

ADVANTECH

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Enabling an Intelligent Planet

Advantech Co., Ltd. 2025 ANNUAL REPORT



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I. Letter to Shareholders

Dear Shareholders,

The year 2025 marked a pivotal year for Advantech, demonstrating operational resilience and successful transformation. In the face of global economic fluctuations and industry volatility, Advantech not only achieved new record high revenue but also established a long-term growth trajectory centered on "Edge Computing & AI-Powered WISE Solutions." A summary of the overall operating performance is reported to our shareholders as follows:



Figure A: Advantech Brand Slogan 「Edge Computing & AI-Powered WISE Solutions」

Financial Performance

Advantech's consolidated revenue in 2025 reached NT\$70.882 billion, representing a YoY growth of 18.56%. The gross profit was NT\$28.198 billion (gross profit margin was 39.8%), and the consolidated net income was NT\$10.592 billion (YoY increase of 17.6%). The earnings per share reached NT\$12.25. Both revenue and profit achieved double-digit year-on-year growth. Converted into US dollars, the revenue in 2025 was US\$2,274 million, a year-on-year increase of 22%. For the overall performance in 2025, North America, Europe, China, Taiwan, and emerging markets all delivered double-digit growth, demonstrating outstanding overall performance, while the Korean market experienced a slight decline. In terms of performance by business groups, the overall results remained robust in 2025. All four major business groups, including the Intelligent Systems Sector, IoT Automation Sector, Embedded Sector, and Intelligent Service Sector, achieved strong double-digit growth.

However, affected by the rising costs of key components such as DDR4 and SSD, the gross margin fell short of expectations. The pressure on profitability was primarily due to two factors: first, long-term contracts limited the immediate pass-through of cost increases; second, there was a time lag between procurement costs and order fulfillment. To address this, our frontline sales teams have implemented precise profit management strategies:

1. **PPV Mechanism:** In response to cost fluctuations, we have adopted the Purchase Price Variance (PPV) model for price settlement with customers to safeguard fundamental gross margins.
2. **Dynamic Pricing Management:** For individual components and peripherals, a "bi-weekly pricing" mechanism has been implemented. By shortening the quotation cycle, we can respond to market volatility in real-time, ensuring that profit levels are not eroded.

Through these measures, we aim to minimize the risks of cost fluctuations and maintain stable gross margin performance and profitability.

Deepening Edge AI: Hardware–Software Synergy and Ecosystem Enablement

Driven by the increasing adoption of AI inference and analytics at the edge, industry applications are benefiting from lower latency, enhanced data privacy, and real-time decision-making, accelerating the growth of the Edge AI market. According to Market.US, the global Edge AI market is projected to grow from US\$28.8 billion in 2025 to US\$196.6 billion by 2034, representing a CAGR of 23.8%. While hardware continues to dominate the market, software and services are rapidly expanding alongside growing deployment complexity and integration needs. However, the lack of standardization remains a key industry challenge, increasing the complexity of integration, deployment, and cybersecurity management, and in turn raising costs and slowing large-scale adoption.

Advantech has established “Edge Computing & AI-Powered WISE Solutions” as its strategic direction for 2026–2027, underscoring its commitment to advancing edge computing and AI-driven industrial solutions. To further reinforce its vision of enabling an intelligent planet at the edge, the Company continues to expand global brand influence through localized co-creation initiatives and active participation in leading international industry events, while accelerating ecosystem enablement through the WISE-IoT platform and the newly launched WEDA (WISE-Edge Developer Architecture). Leveraging a containerized and standardized architecture, WEDA integrates leading global semiconductor AI SDKs to significantly enhance development and deployment efficiency across diverse industry applications. Through its integrated hardware–software capabilities, Advantech is further strengthening its leadership position and thought leadership in the global Edge AI market.

Advantech continues to deepen its investments in both hardware and software platforms as two core pillars of its development strategy. Through close hardware–software integration, Advantech is committed to building a comprehensive platform to support diverse edge AI solutions. On the software ecosystem side, Advantech has established a dual-platform architecture comprising WISE and WEDA. WISE-IoT at the application layer and EdgeSync at the device connectivity layer have reached maturity, while the newly launched WEDA (WISE-Edge Developer Architecture) adopts a containerized framework and pre-integrates AI SDKs from leading global semiconductor partners. This significantly enhances efficiency for customers, streamlining the entire process from development to deployment of edge AI applications.

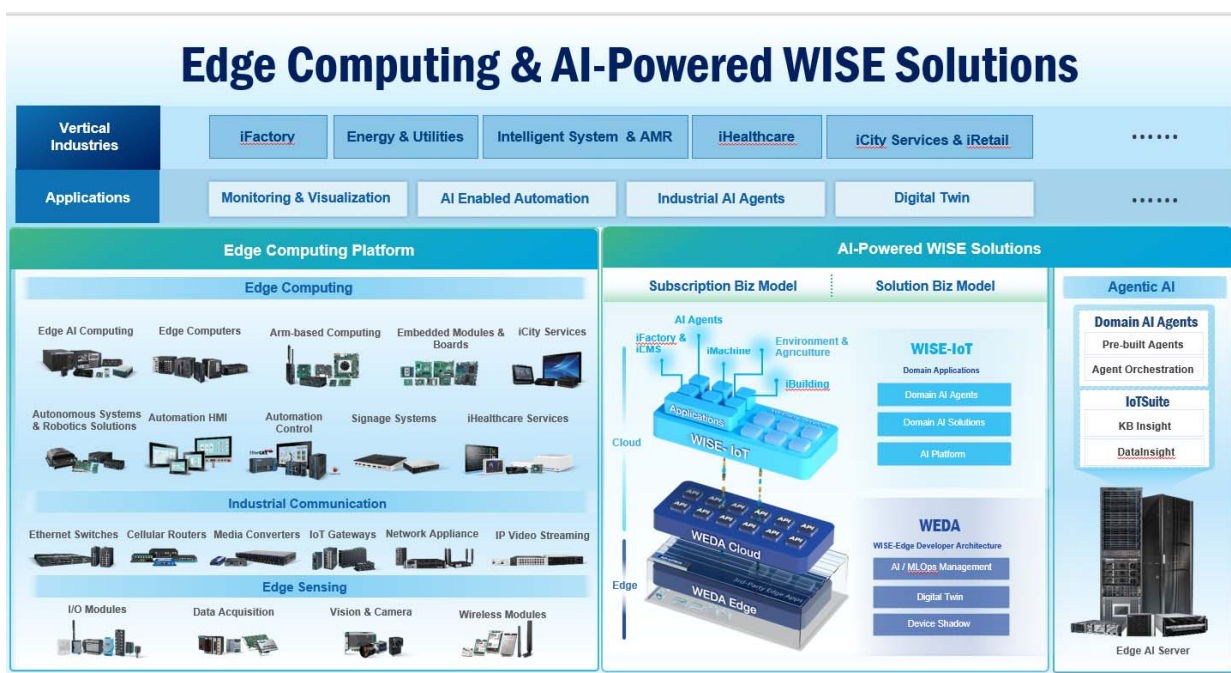


Figure: Advantech Integrated AIoT Software–Hardware Architecture

At the same time, Advantech continues to advance its high-performance computing platforms. With the ongoing expansion of 5G infrastructure and advancements in semiconductor technologies, both x86 and ARM/RISC architectures are delivering increasingly powerful processors to meet the growing demand for high-performance computing across industries such as healthcare, transportation, and robotics. Advantech works closely with leading technology partners, including Intel, AMD, NVIDIA, and Qualcomm, to co-develop and commercialize edge computing platforms, supporting comprehensive industry upgrades. Furthermore, driven by the advancement of AI inference technologies, Advantech is enabling compute power to shift closer to the edge. By leveraging the low-latency advantages of Edge AI, the Company enables AI to actively participate in real-time operations and decision-making across industries, reducing reliance on cloud-based data transmission.

With the strong market position in edge computing, Advantech has delivered comprehensive, vertically integrated solutions tailored to diverse industry needs, including Edge AI acceleration modules, inference systems, and edge AI servers, integrated with software platforms to accelerate customer deployment. Its hardware platforms support a wide range of AI chips, including GPUs, VPUs, and integrated NPUs, while its deep hardware design expertise enables highly customized solutions across robotics, smart manufacturing, renewable energy, and healthcare applications.

