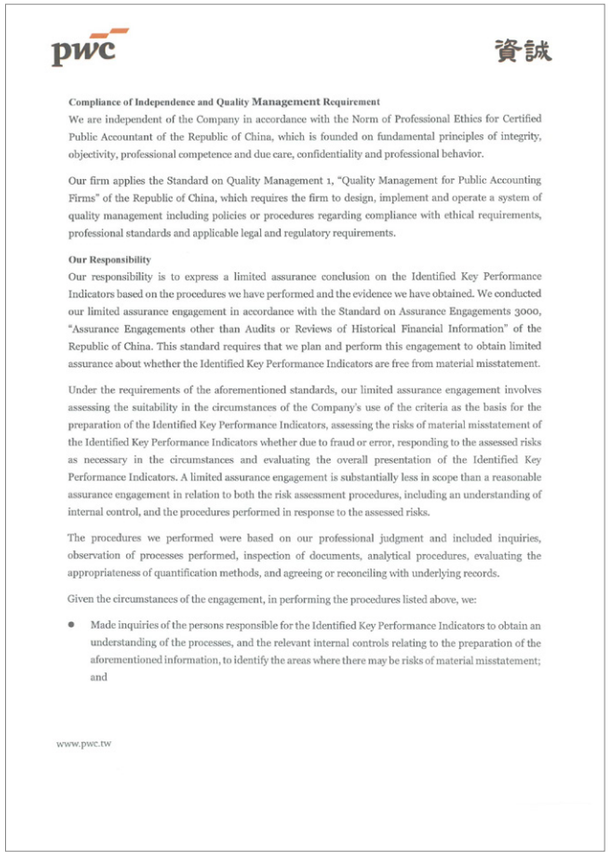
The Management of the Company is responsible for the preparation of the Identified Key Performance Indicators disclosed in the Sustainability Report in accordance with the Applicable Criteria. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the Identified Key Performance Indicators that are free from material misstatement, whether due to fraud or error.

Inherent Limitation

Certain subject matter information assured involves non-financial data which is subject to more inherent limitations than financial information. Qualitative interpretations of the relevance, materiality and the accuracy of data are more dependent on individual assumptions and judgments.

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Compliance of Independence and Quality Management Requirement

We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies the Standard on Quality Management 1, "Quality Management for Public Accounting Firms" of the Republic of China, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Identified Key Performance Indicators based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with the Standard on Assurance Engagements 3000, "Assurance Engagements other than Audits or Reviews of Historical Financial Information" of the Republic of China. This standard requires that we plan and perform this engagement to obtain limited assurance about whether the Identified Key Performance Indicators are free from material misstatement.

Under the requirements of the aforementioned standards, our limited assurance engagement involves assessing the suitability in the circumstances of the Company's use of the criteria as the basis for the preparation of the Identified Key Performance Indicators, assessing the risks of material misstatement of the Identified Key Performance Indicators whether due to fraud or error, responding to the assessed risks as necessary in the circumstances and evaluating the overall presentation of the Identified Key Performance Indicators. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, analytical procedures, evaluating the appropriateness of quantification methods, and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above, we:

- Made inquiries of the persons responsible for the Identified Key Performance Indicators to obtain an understanding of the processes, and the relevant internal controls relating to the preparation of the aforementioned information, to identify the areas where there may be risks of material misstatement; and



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- Based on the above understanding and the areas identified, performed analytical procedures on the Identified Key Performance Indicators and performed substantive testing on a selective basis, including inquiries, observation, and inspection to obtain evidence for limited assurance.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether the Company's Identified Key Performance Indicators have been prepared, in all material respects, in accordance with the respective applicable criteria.

We also do not provide any assurance on the Sustainability Report as a whole or on the design or operating effectiveness of the relevant internal controls.

Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Identified Key Performance Indicators in the Sustainability Report are not prepared, in all material respects, in accordance with the Applicable Criteria.

Other Matter

The Management of the Company is responsible for maintaining the Company's website. We have no responsibility to re-perform any procedures regarding the Identified Key Performance Indicators after the date of our assurance report, even if the Identified Key Performance Indicators or the Applicable Criteria have been subsequently modified.

Chao, Yung-Chieh

CHAO, YUNG-CHIEH

For and on behalf of PricewaterhouseCoopers, Taiwan
August 25, 2026

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Advantech Co., Ltd.Summary of Subject Matters Assured

No	Subject Matter Assured	Information	Page	Applicable Criteria
1	Average training hours for employees	In 2025, the average training time per person was 42.7 hours. (Note 1) Note 1: Round training hours for employees to one decimal place.	P.176-P.178	The average training hours in 2025 were calculated based on the total training hours recorded in accordance with Advantech's Education and Training Regulations divided by the total number of employees at the end of 2025.
2	Types, number of people and ratio of occupational accidents	Statistics on occupational injuries of Advantech employees, types of occupational injuries, and occupational injury statistics for non-employee workers. In 2025, the number of employee fatalities resulting from occupational injuries was 0, the number of severe occupational injuries was 0, and the number of recordable occupational injuries was 19. The occupational injury fatality rate was 0, the severe occupational injury rate (excluding fatalities) was 0, and the recordable occupational injury rate was 0.21 (Note 2). The total hours worked amounted to 17,419,178 hours. In 2025, among non-employee workers, the number of fatalities, severe occupational injuries, and recordable occupational injuries resulting from occupational incidents were all 0. The occupational injury fatality rate, severe occupational injury rate (excluding fatalities), and recordable occupational injury rate were also 0. The total hours worked by non-employee workers amounted to 221,064 hours. Note 2: The recordable occupational injury rate is calculated and truncated to two decimal places without rounding.	P.212	Please refer to the content of the sustainability report.
3	Aggregate amount of pecuniary damages resulting from legal proceedings relating to anticompetitive conduct regulations	The overall number of incidents for "Incidents of anti-competitive behavior, antitrust and monopoly behavior, and market manipulation" in 2025 was 0. Therefore, no monetary losses were incurred as a result of litigation.	P.37	Total pecuniary damages in 2025 resulting from legal proceedings relating to anticompetitive conduct regulations.
4	Ratio of significant suppliers that have signed the "Agreement for Advantech Supplier Code of Conduct"	100% of significant suppliers have signed the "Agreement for Advantech Supplier Code of Conduct"	P.49	The percentage of significant suppliers at ACL and AKMC that have signed the "Agreement for Advantech Supplier Code of Conduct.
5	The amount of fines imposed for violating environmental laws and regulations	In 2025, there was no fine imposed for violating environmental laws and regulations.	P.135	Total amount of fines imposed for violations of environmental laws and regulations related to environmental protection
6	Renewable energy consumption (kWh)	The total renewable energy consumption in 2025 was 7,284,651 kWh.	P.128、P.132	The total renewable energy consumption (kWh) in 2025 consisted of purchased renewable electricity and self-generated renewable electricity. 1. Purchased renewable electricity includes solar and wind power. The data sources include Renewable Energy Certificates (RECs) and monthly electricity bills provided by renewable energy suppliers under Power Purchase Agreements (PPAs). 2. The data sources for self-generated renewable electricity are as follows: The data sources for self-generated renewable electricity include the solar monitoring system in AKMC, annual solar project reports provided by the solar energy supplier for ANA, and renewable energy use certificates issued by the Korea Energy Agency (KEA) in AKSC.