

Appendix 1: Advantech's ISO Certifications in Relation to SDGs

ISO certification		Certification scope				Corresponding SDGs
Category	ISO name	HQ	ATMC	AKMC	AJMC	
Quality	ISO 9001 Quality management system	✓	✓	✓	✓	   
	ISO 13485 Medical equipment quality management system	✓	✓	✓		 
	ISO 17025 Laboratory quality management system	✓	✓	✓		-
Environment	ISO14001 Environmental management system	✓	✓	✓	✓	           
	ISO 14064 Greenhouse gas inventory standards	✓	✓	✓		 
Safety	ISO 45001 Occupational safety and health management system	✓	✓	✓		      
Information	ISO 27001 Information security management system		✓	✓		-

Appendix 2: GRI Standards (2016 Version) Table

Appended “*” indicates a voluntary disclosure project

General Guidelines		Chapter	Page number
General Disclosures			
102-1	Name of organization	About Advantech's 2021 Corporate Sustainability Report	2
102-2	Activities, brands, products and services	2.1 Operational Performance and Corporate Governance Structure	26
102-3	Headquarters location	2.1 Operational Performance and Corporate Governance Structure	26
102-4	Operating base	About Advantech's 2021 Corporate Sustainability Report 2.1 Operational Performance and Corporate Governance Structure 5.4 Appendix: Employee Composition	2,26
102-5	Ownership and legal form	About Advantech's 2021 Corporate Sustainability Report 2.1 Operational Performance and Corporate Governance Structure	2,26
102-6	Service market	2.1 Operational Performance and Corporate Governance Structure	26
102-7	Organization size	2.1 Operational Performance and Corporate Governance Structure 5.4 Appendix:Employee Composition	26,28,144
102-8	Information for employees and other workers	5.4 Appendix:Employee Composition	144- 147
102-9	Supply chain	2.3 Supply Chain Sustainability Management	34,35
102-10	Major changes to the organization and its supply chain	None	NA
102-11	Warning policy or principle	2.4 Risk Management	48- 50
102-12	External initiative	None	-
102-13	Membership of the public association	2.5 Appendix:Participation in Public Associations	51- 54
102-14	Decision maker's statement	1.1 Message from Management	6- 8
102-16	Values, principles, standards and codes of conduct	2.1 Operational Performance and Corporate Governance Structure 5.2 Employee Development Program	29,129

General Guidelines		Chapter	Page number
General Disclosures			
102-18	Governance structure	1.2. ESG Governance Structure 2.1 Operational Performance and Corporate Governance Structure	9,27,29
102-40	Stakeholder group	1.3 Stakeholder Engagement	11
102-41	Group agreement	5.2 Employee Communication and Benefits	131
102-42	Identification and selection of stakeholders	1.3 Stakeholder Engagement	11
102-43	Policy for communicating with stakeholders	1.3 Stakeholder Engagement	11
102-44	Key themes and concerns raised	1.3 Stakeholder Engagement 1.4. Sustainability Goals and Material Issues	13,15
102-45	Entities included in the consolidated financial statements	About Advantech's 2021 Corporate Sustainability Report 2.1 Operational Performance and Corporate Governance Structure	2,27
102-46	Definition of the report content and subject boundary	1.4. Sustainability Goals and Material Issues	20
102-47	List of major topics	1.4. Sustainability Goals and Material Issues	19
102-48	Information reorganization	None	2
102-49	Report changes	About Advantech's 2021 Corporate Sustainability Report 1.4. Sustainability Goals and Material Issues	2,19
102-50	Report period	About Advantech's 2021 Corporate Sustainability Report	2
102-51	Date of the last report	0.1 Contents	4
102-52	Reporting period	0.1 Contents	4
102-53	Contact person who can answer questions related to the report	0.1 Contents	4
102-54	Announcement of reporting in accordance with GRI standards	Editorial Principles of the Report	2
102-55	GRI content index	Appendix 2	166 - 170
102-56	External assurance/confirmation	About Advantech's 2021 Corporate Sustainability Report Appendix 3	2,171,172

