

The background of the slide is a complex, abstract digital cityscape. It features numerous glowing blue and white cubes of various sizes, interconnected by a network of thin, luminous lines that suggest data flow or connectivity. The overall color palette is dominated by cool blues and teals, with a warm orange gradient at the bottom where the text is located. The perspective is isometric, giving a sense of depth and three-dimensional space.

03

Innovation and Services

- 3.1 Sustainable Intelligent Solutions**
- 3.2 Innovative Mechanism**
- 3.3 IoT Application Promotion and Education**
- 3.4 Customers and Partners Co-Creation**

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.

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.

Message from the Executive Management

01 Sustainability Vision and Goals

02 Corporate Management and Governance

03 Innovation and Services

3.1 Sustainable Intelligent Solutions

3.2 Innovative Mechanism

3.3 IoT Application Promotion and Education

3.4 Customers and Partners Co-Creation

04 Green Operations

05 Talent and Employee Relations

06 Altruism and Social Welfare

Appendix

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

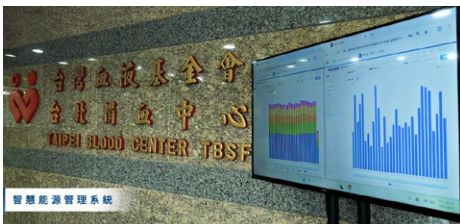
Partner: Taipei Blood Center

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

Message from the Executive Management

01 Sustainability Vision and Goals

02 Corporate Management and Governance

03 Innovation and Services

3.1 Sustainable Intelligent Solutions

3.2 Innovative Mechanism

3.3 IoT Application Promotion and Education

3.4 Customers and Partners Co-Creation

04 Green Operations

05 Talent and Employee Relations

06 Altruism and Social Welfare

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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



Message from the Executive Management

01 Sustainability Vision and Goals

02 Corporate Management and Governance

03 Innovation and Services

3.1 Sustainable Intelligent Solutions

3.2 Innovative Mechanism

3.3 IoT Application Promotion and Education

3.4 Customers and Partners Co-Creation

04 Green Operations

05 Talent and Employee Relations

06 Altruism and Social Welfare

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Featured Case Study 3:

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



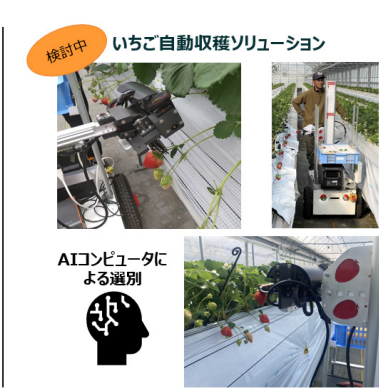
Case study location: Japan

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 CO² 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 - ちよくらじお（ラジオ局）