Global Supply Chain Management: Enhancing Resilience and Delivery Efficiency

In response to the rapidly evolving global environment, Advantech continues to strengthen its end-to-end (E2E) supply chain management to build a resilient operating framework and support long-term growth. On the supply side, the DRAM and SSD supply environment became increasingly tight in 2025. The Company has proactively coordinated with strategic partners on inventory preparation and capacity allocation, mitigating supply risks of critical components through forward planning to ensure stable production and on-time customer delivery. While such proactive measures increase operational complexity, they significantly enhance overall supply chain resilience.

From a manufacturing efficiency and capacity deployment perspective, Advantech operates a highly flexible and supportive manufacturing network across Kunshan (China), Guishan, Taoyuan (Taiwan), and Nogata (Japan). The Company continues to advance AI and digital transformation (DX) initiatives to optimize production processes and quality control, further improving manufacturing stability. To support long-term growth, new manufacturing equipment investments have been made in Taoyuan and Nogata, increasing capacity by approximately 15% and 35%, respectively, establishing greater flexibility to accommodate mid- to long-term business expansion. In terms of regional manufacturing and localized delivery, Advantech has established system assembly capabilities in Milpitas, U.S., and is developing a new North America operational headquarters in Tustin, expected to be completed by the end of 2026. Upon completion, local assembly capacity in the U.S. is expected to double, further strengthening the Company's "local-for-local" production and delivery capabilities.

Looking ahead to 2026, Advantech will initiate a major transformation of its global logistics model by introducing a cross-docking-centered operating framework. The Company will gradually transition from the traditional two-stage shipment model—factory to regional warehouse, then to customer—toward a more direct logistics delivery approach. This structural shift is expected to shorten delivery lead times, reduce intermediate inventory and handling processes, further enhance overall supply chain responsiveness, laying a more efficient and resilient operational foundation to support future scalable growth.

Sustainable Development: Optimizing Succession Framework and Global Operations

Advantech remains firmly committed to sustainable development and responsible governance, with corporate and shareholder interests as its top priority. The Company has initiated structured succession planning at both the board and senior management levels. Key organizational transformations include:

1. The corporate headquarters management structure will gradually transit from the current co-Presidents model to a “C-led leadership model,” comprising the Chief Executive Officer (CEO), Chief Financial Officer (CFO), and Chief Operating Officer (COO), to enhance leadership continuity and long-term sustainability. At the business unit level, there will be an appointed BO Heads to lead the operations and further advance the Sector-Driven strategy.
2. The establishment of Worldwide Business Operations (WWBO) as the highest decision-making for global operations aims to accelerate international deployment. By breaking down regional boundaries and centralizing core resources and senior talent, Advantech enables regional markets with a “global resources, local execution” approach. Through WWBO coordination, the Company can cultivate differentiated core capabilities tailored to regional characteristics, strengthening global operational resilience while ensuring strong competitive positioning and execution efficiency across markets. In parallel, Advantech continues to strengthen its talent development and leadership pipeline mechanisms. This includes formalizing leadership succession planning, identifying high-potential executives, and implementing structured internal rotation programs to cultivate global management talent. Key positions are systematically reviewed, succession candidates are evaluated, and three-year development plans are established. Through dedicated development platforms and targeted stretch assignments, Advantech is building a people-centric talent sustainability model to support long-term, stable leadership succession.



Figure C: Advantech’s WWBO (Worldwide Business Operations) Organization Enhancing Global Deployment

Embedding Sustainability into DNA to Create Shared Value

Guided by its core vision of “Enabling an Intelligent Planet,” Advantech continues to integrate sustainability into its operations and brand value, leveraging a systematic ESG strategy to enhance corporate resilience and create long-term value. In 2025, Advantech delivered outstanding performance in several benchmarks, rising to No. 4 in the Interbrand Taiwan Best Global Brands ranking, with brand value reaching US\$896 million (+5% YoY). This milestone reflects Advantech’s successful transformation into a global leader in edge computing and AI solutions. The Company was also ranked No. 4 in the Large Enterprise category of the Commonwealth Corporate Sustainability Awards and received the Family-Friendly Workplace Award from *CommonWealth Parenting* for the first time. In global ESG assessments, Advantech advanced from Bronze to Silver rating by EcoVadis, achieved a CDP rating of B, and recorded its highest-ever score in the Dow Jones Sustainability Index (DJSI), demonstrating continued progress in sustainability governance.

From the Environmental (E) perspective, Advantech is actively advancing green operations and low-carbon transformation. In 2025, its Kunshan plant obtained UL 2799 Zero Waste to Landfill Platinum certification—the Group’s first top-tier certification. The Company also published its inaugural TCFD/TCNFD-aligned report, strengthening biodiversity assessment and conservation initiatives at the Linkou campus, underscoring its commitment to biodiversity preservation. In alignment with global decarbonization trends, Advantech updated its SBT 1.5°C targets and plans to introduce an internal carbon pricing mechanism, with proceeds allocated to sustainability initiatives, eco product R&D, and employee incentives. Meanwhile, greenhouse gas inventory efforts have expanded to European subsidiaries, with progress exceeding regulatory requirements.

In terms of Social (S) points of view, Advantech continues to enhance performance and talent management systems, strengthening global leadership effectiveness and organizational execution, while fostering an inclusive and engaging workplace. In 2025, the Company introduced its first external employee engagement survey, achieving an engagement rate of 85%. Advantech’s operations in Europe and Korea also obtained ISO 45001 certification. Through industry and academia collaboration, Advantech promotes talent development in edge computing and AI, expanding the societal impact of IoT technologies. The Company also actively supports global arts and culture, Project-Based Learning (PBL) education, DEI initiatives, volunteering, and environmental programs—covering STEAM education, women’s empowerment, community service, and green lifestyle advocacy—demonstrating its deep-rooted local social impact.

From the Governance (G) aspects, Advantech continues to strengthen supplier carbon management, achieving carbon data collection from 80% of key suppliers, with over 800 participants attending ESG empowerment programs to reinforce supply chain resilience. To further advance sustainable products, the Company has enhanced sustainable procurement practices, including establishing a traceability system for sustainable raw materials with certified recycled material data management, and implementing sustainable material product initiatives.

Company Outlook

To enhance shareholder returns and demonstrate strong commitment in the business outlook, Advantech has implemented a structural optimization of its dividend policy. The Company has discontinued its previous practice of issuing stock dividends every three years and formally transitioned to a fully cash dividend model. In addition, the recurring cash payout ratio has been raised from the previous 70–75% to 70–80%. Advantech has also introduced a time-limited special cash dividend program. From 2026 to 2028, over three consecutive distribution years, an additional NT\$2 per share will be distributed annually from capital reserve, with a total incremental payout expected to exceed NT\$5.2 billion. Based on this framework, for FY2025, the Company proposes a regular cash dividend of NT\$9.2 (75% payout ratio), along with a special cash dividend of NT\$2 from capital

reserve, bringing the total cash dividend to NT\$11.2 per and the total payout ratio to 91.4%. This initiative underscores Advantech's commitment to sharing its operating results with shareholders. The objective of this policy is to establish a transparent, stable, and predictable long-term capital return mechanism, further enhancing shareholder value.

As large language model (LLM) technologies continue to mature, AI applications are rapidly extending from cloud data centers to edge. A new wave of industry transformation in healthcare, retail, and smart warehousing is gaining strong momentum. Since Advantech was founded, the Company has remained deeply committed to edge computing, continuously strengthening its global footprint while enhancing operational and manufacturing capabilities. To capitalize on this AI-driven wave, Advantech's four Sector Business Groups (SBGs) have concurrently expanded their Edge AI hardware and software deployments. On the hardware front, collaborative development with leading global chipmakers has delivered tangible results. On the software side, in addition to advancing the WISE-IoT platform, Advantech has introduced the WEDA (WISE-Edge Developer Architecture). Through an open architecture approach, WEDA brings together ecosystem partners to deliver highly targeted edge software solutions tailored to vertical industries.

Looking to 2026, we project that Edge AI hardware will reach over 30% of our total sales. Advantech is evolving from a leader in embedded computing hardware provider into a world-leading provider of Edge AI industrial solutions. Upholding the convictions, we have held for over forty years, Advantech remains committed, as always, to creating exceptional value for our customers, employees, shareholders, and society.