General Guidelines			Chapter	Page number
Economical/Governance				
Management policy (Information security management)	103-1	Explanation of the major themes and their boundaries	1.4. Sustainability Goals and Material Issues 2.2. Information Security Management	20,32
	103-2	Management policy and its elements		
	103-3	Evaluation of management policies		
Management policy (Sustainable intelligent solutions)	103-1	Explanation of the major themes and their boundaries	1.4. Sustainability Goals and Material Issues 3.1. Sustainable Intelligent Solutions	20,56
	103-2	Management policy and its elements		
	103-3	Evaluation of management policies		
Management policy (Sustainable supply chain management)	103-1	Explanation of the major themes and their boundaries	1.4. Sustainability Goals and Material Issues 2.3 Supply Chain Sustainability Management	20,35
	103-2	Management policy and its elements		
	103-3	Evaluation of management policies		
Management policy (Innovative mechanism)	103-1	Explanation of the major themes and their boundaries	1.4. Sustainability Goals and Material Issues 3.2 Innovation Mechanisms	20,59
	103-2	Management policy and its elements		
	103-3	Evaluation of management policies		
Management policy (Co-creation with customers and partners)	103-1	Explanation of the major themes and their boundaries	1.4. Sustainability Goals and Material Issues 3.3 Co-Creation with Customers and Partners	20,68,70,75
	103-2	Management policy and its elements		
	103-3	Evaluation of management policies		
Management policy (Risk management)	103-1	Explanation of the major themes and their boundaries	1.4. Sustainability Goals and Material Issues 2.4. Risk Management	20,48
	103-2	Management policy and its elements		
	103-3	Evaluation of management policies		
Economic performance	201-2	Financial impacts and other risks and opportunities of climate change	4.2 Climate Change Strategies	98
Procurement matters	204-1	Proportion of procurement spend from local suppliers	2.3 Supply Chain Sustainability Management	38

General Guidelines			Chapter	Page number
Environment				
Management policy (Eco design and product liability)	103-1	Explanation of the major themes and their boundaries	1.4. Sustainability Goals and Material Issues 4.1 Eco Design and Product Liability	20,80
	103-2	Management policy and its elements		
	103-3	Evaluation of management policies		
Management policy (Greenhouse gas inventory and energy management actions)	103-1	Explanation of the major themes and their boundaries	1.4. Sustainability Goals and Material Issues 4.3. Actions for Greenhouse Gas Inventory and Energy Management	20,100,107
	103-2	Management policy and its elements		
	103-3	Evaluation of management policies		
Energy	302-1	Energy consumption within the organization	4.3. Actions for Greenhouse Gas Inventory and Energy Management	105
Water	303-1	Water withdrawals by source*	4.4 Environmental Management	113
Emissions	305-1	Direct (Scope 1) greenhouse gas emissions	4.3. Actions for Greenhouse Gas Inventory and Energy Management	102
	305-2	Energy indirect (Scope 2) GHG emissions	4.3. Actions for Greenhouse Gas Inventory and Energy Management	102 - 103
	305-3	Other indirect GHG emissions (Category 3)	4.3. Actions for Greenhouse Gas Inventory and Energy Management	104
	305-4	GHG emissions intensity	4.3. Actions for Greenhouse Gas Inventory and Energy Management	100
	305-5	Greenhouse gas emission reduction	4.3. Actions for Greenhouse Gas Inventory and Energy Management	109
Waste	306-3	Waste generation*	4.4 Environmental Management	115
Compliance with laws and regulations on environmental protection	307-1	Violations of environmental regulations*	4.4 Environmental Management	111
Supplier environmental assessment	308-1	Screen new suppliers using environmental criteria	2.3 Supply Chain Sustainability Management	41,45