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/ksUM4qsrMo

3.2 Innovation Mechanisms

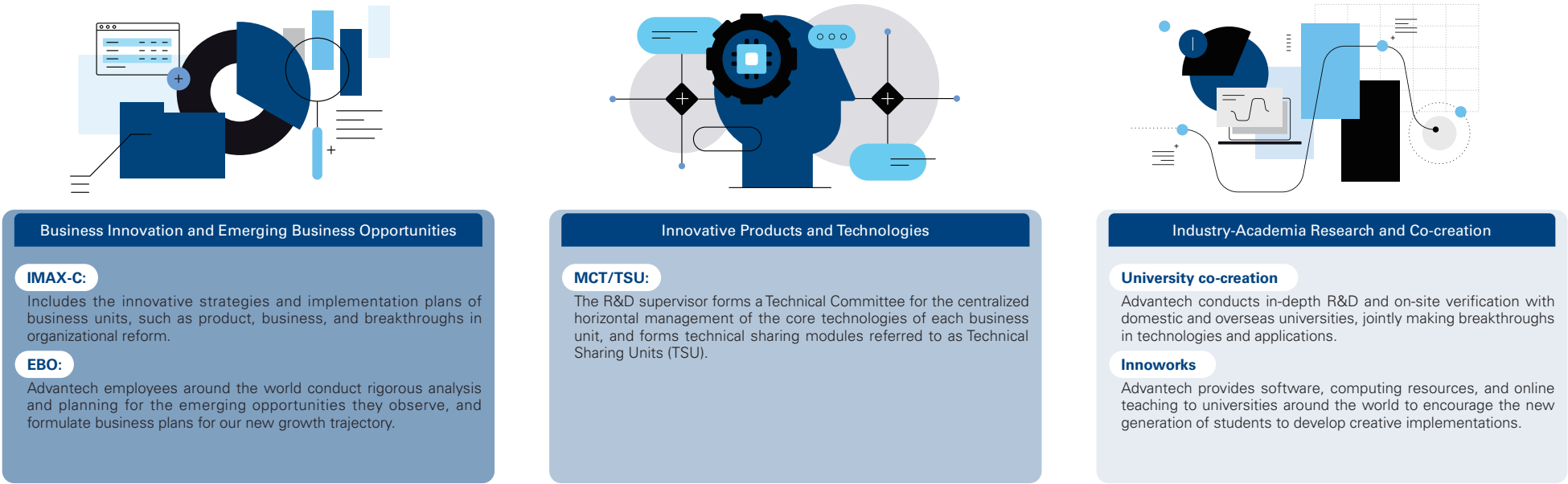


Facing the rapidly evolving global industry trends and the new challenges and opportunities brought by sustainable transformation to enterprises, Advantech has systematically implemented the “innovation mechanism” at the strategic level. We have seamlessly integrated organizational innovation, technology 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

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.

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:



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.

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.

■ 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.



Results

■ 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



■ 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.

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.



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



Message from the Executive Management

01 Sustainability Vision and Goals

02 Corporate Management and Governance

03 Innovation and Services

3.1 Sustainable Intelligent Solutions

3.2 Innovative Mechanism

3.3 IoT Application Promotion and Education

3.4 Customers and Partners Co-Creation

04 Green Operations

05 Talent and Employee Relations

06 Altruism and Social Welfare

Appendix

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.

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 (M²I), 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)

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 Innworks, please refer to Chapter 6 IoT Education and Industry-Academia Co-creation)

AIoT Innworks

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 Innworks, please refer to Chapter 6 IoT Education and Industry-Academia Co-creation)

Message from the Executive Management

01 Sustainability Vision and Goals

02 Corporate Management and Governance

03 Innovation and Services

3.1 Sustainable Intelligent Solutions

3.2 Innovative Mechanism

3.3 IoT Application Promotion and Education

3.4 Customers and Partners Co-Creation

04 Green Operations

05 Talent and Employee Relations

06 Altruism and Social Welfare

Appendix

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.	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.	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.
	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.	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.	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.
	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.

About Advantech's Sustainability Report

Message from the Executive Management

01 Sustainability Vision and Goals

02 Corporate Management and Governance

03 Innovation and Services

3.1 Sustainable Intelligent Solutions

3.2 Innovative Mechanism

3.3 IoT Application Promotion and Education

3.4 Customers and Partners Co-Creation

04 Green Operations

05 Talent and Employee Relations

06 Altruism and Social Welfare

Appendix

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.
	■ 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.		