K.C. Lu
Chairman

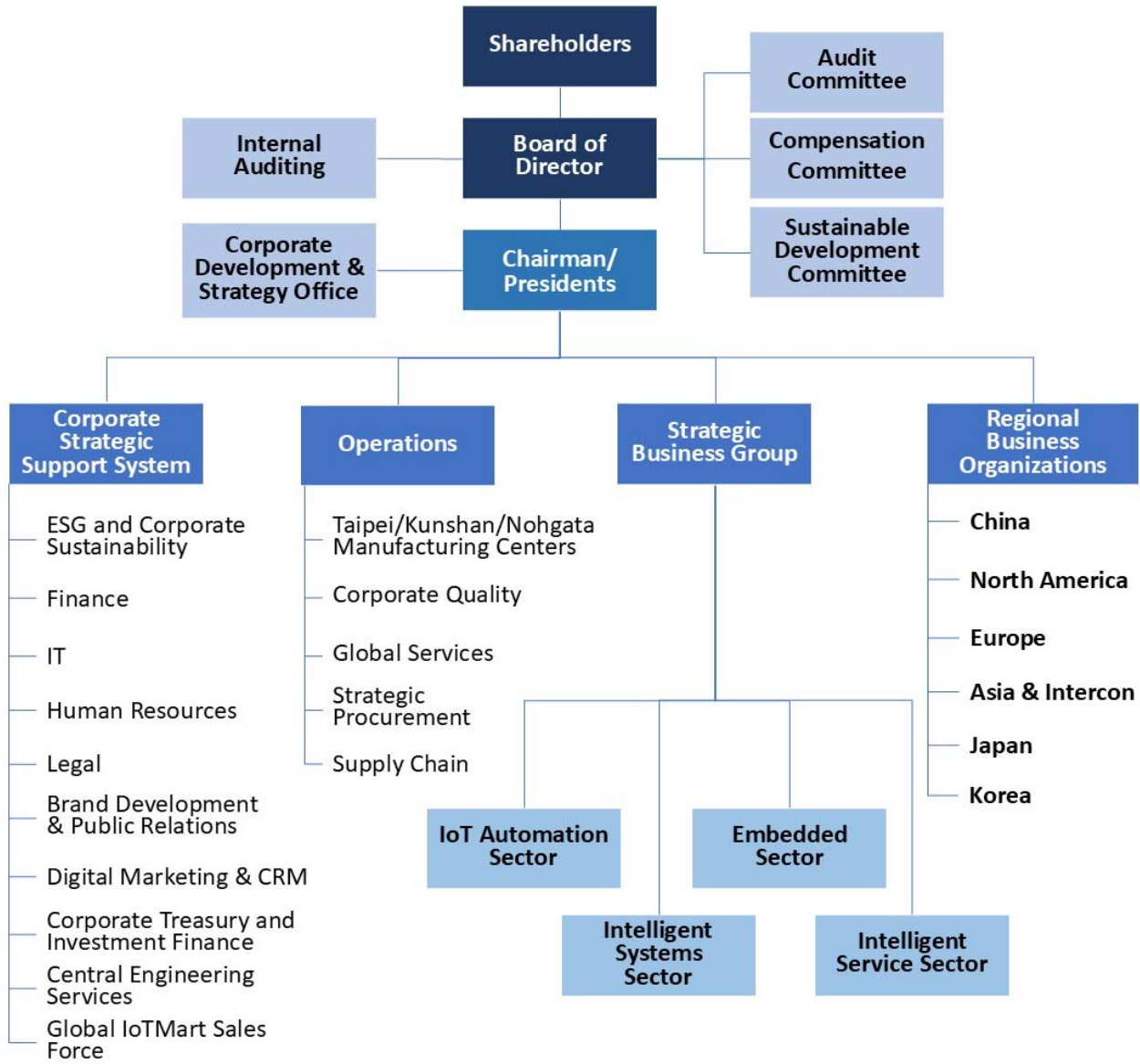
Miller Chang
President of Embedded
IoT

Linda Tsai
President of Industrial
IoT

Eric Chen
President of General
Management

II. Corporate Government Report

1. Organization (1) Structure



(2) Responsibilities of major functions

Main Department	Main Responsibilities
Internal Auditing	Review the adequacy and consistency of internal control processes to ensure the effectiveness of internal control. Set up an annual plan according to regulatory and risk-based considerations, which will be approved by board meeting and to be executed accordingly. Will also perform project-based audit to identify operation improvement areas as well as to assist in enhancing corporate governance and risk management mechanisms.
Corporate Development & Strategy office	In alignment with the company's overall development vision, the following key strategic directions are formulated and supported directions: <ol style="list-style-type: none"> 1. Design and manage corporate annual business plan development process. Assist management team to formulate annual business plans, set up organizational targets and continuously monitor the business performance indicators. 2. Development strategy for the Industrial IoT WISE-IoT service platform and the WISE AI Agent , a toolkit for artificial intelligence agents. 3. Strategic investment initiatives and strategic partnership development programs. 4. Ideation, research, planning, and commercialization of emerging business opportunities to drive corporate innovation and connect with external academic institutions and startup ecosystems.
ESG and Corporate Sustainability	Design and Promote the company's sustainable development policies, including "Mutual benefit of employee & society"; "The popularization of the AIoT"; "Green Operation",and corporate cybersecurity policies define and protection mechanism setup and deployment.
Finance	<ol style="list-style-type: none"> 1. Responsible for budgeting, accounting, financial reports, variance analysis; planning, Management, and control of tax administration, finance, and stock affairs. 2. Domestic and overseas financial statement preparation and analysis. 3. Operating performance of overseas investment 4. Cash flow management
IT	<ol style="list-style-type: none"> 1. Information technology execution and management. 2. Crucial technology implementation and professional technical services. 3. Information security strategy planning, system maintenance, and related task operations.
Human Resource	<ol style="list-style-type: none"> 1. Develop and execute human resource strategies that closely align with company and businesses' vision and direction. 2. Promoting employee service and relationships, inspiring a platform for talent development, and creating a positive employee experience to enhance overall employee well-being, empower career development and elevate employer branding are integral aspects of our commitment. 3. Develop human resource policies, systems, structures and standards, and implement talent empowerment and development plan. 4. Develop core competencies to enhance organizational capability.
Legal	<ol style="list-style-type: none"> 1. Review contracts and agreements 2. Handle company's lawsuits and disputes 3. Provide internal legal training and legal opinions 4. Handle the company's Intellectual Property Rights issue.
Brand Development & Public Relations	<ol style="list-style-type: none"> 1. Develop Advantech global branding promotion plan and its materials. 2. Define company identity system. 3. Coordinate global marketing campaigns and produce branding and marketing collaterals. 4. Maintain Advantech external relationship with SIG (special interest groups), media and etc.

Main Department	Main Responsibilities
	5. Plan and launch global strategic corporate events (World Partner Conference, Anniversary Program, etc.)
Digital Marketing & CRM	Expanding digital marketing channels and methodologies toward the target sector market communication and leveraging big data analysis plus CRM management including sales automation, productivity enhancement, real-time support, to achieve the automatic marketing intelligence.
Corporate Treasury and Investment Finance	<ol style="list-style-type: none"> 1. Global Cash Management: Integrate funding resources, maximize benefit and minimize cost between HQ and affiliate. Integrate Global guarantee, internal loan and bank borrowing. 2. FX Risk Management: Set up FX Hedge policy for Advantech Group 3. Global Asset and Insurance Integration management 4. Investment portfolio company management 5. Investee company Portfolio tracking, preparation of management reports, and compliance with Advantech Group regulations.
Central Engineering Services	Provide relevant design/verification resources and services required for R&D of various business groups. Including: printed circuit board design (PCB Design), signal and power integrity simulation & validation (SI/PI Simulation & Validation), power circuit design, EDA electronic design automation (CAE), R&D collaborative management platform design and management, Engineering Process Management (EPM), Package Design.
Manufacturing	<ol style="list-style-type: none"> 1. Develop intelligent manufacturing strategy with introducing automation equipment and intelligent system to achieve the overall strategy of the company 2. Based on the company's overall operation plan, make the plant area layout and set the production objectives\capacity planning 3. Coordinate and manage material 、 production 、 quality 、 logistics and operation related executions
Corporate Quality	<ol style="list-style-type: none"> 1. Coordinate with related departments, including RD, PM, manufacturing, sales and after services, to ensure and enhance product quality, monitor and prevent major quality deviation 2. Develop and implement company quality assurance system, to meet and satisfy the needs of customer and ISO requirements 3. Manage and enhance design quality assurance tests in product development phase 4. Evaluate and apply product regulations 5. Monitor and enhance product quality on factory and supply chains 6. Plan and implement customer quality services, and establish global strategies to provide real-time services
Global Services	<ol style="list-style-type: none"> 1. Responsible for global order processing and logistics services to overseas sites to meet global distributions 2. Provide customers one-stop global service and total solutions, from design, manufacturing, quality control, procurement, logistics, assembly, customer service to repair
Strategic Procurement	<ol style="list-style-type: none"> 1. Negotiate and purchase required components and equipment. 2. Develop new vendors of components and equipment in response to rapid changing technology evolution 3. Develop integrated purchasing strategies that support organizational strategies, goals and objectives 4. Develop the supply chain strategy, and contact procurement for the long-term and competitive components and material supply.

