



# Labor Practices Commitment

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In all its global operations, Advantech is committed to actively respecting and protecting labor rights. We support the core principles of our ESG strategy and strive to become a people-oriented, sustainable enterprise. In response to growing global concerns regarding labor rights, supply chain responsibility, and corporate social impact, Advantech has publicly disclosed several policies and commitments concerning labor rights and continues to reinforce their implementation in corporate governance and operational practices.

The scope of this policy commitment includes Advantech's internal employees and non-employees (such as contractors and temporary workers), as well as our industry partners and supply chain partners.

## ■ Implementation of living wage initiatives

Advantech is dedicated to providing employees with a fair and reasonable compensation system to protect fundamental human rights and promote sustainable economic development. With “living wage” as our core principle, we refer to the Anker Living Wage Methodology to establish localized living wage standards. This ensures that employees at our global operational sites receive disposable income sufficient to cover the basic living expenses of themselves and their families within normal working hours. We are also gradually extending this system to our supply chain partners to expand our positive social impact.

Since 2022, we have implemented the living wage methodology at six major operational sites (Taiwan, China, Japan, Korea, USA, and Europe), and continue to expand it across our global operations.

## ■ Reasonable working hours and overtime limits

Advantech is committed to implementing a reasonable working hours system to prevent extended working hours from negatively affecting employee health and well-being. To enhance working hour management, Advantech provides diverse training to improve employee work efficiency and reduce the need for overtime, while also controlling overtime hours. According to Article 22 of the *Advantech Work Rules*, daily weekday



overtime must not exceed 4 hours, and total monthly overtime must not exceed 46 hours. Overtime must be applied for and approved by a supervisor in advance. Additionally, the company provides paid special leave in accordance with the law to ensure employees have adequate rest and maintain their physical and mental health.

#### ■ **Commitment to equal pay for equal work**

Advantech's remuneration policy is based on an employee's duties and responsibilities, and we consistently adhere to the principle of "equal pay for equal work." The Company complies with local labor laws and regulations, and salary standards do not vary based on gender. The salary grades for positions are set without any gender distinction. However, there is still a predominance of male employees in some key positions within the company. In the future, we will actively strengthen the training and promotion of female employees internally and focus on increasing talent diversity for key positions in external recruitment to optimize our employee structure and advance our goal of diverse and inclusive sustainable development.

#### ■ **Notice and communication mechanism before significant operational changes**

Advantech is dedicated to protecting employees' fundamental labor rights. In situations requiring the termination of an employment contract due to organizational adjustments or operational changes, we will strictly comply with Article 11 of the Labor Standards Act and Article 20 of the company's Work Rules. We provide reasonable and specific notice periods and compensation mechanisms based on an employee's length of service.

Before making any workforce adjustments, we will initiate internal communication and information disclosure. The notice periods, based on seniority, are as follows:

- For continuous service of more than 3 months but less than 1 year, at least 10 days' notice is required.
- For continuous service of more than 1 year but less than 3 years, at least 20 days' notice is required.
- For continuous service of 3 years or more, at least 30 days' notice is required.

Furthermore, the company provides a flexible mechanism to assist employees with job searches, allowing them to take time off for interviews during the notice period, not exceeding two days per week, with full pay for that period.