Message from the Executive Management

01 Sustainability Vision and Goals

02 Corporate Management and Governance

03 Innovation and Services

3.1 Sustainable Intelligent Solutions

3.2 Innovative Mechanism

3.3 IoT Application Promotion and Education

3.4 Customers and Partners Co-Creation

04 Green Operations

05 Talent and Employee Relations

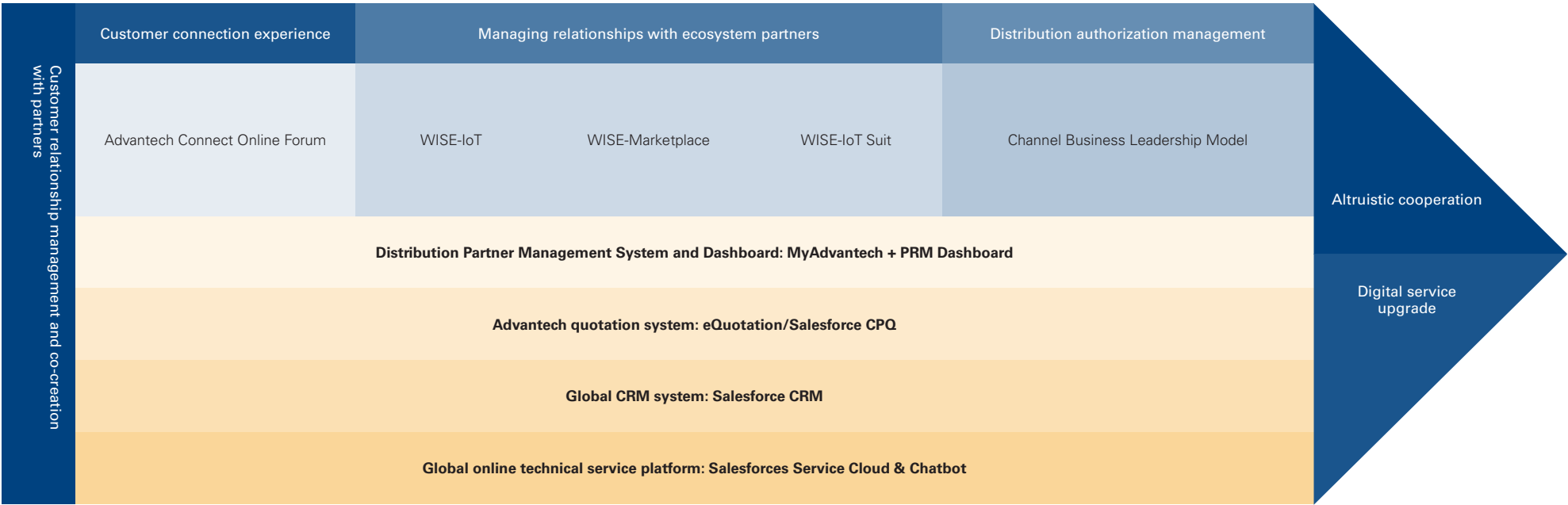
06 Altruism and Social Welfare

Appendix

Name of material topic	Please describe the importance of this material topic to Advantech		
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.		

3.4.1 Co-creation with Customers and Partners

3.4.1.0 Managing Relationships with Ecosystem Partners

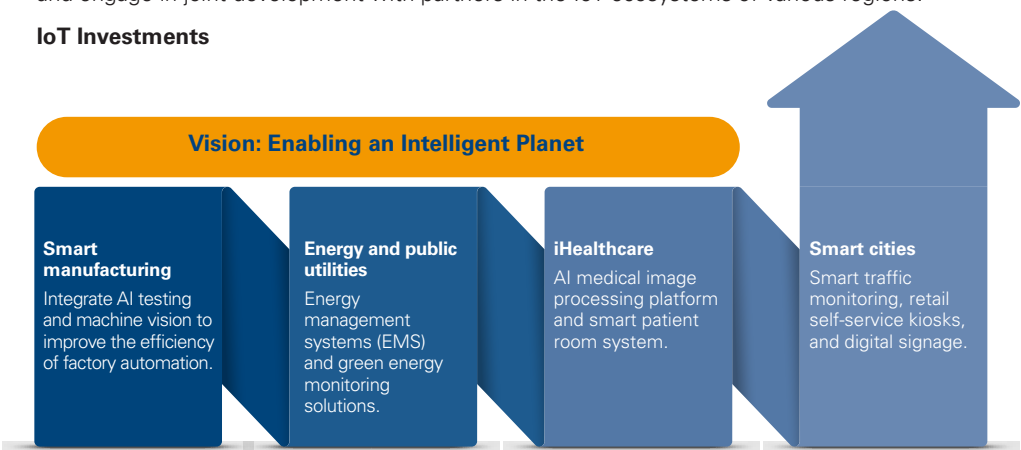


Promote innovation	Enhance competitive advantages	Expand market and business opportunities	Resource integration and risk sharing	Facilitate sustainable development	Improve brand image and trust
■ Gather professional knowledge in different fields and inspire innovative ideas and technological breakthroughs 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.

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.

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.

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

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.

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.