Main Department	Main Responsibilities
Supply Chain	<ol style="list-style-type: none"> 1. Plan and implement internal supply and demand linkage strategy to set a flexible supply chain system 2. Make supply and demand balance plans for various different product types to meet the company's business strategy and customer various demand 3. Develop supply chain strategy with customers to win the business objectives
IoT Automation Sector	<p>The IoT Automation Sector focuses on open, automated, and intelligent Industrial IoT applications, leveraging innovative hardware, software, and cloud services. By integrating edge computing, real-time data analytics, and intelligent connectivity technologies, we help traditional automation transition into the era of intelligent IoT. Our solutions provide data acquisition modules, wireless intelligent sensors, industrial communication and networking devices, edge gateways, IoT controllers, and Human-Machine Interface (HMI) systems, enabling seamless data integration from field devices to the cloud, accelerating the adoption of Industrial IoT applications.</p> <p>Key application areas include smart factories, industrial equipment, data center, renewable energy, smart environments and agriculture, and intelligent transportation. Through edge computing and cloud-based integrated solutions, we enable device connectivity, remote monitoring, intelligent control, predictive maintenance, and energy management, driving digital transformation for enterprises.</p> <p>Additionally, with a well-established global sales and technical network, distribution partners, and the cross-border e-commerce platform IoTMart, we drive the widespread deployment of intelligent IoT automation technologies, empowering global industries to upgrade and build a more efficient, sustainable, and interconnected future.</p>
Intelligent Systems Sector	<p>The Intelligent Systems Sector focuses on edge computing, servers, machine vision, video streaming, industrial mobility and autonomy technologies, dedicated to developing high-performance, reliable, and intelligent computing platforms and solutions. The product portfolio includes edge computers, edge servers, rugged and in-vehicle edge AI platforms, human-machine interfaces (HMI), industrial and medical tablets, industrial AI cameras, and network security platforms, widely applied in intelligent factories, industrial and semiconductor equipment, collaborative robots, transportation, logistics, heavy duty machinery, power and energy, networking & communication, and video streaming markets.</p> <p>Leveraging Advantech's strengths in edge computing hardware and AI Agent software integration, we provide L11 Rack cabinet system assembly, integration, and testing services, further empowering industrial clients with high-value intelligent solutions to drive industrial intelligence and business growth.</p>
Embedded Sector	<p>Embedded Group provides a comprehensive range of edge computing & AI platforms, from embedded boards and intelligent systems to industrial peripherals, application-focused robotics and industrial drone solutions, along with Design and Manufacture Services (DMS)</p> <p>We offer product development, system design, industrial drone, manufacturing, and global localized sales and technical support. Focusing on key vertical markets—including Medical, gaming, transportation, industrial drone, AMR, robotic, automation, self-service KIOSK, Pro AV, industrial servers, and mission critical applications—our mission is to delivers one-stop integrated services.</p> <p>To address the ambiguous edge AI, we strengthen alliances with embedded eco-partners and application-driven system integrators worldwide, building a diverse, open, and developer-friendly hardware–software integration platform, accelerating the real-world deployment of AI technologies at the edge.</p> <p>In response to the rapidly evolving robotics market, we partner with leading</p>

Main Department	Main Responsibilities
	silicon and camera providers to deliver domain-focused robotics solutions that shorten customers’ path from PoC to large-scale deployment. To address rising cybersecurity requirements, we offer IEC 62443-4-2 certified platforms across both x86 and Arm architectures. Through strategic technology roadmaps and partnerships, we continue to strengthen our global leadership and long-term competitive advantage.
Intelligent Service Sector	The iService Sector focuses on smart city–related technologies, delivering product development, marketing, and sales of IoT solutions. With edge computing and edge AI as its core capabilities, the sector provides a comprehensive portfolio of intelligent systems, industrial tablets, and integrated solution suites. These offerings are designed to support industrial applications across healthcare, retail, and hospitality, enabling real-time AI analytics and advanced edge computing in diverse operational scenarios. Through continuous innovation and solution deployment, the iService Sector supports the digital transformation of key vertical markets, helping customers improve operational efficiency, enhance decision-making, and build more connected and intelligent environments.
Regional Business Organizations	Develop global businesses and markets, and provide technical support and value-added services in the region. Consistently develop new markets and eco-partnerships, enhance our customer relations and customers’ trust on our brand and solutions.
Global IoTMart Sales Force	<p>The Global IoTMart Sales Force is dedicated to driving the digital transformation of IoT product sales by leveraging IoT technologies and artificial intelligence to optimizes and enhances e-commerce efficiency. It also operates a global cross-border direct-to-consumer (DTC) e-commerce platform and provides integrated online and offline digital sales services that foster collaborative growth.</p> <p>The department’s core responsibilities include:</p> <ol style="list-style-type: none"> 1. AI-powered enablement of diversified commerce platforms 2. Data-driven precision sales 3. Driving sales transformation and building an integrated industry sales ecosystem 4. User experience development 5. System optimization, maintenance, and intelligent AI services

2. Directors and Management Team

(1) Directors

March 31, 2026

Title	Nationality	Name	Gender/Age	Date elected	Term (Years)	First elected	Shareholding when elected		Current shareholding		Spouse and Minor shareholdings		Shareholding by nominee arrangement		Education and selected past positions	Current additional positions	Other heads, directors, or supervisors as spouse or kin within the second degree		
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation
Chairman	ROC	K.C. Liu	Male / 61-70	05.25.2023	3	11.11.1985	25,620,886	3.66%	26,993,951	3.11%	5,701,052	0.66%	0	0%	Founder of Advantech; Former salesman of Instruments Dept. of Hewlett-Packard; Department of Telecommunications Engineering, National Chiao Tung University	Note 1	Director	K and M Investment Co., Ltd.	Father-child
Director	ROC	Advantech Foundation.	Male / 61-70	05.25.2023	3	05.26.2017	20,288,715	2.89%	24,543,548	2.83%	0	0%	0	0%	President of Le Wel Co., Ltd. Tatung Institute of Technology, Taiwan	Note 2	None	None	None
		Representative Chaney Ho					0	0%	13,615	0%	53,482	0.01%	0	0%					
Director	ROC	K and M Investment Co., Ltd	Male / 41-50	05.25.2023	3	05.28.2020	83,073,163	11.85%	100,651,794	11.59%	0	0%	0	0%	Director of Advantech Intelligent City Services Co., Ltd. Johns Hopkins University GMBA	Note 3	Chairman	K.C. Liu	father-child
		Representative: Wesley Liu					0	0%	389,342	0.04%	24,193	0%	0	0%					
Director	ROC	AIDC Investment Corp.	Male / 31-40	05.25.2023	3	05.25.2023	82,097,182	11.71%	99,746,136	11.49%	0	0%	0	0%	Product Manager of Advantech Intelligent Imaging Business Unit. Master of Business Administration, National Taiwan University	Note 4	None	None	None
		Representative Tony Liu					0	0%	210,480	0.02%	159,482	0.02%	0	0%					
Director	ROC	Jeff Chen	Male / 61-70	05.25.2023	3	05.25.2023	0	0%	0	0%	0	0%	0	0%	VP of Stanley Black & Decker and President of Asia Region EMBA, Northwestern University	None	None	None	None
Director	ROC	Ji-Ren Lee	Male / 61-70	05.25.2023	3	05.25.2023	0	0%	0	0%	0	0%	0	0%	Associate Dean, College of Management and Executive Director, EMBA Program, National Taiwan University Ph. D in Strategic Management, University of Illinois at Urbana Champaign	Note 5	None	None	None
Independent Director	ROC	Ming-Hui Chang	Male / 61-70	05.25.2023	3	05.25.2023	0	0%	0	0%	0	0%	0	0%	Chairman of PricewaterhouseCoopers Management Consulting Co., Ltd. CEO/Partner of PricewaterhouseCoopers Adjunct Professor, Ph.D. in Accounting, University of Maryland	Note 6	None	None	None
Independent Director	ROC	Benson Liu	Male / 71-80	05.25.2023	3	05.26.2017	0	0%	0	0%	0	0%	0	0%	Chairman and President of Bristol-Myers Squibb (Taiwan) Ltd. Master, International Business Administration, University of Northrop, USA	Note 7	None	None	None
Independent Director	ROC	Chan-Jane Lin	Female / 61-70	05.25.2023	3	05.28.2020	0	0%	0	0%	0	0%	0	0%	FocalTech Systems Co., Ltd.-Independent Director Ph.D in Accounting, University of Maryland	Note 8	None	None	None