General Guidelines			Chapter	Page number
Social				
Management policy (Talent cultivation and development)	103-1	Explanation of the major themes and their boundaries	1.4. Sustainability Goals and Material Issues 5.1 Talent Cultivation and Development	20,120,124
	103-2	Management policy and its elements		
	103-3	Evaluation of management policies		
Labor-management relations	401-1	New employees and former employees	5.1 Talent Cultivation and Development 5.4 Appendix:Employee Turnover Rate	121,148
	401-2	Benefits provided to full-time employees (excluding temporary or part-time employees)	5.2. Employee Communication and Benefits	135
	401-3	Parental leave	5.3. Diversity and Inclusion	142
Training and education	404-1	Average number of training hours per employee per year	5.1 Talent Cultivation and Development	127
	404-3	Percentage of employees receiving regular performance and career development reviews	5.1 Talent Cultivation and Development 5.3. Diversity and Inclusion	125,126
Occupational safety and health	403-1	Occupational safety and health management system*	5.4. Appendix:Occupational Safety and Health	150
	403-9	Occupational injury*		150
Supplier social assessment	414-1	New suppliers screened using social criteria	2.3 Supply Chain Sustainability Management	41
Customer privacy	418-1	Substantiated complaints of invasions of customer privacy or loss of customer data	3.3 Customer Service and Partner Co-Creation	75

Appendix 3: Statement of Third Party Verification



ASSURANCE STATEMENT

SGS TAIWAN LTD.'S REPORT ON SUSTAINABILITY ACTIVITIES IN THE ADVANTECH SUSTAINABILITY REPORT FOR 2021

NATURE AND SCOPE OF THE ASSURANCE/VERIFICATION

SGS Taiwan Ltd. (hereinafter referred to as SGS) was commissioned by ADVANTECH Co., Ltd. (hereinafter referred to as ADVANTECH) to conduct an independent assurance of the Advantech Sustainability Report for 2021 (hereinafter referred to as the Report). The scope of the assurance, based on the SGS Sustainability Report Assurance methodology, included the sampled text, and data in accompanying tables, contained in the report presented during verification (2022/02/14~2022/03/25). SGS reserves the right to update the assurance statement from time to time depending on the level of report content discrepancy of the published version from the agreed standards requirements.

INTENDED USERS OF THIS ASSURANCE STATEMENT

This Assurance Statement is provided with the intention of informing all ADVANTECH's Stakeholders.

RESPONSIBILITIES

The information in the Report and its presentation are the responsibility of the directors or governing body (as applicable) and the management of ADVANTECH. SGS has not been involved in the preparation of any of the material included in the Report.

Our responsibility is to express an opinion on the text, data, graphs and statements within the scope of verification with the intention to inform all ADVANTECH's stakeholders.

ASSURANCE STANDARDS, TYPE AND LEVEL OF ASSURANCE

The SGS ESG & Sustainability Report Assurance protocols used to conduct assurance are based upon internationally recognized assurance guidance, including the Principles contained within the Global Reporting Initiative Sustainability Reporting Standards (GRI Standards) 101: Foundation 2016 for report quality, and the guidance on levels of assurance contained within the AA1000 series of standards and guidance for Assurance Providers.

The assurance of this report has been conducted according to the following Assurance Standards:

Assurance Standard Options and Level of Assurance

A.	SGS ESG & SRA Assurance Protocols (based on GRI Principles and guidance in AA1000)
B.	AA1000ASv3 Type 2 High Level (AA1000AP Evaluation plus evaluation of Specified Performance Information)

SCOPE OF ASSURANCE AND REPORTING CRITERIA

The scope of the assurance included evaluation of quality, accuracy and reliability of specified performance information as detailed below and evaluation of adherence to the following reporting criteria:

Reporting Criteria Options

1. GRI Standards (Core)
2. AA1000 Accountability Principles (2018)

- evaluation of content veracity of the sustainability performance information based on the materiality determination at a high level of scrutiny for ADVANTECH and moderate level of scrutiny for subsidiaries, joint ventures, and applicable aspect boundaries outside of the organization covered by this report;
- AA1000 Assurance Standard v3 Type 2 evaluation of the report content and supporting management systems against the AA1000 Accountability Principles (2018); and
- evaluation of the report against the requirements of Global Reporting Initiative Sustainability Reporting Standards (100, 200, 300 and 400 series) claimed in the GRI content index as material and in accordance with.