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

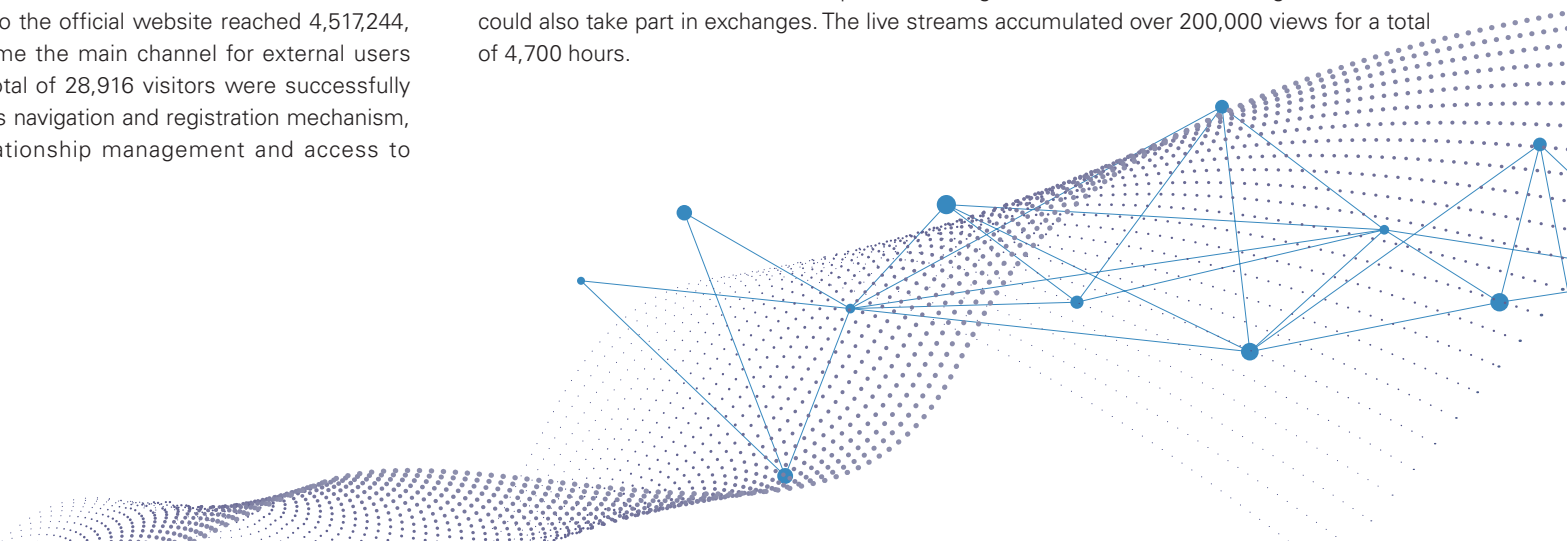
The forum focused on the perspectives of industry leaders and gathered together over a thousand industry experts and customer representatives to discuss edge computing applications and future strategies. With over 15,000 viewers worldwide participating in person and via live stream, industry perspectives 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 x 24 Sessions

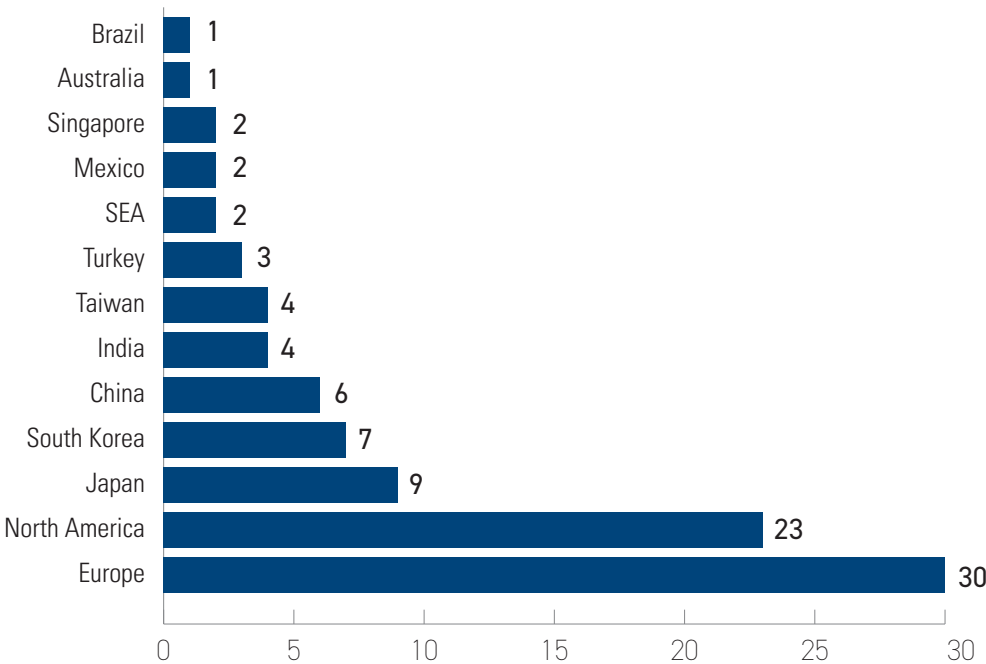
A total of 24 online sessions were planned during the exhibition, so that the global audience could also take part in exchanges. The live streams accumulated over 200,000 views for a total of 4,700 hours.