Note 1: Concurrent Positions Held by Chairman, K.C. Liu**Simultaneously act as the chairman of the following companies:**

Advantech Foundation, K and M Investment Co., Ltd., Advantech Technology (China) Company Ltd. (AKMC)

Simultaneously act as the director of the following companies:

AIDC Investment Corp., Advantech Corporate Investment (ACI), AIC Taiwan Holding CORP., Expetech Co., Ltd., Shanghai Advantech intelligent Services Co., Ltd (ACI CN), Xi'an Advantech Software Ltd., Advantech Technology Co., Ltd. (ATC) 、 Advantech Corporation. (ANA) 、 HK Advantech Technology Co., Limited (ATC HK) 、 Advantech Automation Corp. (HK) Limited (AAC HK)

Note 2: Concurrent Positions Held by Director, Chaney Ho

Simultaneously act as the director of the following companies: Unabiz Pte Ltd.,

Simultaneously act as the independent director of the following companies: GIANT MANUFACTURING CO., LTD., Apex Medical Corp

Note 3: Concurrent Positions Held by Director, Wesley Liu

Simultaneously act as the chairman of the following companies: CZ investment Co., Ltd.

Simultaneously act as the director of the following companies:

K and M Investment Co., Ltd., Tran-Ting Development Co., Ltd., Tran-Fei Development Co., Ltd., AIC Taiwan Holding CORP., Winmate Inc, Shanghai Advantech intelligent Services Co., Ltd (ACI CN), Advantech Australia Pty Ltd. (AAU), Advantech Co. Malaysia Sdn. Bhd (AMY), Advantech Turkey Technology A S. (ATR), Advantech International PT. (AID), Advantech Industrial Computing India Private Limited. (AIN), Advantech Electronics, S. De R. L. De C. (AMX), Advantech IOT Israel Ltd. (AIL), Advantech Raiser India Private Limited (ARI), Advantech Technology DMCC. (ADB)

Note 4: Concurrent Positions Held by Director, Tony Liu**Simultaneously act as the chairman of the following companies:**

Tran-Ting Development Co., Ltd., Tran-Fei Development Co., Ltd., Hsiung Yang Investment, Advantech Corporate Investment (ACI), Advanix Corporation, Advantech Intelligent Services Co., Ltd. (AiCS), Cermate Technologies Inc., Expetech Co., Ltd.

Simultaneously act as the director of the following companies:

K and M Investment Co., Ltd., CZ investment Co., Ltd., AIDC Investment Corp., AXIOMTEK CO., LTD., Smasoft technology Co., Ltd., Yan Xu Green Electricity Co., Ltd., Beijing Yan Hua Xing Ye Electronic Science & Technology Co., Ltd. (ACN), Bitflow, Inc. 、 Aures Technologies S.A. 、 A.G.H US Holding Company Inc. 、 Retail Technology Group Inc. 、 J2 Systems Technology Ltd. 、 Aures Technologies Ltd. 、 Aures Technologies Pty 、 Nippon RAD Inc.

Note 5: Concurrent Positions Held by Director, Ji-Ren Lee

Simultaneously act as the chairman of the following companies: B Current Impact Investment , Chengzhi Education Foundation Chairman

Simultaneously act as the director of the following companies:

COMMONWEALTH EDUCATION MEDIA AND PUBLISHING CO., LTD.), Commonwealth Magazine Co., Ltd. , Longchen Paper & Packaging Co., Ltd., Primax Electronics Ltd.

Simultaneously act as the independent director of the following companies: Airoha Technology, MAYO Human Capital Inc

Note 6: Concurrent Positions Held by Independent Director, Ming-Hui Chang

Simultaneously act as the Independent Director of the following companies: UNI-PRESIDENT ENTERPRISES CORP., Longwell Company, Solomon Technology Corporation

Note 7: Concurrent Positions Held by Independent Director, Benson Liu

Simultaneously act as the Independent Director of the following companies: Chenbro Micom Co., Ltd.

Simultaneously act as the Director of the following companies: : Maywufa Company Ltd.

Note 8: Concurrent Positions Held by Independent Director, Chan-Jane Lin**Simultaneously act as the Independent Director of the following companies:**

FocalTech Systems Co., Ltd., Chief Telecom Inc., Vanguard International Semiconductor Corporation

i. Major shareholders of the institutional shareholders

March 31, 2026

Name of Institutional shareholders	Major shareholders (note)
AIDC Investment Corp.	K.C. Liu (18.77%), Mary Chang (5.08%), Advantech Foundation (10.08%), Wesley Liu (1%)
K and M Investment Co., Ltd.	K.C. Liu (32.92%), Wesley Liu (1.38%), Tony Liu(1.35%), Mary Chang (31.95%)
Tran-Fei Development Co., Ltd	Tony Liu(5.32%), Li-Huai Huang(2.12%), Mary Chang(0.62%)
Asus Computer Co., Ltd.	Capital TIP Customized Taiwan Select High Dividend ETF Fund Account (5.36%), Yuanta Taiwan High Dividend ETF Fund Account (4.71%), Cathay Taiwan ESG Sustainability High Dividend ETF Fund Account (4.27%), Jonney Shih (4.05%), Cathay United Bank, Custodian for Infinity No.1 Investment Co., Ltd. (2.78%), Citibank Taiwan Ltd., as Custodian for ASUS Depository Receipts (2.63%), Fuh Hwa Taiwan Technology Dividend ETF Fund Account (1.85%), Yuanta Taiwan Top 50 ETF Fund Account (1.85%), Nan Shan Life Insurance Co., Ltd. (1.59%), New Labor Pension Fund (1.49%)

Note: List of top 10 shareholders.

ii. Major shareholders of the major institutional: The Advantech Foundation is a non-profit organization, therefore it is not applicable.

(2) Directors of information as professional qualifications and independent status of directors and independent directors

Qualification Name	Professional qualifications and experience	Independent status	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Chairman K.C. Liu	Chairman Liu, as the founder of Advantech, has striven to direct Advantech towards the goal of globalization since the incorporation of the company through continuous development, innovation, and application. In view of the vigorous development of the global Internet of Things (IoT) in recent years, he has actively cooperated with partners to “create” an industrial ecosystem and to promote IoT software and hardware solutions with the industrial IoT cloud platform WISE-IoT as the core. Chairman Liu for the purpose of realizing the values based on altruism has led Advantech to implement ESG based on the core capabilities of the company, to expand its social influence, and to move towards the goal of sustainable development.	An employee of the Company.	0
Director Chaney Ho	Director Ho is the co-founder of Advantech with a focus on Advantech’s global business marketing, branding, and operation management, and plans to promote Advantech’s vision plan of “Enabling an Intelligent Planet” in order to accelerate Advantech’s entering the Internet of Things (IoT) industry. Therefore, Advantech has been awarded the honor of being ranked in the top 5 of “Branding Taiwan” since the year of 2004 to the present. Currently serves as an independent director of GIANT MANUFACTURING CO., LTD., and Apex Medical Corp	Not an employee of the Company or a subsidiary.	2
Director Jeff Chen	Director Chen was the former global vice president and Asia president of Stanley Black & Decker, Inc. who has management experience in large-scale international enterprises, M&A strategy execution, and a profound understanding of technology expertise.	Not an employee of the Company or a subsidiary.	0