ASSURANCE METHODOLOGY

The assurance comprised a combination of pre-assurance research, interviews with relevant employees, superintendents, Sustainability committee members and the senior management in Taiwan; documentation and record review and validation with external bodies and/or stakeholders where relevant. In response to COVID-19 pandemic situation the assurance process was partially conducted via Teams.

LIMITATIONS AND MITIGATION

Financial data drawn directly from independently audited financial accounts. Task Force on Climate-related Financial Disclosures (TCFD) has not been checked back to source as part of this assurance process.

STATEMENT OF INDEPENDENCE AND COMPETENCE

The SGS Group of companies is the world leader in inspection, testing and verification, operating in more than 140 countries and providing services including management systems and service certification; quality, environmental, social and ethical auditing and training; environmental, social and sustainability report assurance. SGS affirm our independence from ADVANTECH, being free from bias and conflicts of interest with the organisation, its subsidiaries and stakeholders.

The assurance team was assembled based on their knowledge, experience and qualifications for this assignment, and comprised auditors registered with ISO 26000, ISO 20121, ISO 50001, SA8000, RBA, QMS, EMS, SMS, GPMS, CFP, WFP, GHG Verification and GHG Validation Lead Auditors and experience on the SRA Assurance service provisions.

VERIFICATION/ ASSURANCE OPINION

On the basis of the methodology described and the verification work performed, we are satisfied that the specified performance information included in the scope of assurance is accurate, reliable, has been fairly stated and has been prepared, in all material respects, in accordance with the reporting criteria.

We believe that the organisation has chosen an appropriate level of assurance for this stage in their reporting.

AA1000 ACCOUNTABILITY PRINCIPLES (2018) CONCLUSIONS, FINDINGS AND RECOMMENDATIONS

Inclusivity

Advantech has demonstrated a good commitment to stakeholder inclusivity and stakeholder engagement. A variety of engagement efforts such as survey and communication to employees, customers and partners, suppliers, investors, and other stakeholders are implemented to underpin the organization's understanding of stakeholder concerns. For future reporting, Advantech may proactively consider having more direct two-ways involvement of stakeholders during future engagement.

Materiality

Advantech has established effective processes for determining issues that are material to the business. Formal review has identified stakeholders and those issues that are material to each group and the report addresses these at an appropriate level to reflect their importance and priority to these stakeholders.

Responsiveness

The report includes coverage given to stakeholder engagement and channels for stakeholder feedback.

Impact

Advantech has demonstrated a process on identify and fairly represented impacts that encompass a range of environmental, social and governance topics from wide range of sources, such as activities, policies, programs, decisions and products and services, as well as any related performance. Measurement and evaluation of its impacts related to material topic were in place at target setting with combination of qualitative and quantitative measurements.

GLOBAL REPORTING INITIATIVE REPORTING STANDARDS CONCLUSIONS, FINDINGS AND RECOMMENDATIONS

The Report is adequately in line with the GRI Standards in accordance with Core Option. The material topics and their boundaries within and outside of the organization are properly defined in accordance with GRI's Reporting Principles for Defining Report Content. Disclosures of identified material topics and boundaries, and stakeholder engagement, GRI 102-40 to GRI 102-47, are correctly located in content index and report. For future reporting, more disclosure about stakeholders in material topics is expected. More disclosure of results, or even analysis, in stakeholders communication is also recommended. As more and more frameworks and standards are adopted with the report, information integration and completeness should be taken more consideration.

Signed:

For and on behalf of SGS Taiwan Ltd.



David Huang
Senior Director
Taipei, Taiwan
04 May, 2022
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