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,

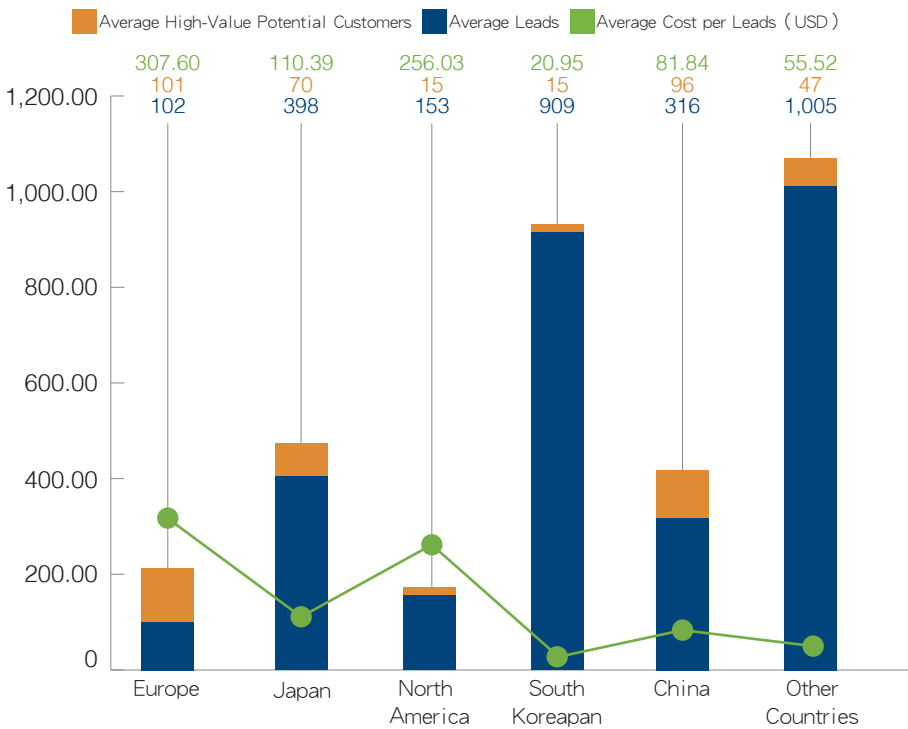


*Note: <https://www.amraandelma.com/cost-per-lead-statistics/>

Distribution of Exhibitions Worldwide

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/>

Leads and Expenses from Participating in Exhibition Worldwide

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 | ■ Taiwan |
| ■ North America | ■ South Korea |
| ■ Europe | ■ 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 | Survey methods include: |
| ■ Quality | 1. Quantitative scores of online and paper questionnaires |
| ■ Responsiveness | 2. In-depth interviews with key customers |
| ■ Delivery | 3. Reference third-party market evaluation data |
| ■ Cost | 4. Conduct a comprehensive survey once a year and set up an annual review mechanism |

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.