Name \ Qualification	Professional qualifications and experience	Independent status	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Director Wesley Liu	Director Liu has experience in smart cities, smart retail system integration (SI) solutions, and Internet of Things (IoT) development, as well as experience in talent strategy development and comprehensive management.	An employee of a subsidiary.	0
Director Tony Liu	Director Liu has the necessary work experience for commerce and business affairs, and is professional at operational judgment, accounting and financial analysis, business management, crisis management, industry knowledge, international market outlook, leadership, and decision-making capability.	An employee of a subsidiary.	0
Director Ji-Ren Lee	<p>Director Lee worked at National Taiwan University from 2005 to 2020, and successively served as deputy dean of the School of Management and executive director of EMBA, deputy dean of teaching and resource development of the School of Management, and director of the Creativity & Entrepreneurship Program and Innovation Center. Director Li has been awarded the Honorary Professor of the Department of International Business, National Taiwan University after his retirement in 2020.</p> <p>Director Lee has expertise and experience in business strategy, talent development, risk management, and financial analysis; also, he has more than five years of work experience needed for the company's business. He was the Associate Executive Officer of Yulon Group in 1982, which is the kind of work experience related to the GICS industry.</p> <p>Currently serves as an Independent Director: Airoha Technology, MAYO Human Capital Inc</p>	Not an employee of the Company or a subsidiary.	2
Independent Director Ming-Hui Chang	<p>Independent Director Chang was the former chairman of PwC Foundation and the director of PwC Taiwan who has professional accounting and financial knowledge; he also, has a profound understanding of the international market and sufficient experience in risk management.</p> <p>Professional certification and license: Certified Public Accountant of the Republic of China.</p> <p>Currently serves as an Independent Director: Uni-President Enterprise Corp, Longwell Company, Solomon Technology Corporation.</p>	In the two years before the election and during the term of office, they have met the independence assessment conditions of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies".	3
Independent Director Benson Liu	<p>Independent Director Liu has professional knowledge and skills in financial accounting, corporate governance, operation management, etc., and is familiar with relevant laws and regulations.</p> <p>Important experience: Chairman and President of Taiwan Bristol-Myers Squibb (Taiwan) Ltd., the sixth chairman of Taiwan Corporate Governance Association, and the current standing director.</p> <p>Currently serves as an Independent Director: Chenbro Micom Co., Ltd.</p>	In the two years before the election and during the term of office, they have met the independence assessment conditions of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies".	1
Independent Director Chan-Jane Lin	<p>Independent Director Lin has expertise in financial accounting, business management, and corporate governance. She is currently serving as a professor at the Accounting Department of National Taiwan University and an adjunct professor at the School of Management of National Taiwan University. She also serves as the convenor of supervisors of Taiwan Corporate Governance Association, and the supervisor of the Securities and Futures Investors Protection Center.</p> <p>Important experience: Independent director of Fubon Financial Holding Co., Ltd., independent director of Fubon Life Insurance Co., Ltd., and independent director of Fubon Securities Co., Ltd.</p> <p>Concurrently serving as an independent director: FocalTech Systems Co., Ltd., Chief Telecom Inc., Vanguard International Semiconductor Corporation</p>	In the two years before the election and during the term of office, they have met the independence assessment conditions of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies".	3

Note1: None of the directors of the Company has any circumstance under Article 30 of the Company Act.

Note2: All directors of the Company have not been elected on behalf of the government, corporate or representative in accordance with Article 27 of the Company Act.

(3) Diversity and independence of the Board of Directors:

i. Diversification of the Board of Directors:

In order to strengthen corporate governance and promote the sound development of the composition and structure of the Board of Directors, the Board of Directors of the Company has adopted and formulated the "Corporate Governance Best Practice Principles of Advantech Co., Ltd.", in which Article 20 stipulates that the composition of the Board of Directors should consider diversification. Except that the directors who concurrently serve as the Company's managers should not exceed one-third of the number of directors, they should formulate appropriate diversification policies according to their own operation, operation type, and development needs. It should include but not be limited to basic conditions and values (gender, age, nationality, race or ethnic group and culture, etc., in which the ratio of female directors should not be less than 10%, professional knowledge and skills (Professional Background such as law, accounting, industry, finance, marketing or technology), professional skills and industrial experience.

The selection of Board members follows the candidate nomination system in accordance with Article 192-1 of the Company Act. Directors are elected by the shareholders at the Annual General Meeting from the list of nominated candidates. Independent Directors are recruited in accordance with the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies." Each term of office for the Board of Directors is three years. In addition, the Company's Corporate Charter Articles of Incorporation stipulate that Independent Directors may concurrently serve as Independent Directors of no more than three other public listed companies.

ii. Specific management objectives:

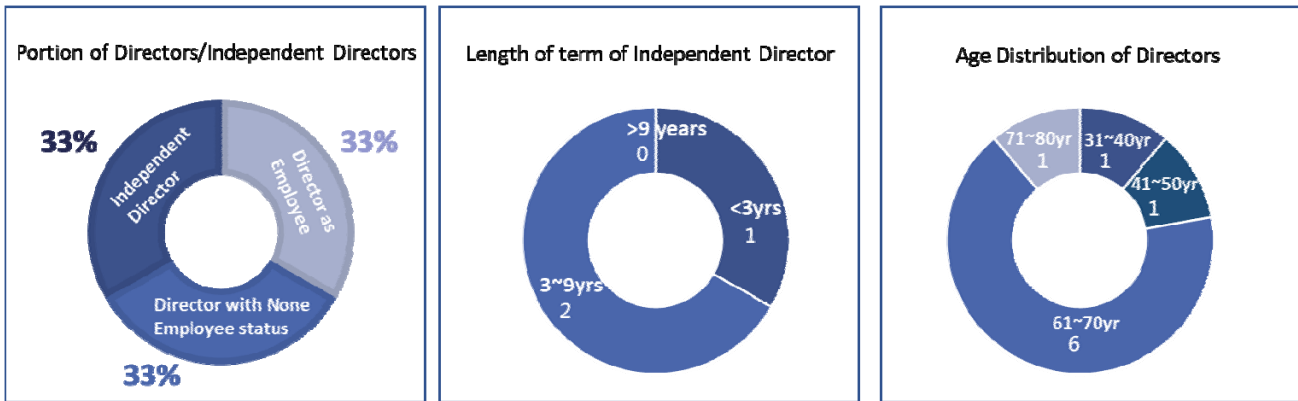
The company's board of directors guides the company's strategy planning, supervises the management, and is responsible to the company and shareholders. All operations and arrangements related to the corporate governance system are to ensure that the board of directors exercises its powers in accordance with laws and regulations, the company's articles of incorporation, and the resolutions of shareholders meetings. The company's directors all have the necessary knowledge, skills, literacy, and industrial decision-making and management capabilities for job responsibilities. The company continues to arrange diversified advanced education for board directors so to improve their decision-making quality and supervision capabilities in order to enhance the functions of the board of directors as a whole.

The company's 15th Board of Directors consists of nine directors, including three independent directors, who account for 33% of all board directors. In line with the principle of gender balance, the 15th Board of Directors includes one female Director, representing 11% of the Board. This exceeds the minimum female representation stipulated in Advantech's "Corporate Governance Best Practice Principles." The company has long prioritized the professional expertise and oversight contributions of board members, without being constrained by gender. However, given the industry characteristics of electronics manufacturing, there is a scarcity of female board talent with backgrounds in industrial and technological fields. Achieving a female board representation of over one-third remains challenging in the short term. In the future, the company will collaborate with professional organizations such as the Independent Directors Association to expand the pool of qualified female board candidates that meet corporate operational needs, thereby fostering a more diverse and well-rounded board structure.

All members of the Company's Board of Directors are distinguished professionals and academics of the Republic of China (R.O.C.) nationality. They possess extensive expertise in operational judgment, accounting and financial analysis, business management, crisis management, industry knowledge, international market perspectives, risk management, leadership, and decision-making. The composition of the Board is determined with due consideration of diversity. In light of the Company's operations, business model, and future development trends, the Company has established a Board Diversity Policy

covering fundamental attributes and values (such as gender, age, nationality, and cultural background), as well as professional knowledge and skills (including risk management, corporate governance, accounting, industry experience, finance, sustainability, and technology). The Board members have made significant contributions to enhancing the Company’s governance and management, thereby achieving the Company’s specific objectives for Board diversity.

iii. The specific management objectives of the board diversity policy and their achievement status are as follows:



■ Board Diversity Policy: Specific Management Objectives and Implementation Status

Diversity management objectives	Achievement status
It is advisable that the number of the directors who concurrently serve as the managers of the Company should not exceed one-third of the board seats.	Done
At least one female director.	Done
The number of independent directors exceeds one third of the board seats.	Done
The independent directors shall not hold office for more than 3 terms.	Done

iv. The implementation status of the board diversity policy is as follows:

Director Name	Diversified core projects	Gender	Term			Ability to make Operational Judgement	Ability to perform accounting and financial analysis	Ability to conduct management administration	Ability to conduct crisis management	Knowledge of the industry	An international market perspective	Ability to lead	Ability to make policy decisions	Risk management	Sustainability Profession	Industry Experience (According to the Global Industry Classification Standard (GICS))
			Less than 3 years	3-9 years	More than 9 years											
K.C Liu		Male				V		V	V	V	V	V	V	V		Information Technology
Advantech Foundation: Representative Chaney Ho		Male				V		V	V	V	V	V	V	V		1. Information Technology 2. Industrials
K and M Investment Co., Ltd: Representative Wesley Liu		Male				V		V	V	V	V	V	V	V		Information Technology
AIDC Investment Corp: Representative Tony Liu		Male				V	V	V	V	V	V	V	V	V		Information Technology
Jeff Chen		Male				V	V	V	V	V	V	V	V	V		Industrials
Ji-Ren Lee		Male				V	V	V	V	V	V	V	V	V	V	1. Industrials 2. Business Management
Benson Liu		Male		V		V	V	V	V	V	V	V	V	V	V	1. Healthcare 2. Finance
Ming-Hui Chang		Male	V			V	V	V	V	V	V	V	V	V	V	1. commercia 2. professional (Accounting) services
Chan-Jane Lin		Female		V		V	V	V	V	V	V	V	V	V	V	1. commercial 2. professional (Accounting) services

v. Management Team

March 31, 2026

Title	Nationality	Name	Date elected	Shareholding		Spouse and Minor Shareholding		Shareholding by nominee arrangement		Education and selected past positions	Current additional positions	Spouse or relatives within two degrees who are managers			Notes
				Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
Chairman	ROC	K.C. Liu	06.01.2003	26,993,951	3.11%	5,701,052	0.66%	0	0%	Founder of Advantech Co., Ltd. Salesman of Instruments Dept. of Hewlett-Packard Department of Telecommunications Engineering, National Chiao Tung University	Note 1	None	None	None	None
President	ROC	Eric Chen	09.01.2017	263,988	0.03%	165,975	0.02%	0	0%	Elitegroup Computer Systems Co., Ltd. Tai Sen Enterprise Co., Ltd. Department of Computer Science, Tamkang University	Note 2	None	None	None	None
President	ROC	Miller Chang	09.01.2017	207,521	0.02%	0	0%	0	0%	Phoenix Technologies Ltd. EMBA, National Taiwan University of Science and Technology	Note 3	None	None	None	None
President	ROC	Linda Tsai	09.01.2017	439,281	0.05%	191,688	0.02%	0	0%	QUANTA COMPUTER INC. Syracuse University Master of Information Resources	Note 4	None	None	None	None
Corporate governance officer	ROC	Grace Liao	09.20.2023	30,331	0%	0	0%	0	0%	Investor Relations Manager, Sercomm Corporation Investor Relations Manager, Mitac Holdings Corporation Bachelor's Degree in Economics, National Chengchi University	None	None	None	None	None
Accounting Officer	ROC	Mandy Lin	06.01.2003	40,002	0%	0	0%	0	0%	Advantech Co., Ltd. Senior Accountant Chinese Culture University	None	None	None	None	None

Note 1: Concurrent Positions Held by Chairman, K.C. Liu**Simultaneously act as the chairman of the following companies:**

Advantech Foundation, K and M Investment Co., Ltd., Advantech Technology (China) Company Ltd. (AKMC)

Simultaneously act as the director of the following companies:

AIDC Investment Corp., Advantech Corporate Investment (ACI), AIC Taiwan Holding CORP., Expotech Co., Ltd., Shanghai Advantech intelligent Services Co., Ltd. (ACI CN), Xi'an Advantech Software Ltd., Advantech Technology Co., Ltd. (ATC) 、 Advantech Corporation. (ANA) 、 HK Advantech Technology Co., Limited (ATC HK) 、 Advantech Automation Corp. (HK) Limited (AAC HK)

Note 2: Concurrent Positions Held by President, Eric Chen

Simultaneously act as the chairman of the following companies: Beijing Yan Hua Xing Ye Electronic Science & Technology Co., Ltd. (ACN)

Simultaneously act as the director of the following companies:

Advantech Corporate Investment (ACI), Advantech Japan Co., Ltd. (AJP), Advantech Turkey Technology A.S. (ATR)

Simultaneously act as the supervisor of the following companies:

Shanghai Advantech Intelligent Services Co., Ltd. (AiSC), Advantech Technology (China) Company Ltd. (AKMC), Advantech International PT (AID).

Note 3: Concurrent Positions Held by President, Linda Tsai

Simultaneously act as the director of the following companies: Advantech Czech s.r.o. (ACZ) 、 Advantech Europe Holding B.V. (AEUH) 、 Advantech Europe B.V.(AEU) 、 Advantech Technology Limited (AIE) 、 Advantech Automation Corporation B.V.(AAC-NL)

3. Remuneration of Directors, Presidents, and Vice Presidents

(1) Remuneration of Directors

Unit: NTS Thousand

Title	Name	Remuneration								Ratio of Total Remuneration(A+B+C+D) to net income % (Note 10)		Relevant Remuneration Received by Directors who are Also Employees								Ratio of Total Compensation (A+B+C+D+E+F+G) to net income % (Note 10)		Compensation Paid to Directors from an Invested Company Other than the Company's subsidiary (Note11)
		Base Compensation (A) (Note 2)		Severance Pay (B)		Directors Compensation (C)		Allowances (D) (Note 4)				Salary, bonuses and allowance (E) (Note 5)		Severance Pay (F)		Employee Compensation (G) (Note 6)						
		Advantech	From All Consolidated Entities (Note 7*)	Advantech	From All Consolidated Entities (Note 7)	Advantech	From All Consolidated Entities (Note 7)	Advantech	From All Consolidated Entities (Note 7)	Advantech	From All Consolidated Entities (Note 7)	Advantech	From All Consolidated Entities (Note 7)	Advantech	From All Consolidated Entities (Note 7)	Cash	Stock	Cash	Stock	Advantech	From All Consolidated Entities (Note 7)	
Chairman	K.C.Liu	0	0	0	0	2,950	2,950	0	0	0.03%	0.03%	6,080	6,080	0	0	0	0	0	0	0.09%	0.09%	0
Director	Advantech Foundation	0	0	0	0	2,000	2,000	0	0	0.02%	0.02%	0	0	0	0	0	0	0	0	0.02%	0.02%	0
	Representati Chaney Ho																					
Director	K and M Investment Co., Ltd.	0	0	0	0	1,000	1,000	0	0	0.01%	0.01%	5,204	5,204	108	108	0	0	0	0	0.06%	0.06%	0
	Representative: Wesley.Liu																					
Director	AIDC Investment Corp:	0	0	0	0	1,000	1,000	0	0	0.01%	0.01%	4,678	4,678	101	101	0	0	0	0	0.05%	0.05%	0
	Representative Tony Liu																					
Director	Jeff Chen	0	0	0	0	3,000	3,000	0	0	0.03%	0.03%	0	0	0	0	0	0	0	0	0.03%	0.03%	0
Director	Ji-Ren Lee	0	0	0	0	3,000	3,000	0	0	0.03%	0.03%	0	0	0	0	0	0	0	0	0.03%	0.03%	0
Independent Director	Ming-Hui Chang	0	0	0	0	4,200	4,200	0	0	0.04%	0.04%	0	0	0	0	0	0	0	0	0.04%	0.04%	0
Independent Director	Benson Liu	0	0	0	0	4,200	4,200	0	0	0.04%	0.04%	0	0	0	0	0	0	0	0	0.04%	0.04%	0
Independent Director	Chan-Jane Lin	0	0	0	0	3,000	3,000	0	0	0.03%	0.03%	0	0	0	0	0	0	0	0	0.03%	0.03%	0

i. Please describe the policy, system, standard, and structure of remuneration to independent directors, and the correlation between duties, risk, and time input with the amount of remuneration:

For the remuneration of independent directors, besides referring to results of director performance evaluations, the Remuneration Committee considers each director's degree of participation and contribution to the Company's operations, links the reasonableness and fairness of performance and risks to remuneration, considers the Company's business performance and the remuneration standards of competitors, and makes recommendations to the Board of Directors in accordance with Article 13-5 of the Company's Articles of Incorporation.

ii. Other than as disclosed in the above table, the remuneration earned by Directors providing services (e.g. providing consulting services as a non-employee) to the Company and all consolidated entities in the latest fiscal year: None.