■ Product handling and service complaint process

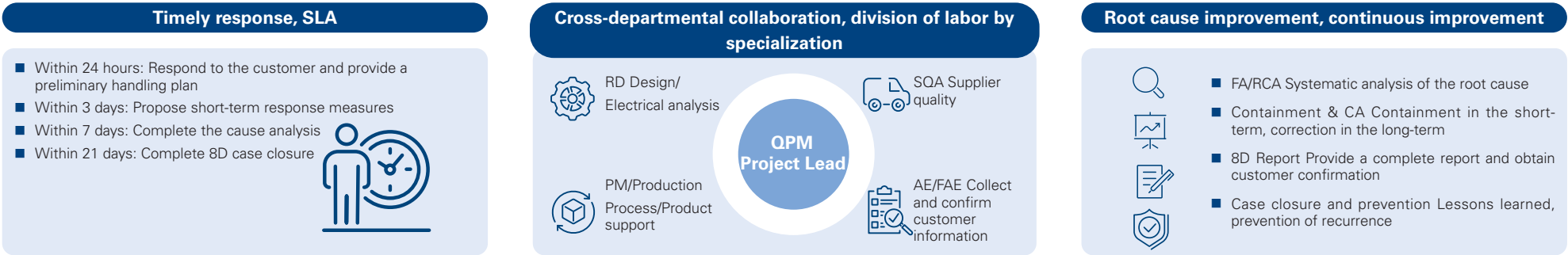
At Advantech, we have established a complete and systematic product handling and customer complaint management process, and incorporated it into our overall quality management system. All customer complaints and abnormal product cases are handled by relevant units in accordance with procedures. After 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.

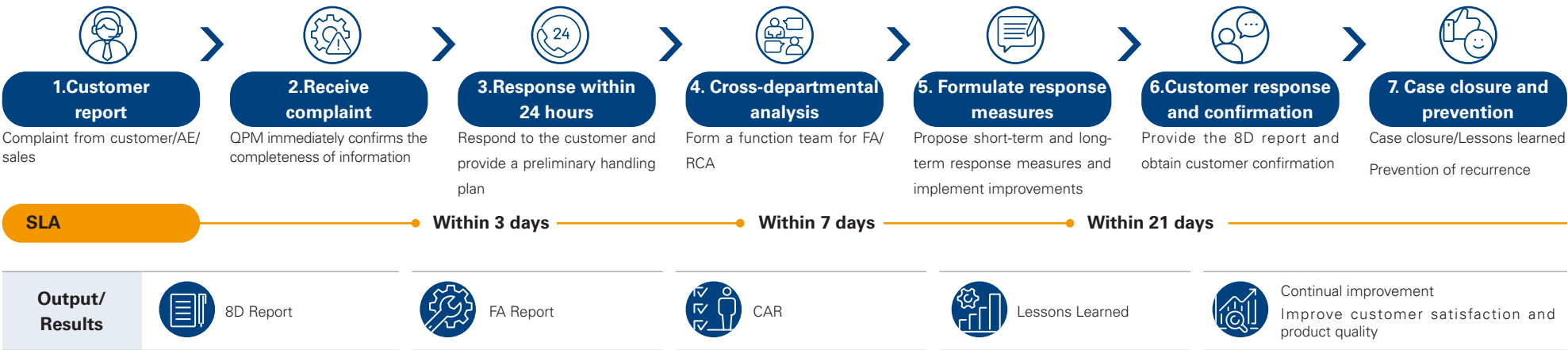
During the process of handling, quality, R&D, manufacturing, supply chain, and sales units will engage in cross-departmental collaboration based on the nature of the problem, analyze the root cause, and propose corresponding corrective and preventive actions (CAPA). The project management mechanism is 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

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.

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.

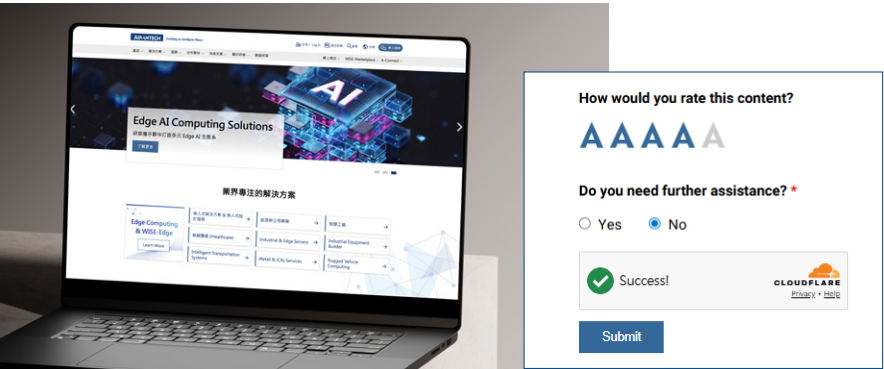
Based on the aforementioned strategic goals, Advantech led more than 15 after-sales service teams across the globe to successfully complete the migration from Zendesk to the Salesforce Service Cloud in 2025. This migration is not simple a transition between tools, but a comprehensive upgrade of the after-sales 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

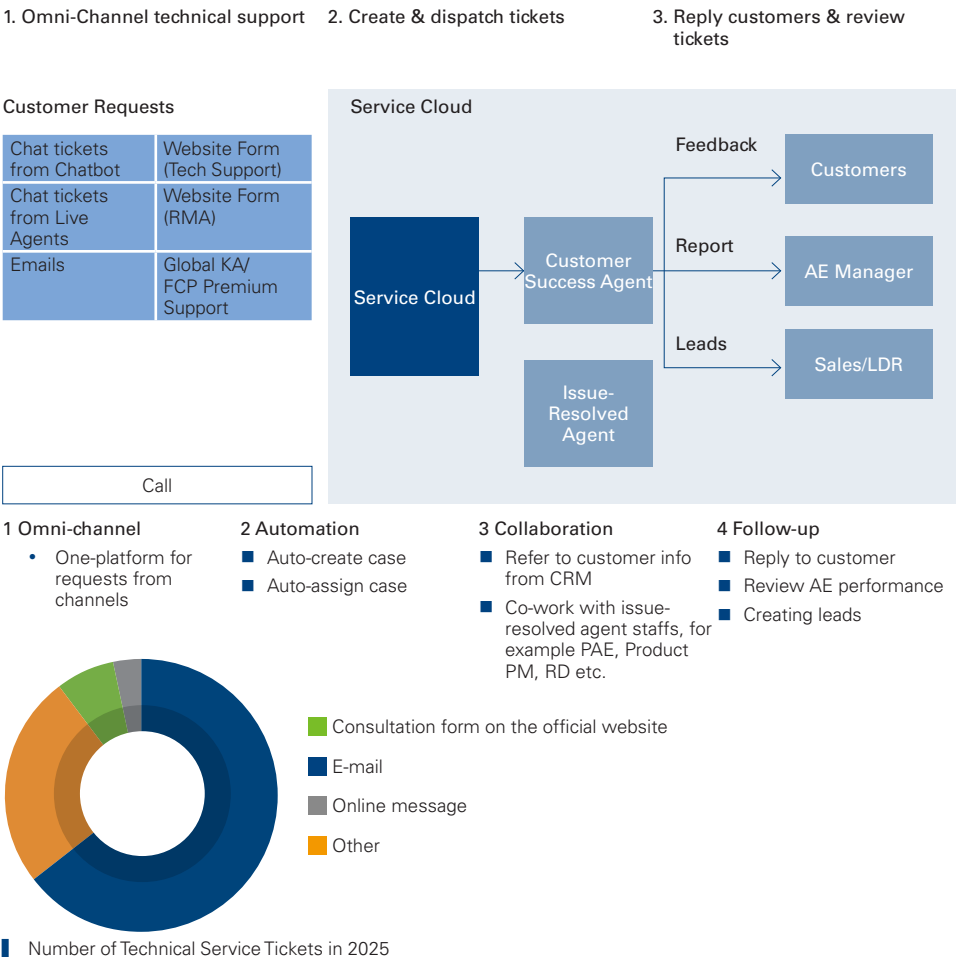
Based on discussions on digital transformation strategies, Advantech successfully completed the migration of the after-sales service ticket system to Salesforce Service Cloud in 2025. For Advantech, this project was not only an iteration of the ticket system, but also a revolution to standardize global 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:



Satisfaction survey on the official website

- 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.



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.