■ Range of Remuneration

Range of Remuneration	Names of Directors			
	First four categories of remuneration (A+B+C+D)		First seven categories of remuneration (A+B+C+D+E+F+G)	
	Advantech (Note 8)	Consolidated subsidiaries (Note 9)	Advantech (Note 8)	Consolidated subsidiaries (Note 9)
Less than NT\$1,000,000				
NT\$1,000,000 – NT\$2,000,000	Representative of K and M Investment Co., Ltd.: Wesley.Liu, Representative of AIDC Investment Corp.: Tony Liu	Representative of K and M Investment Co., Ltd.: Wesley.Liu, Representative of AIDC Investment Corp.: Tony Liu		
NT\$2,000,000 – NT\$3,500,000	K.C. Liu, Representative of Advantech Foundation: Chaney Ho, Jeff Chen, Ji-Ren Lee, Chan-Jane Lin	K.C. Liu, Representative of Advantech Foundation: Chaney Ho, Jeff Chen, Ji-Ren Lee, Chan-Jane Lin	Representative of Advantech Foundation: Chaney Ho, Jeff Chen, Ji-Ren Lee, Chan-Jane Lin	Representative of Advantech Foundation: Chaney Ho, Jeff Chen, Ji-Ren Lee, Chan-Jane Lin
NT\$3,500,000 – NT\$5,000,000	Ming-Hui Chang, Benson Liu	Ming-Hui Chang, Benson Liu	Ming-Hui Chang, Benson Liu	Ming-Hui Chang, Benson Liu
NT\$5,000,000 – NT\$10,000,000			K.C. Liu Representative of K and M Investment Co., Ltd: Wesley.Liu, Representative of AIDC Investment Corp.: Tony Liu	K.C. Liu Representative of K and M Investment Co., Ltd: Wesley.Liu, Representative of AIDC Investment Corp.: Tony Liu
NT\$10,000,000 – NT\$15,000,000				
NT\$15,000,000 – NT\$30,000,000			-	
NT\$30,000,000 – NT\$50,000,000			-	
NT\$50,000,000 – NT\$100,000,000			-	
Over NT\$100,000,000			-	
Total	9	9	9	9

Note 1: Illustrate the name of each director (the institutional shareholder and its representative should be illustrated separately) and disclose the payment amount in a lump sum. Please fill out this form and form (3-1) or (3-2) for the director who is also the President or Vice President of the Company.

Note 2: Refers to the remuneration (including director salary, duty allowances, severance pay, various bonuses, incentives, etc.) paid to the directors in the most recent year.

Note 3: Refers to the remuneration to directors from the earnings of the most recent year proposed and approved by the board of directors prior to the shareholders' meeting.

Note 4: Refers to the relevant business expenses of the directors in the most recent year (including traveling expenses, special expenses, allowances, dormitories, and transportation vehicles). For the housing, automobiles and other transportation vehicles, or the exclusive personal expenses provided, the nature and cost of the assets, the actual or imputed rent at fair market value, the gasoline expense, and other payments should be disclosed. In addition, for the chauffeur appointed, please explain in the notes regarding the remuneration paid but the amount will not be included in the total remuneration amount.

Note 5: Refers to the salary, job allowance, severance pay, resignation compensation, prize money, incentive payments, traveling expenses, special expenses, allowances, dormitories, and transportation vehicles paid to the directors who are also employees (including concurrent President, Vice President, other managers, and employees) in the most recent year. For the housing, automobiles and other transportation vehicles, or the exclusive personal expenses provided, the nature and cost of the assets, the actual or

imputed rent at fair market value, the gasoline expense, and other payments should be disclosed. In addition, for the chauffeur appointed, please explain in the notes regarding the remuneration paid but the amount will not be included in the total remuneration amount.

Note 6: Refers to the employee bonuses (including stock dividend and cash dividend) paid to the directors who are also employees (including concurrent President, Vice President, other managers, and employees) in the most recent year. The employee bonus amount from the earnings of the most recent year proposed and approved by the board of directors prior to the shareholders' meeting should be disclosed. If the distribution amount of the current year cannot be estimated, it is to base on the amount distributed in the prior year proportionally with Table 1-3 filled out.

Note 7: Refers to the number of shares (excluding the portion executed) to be subscribed by the directors who are also employees (including concurrent President, Vice President, other managers, and employees) with stock options in the most recent year and up to the publication of the annual report. In addition to this form, please fill out Table 15.

Note 8: The remuneration amount paid to the board directors of Advantech by the companies (including Advantech) in the consolidated report should be disclosed.

Note 9: Disclose the name of the directors in the respective range of remuneration paid by all the companies (including the Company) in the consolidated financial report.

Note 10: Net income meant for the net profit after tax in the most recent year. For those companies with the international financial reporting standard adopted, net income meant for the net income after tax in the proprietary or individual financial report of the most recent year.

Note 11: a. The remuneration amount received by the board directors from the invested companies other than the subsidiaries should be disclosed in this column.

b. The remuneration amount, if any, received by the board directors from the invested companies other than the subsidiaries should be disclosed in column J of the Range of Remuneration; also, the column should be renamed as "All transfer-investment businesses."

c. Remuneration meant for the relevant reward, income, employee bonus, and business expense collected by the board directors of the Company acted as a director, supervisor, or manager of the invested companies other than the subsidiaries.

* The remuneration disclosed in the Range of Remuneration differs from the concept of income defined according to Income Tax Law; therefore, the table is for the purpose of information disclosure instead of tax levy.

(2) Remuneration paid to the presidents and vice presidents

Unit: NT\$ Thousand / Thousand units

Title	Name	Salary (A) (Note 2)		Severance Pay (B)		Bonuses and Allowance etc. (C) (Note 3)		Employee Compensation (D) (Note 4)				Ratio of total compensation (A+B+C+D) to net income (Note 8)		Compensation Paid to the President and Vice Presidents from an Invested Company Other than the Company's subsidiary (Note10)
		Advantec	From All Consolidated Entities (Note5)	Advantec	From All Consolidated Entities (Note5)	Advantec	From All Consolidated Entities (Note5)	Advantech		From All Consolidated Entities (Note5)		Advantech	From All Consolidated Entities (Note 5)	
								Cash	Stock	Cash	Stock			
Chairman	K.C. Liu	19,240	19,240	374	374	24,068	24,068	5,540	-	5,540	-	0.46%	0.46%	
President	Eric Chen													
President	Miller Chang													
President	Linda Tsai													

■ Range of Remuneration

Range of Remuneration	Name of the President and Vice President	
	Advantech (Note 6)	Consolidated subsidiaries (Note 7) E
Less than NT\$1,000,000	-	-
NT\$1,000,000 – NT\$2,000,000	-	-
NT\$2,000,000 – NT\$3,500,000	-	-
NT\$3,500,000 – NT\$5,000,000	-	-
NT\$5,000,000 – NT\$10,000,000	K.C Liu,	K.C Liu,
NT\$10,000,001 – NT\$15,000,000	Eric Chen, Miller Chang, Linda Tsai	Eric Chen, Miller Chang, Linda Tsai
NT\$15,000,001 – NT\$30,000,000		
NT\$30,000,001 – NT\$50,000,000	-	-
NT\$50,000,001 – NT\$100,000,000	-	-
Over NT\$100,000,000	-	-
Total	4	4

Note 1: Illustrate the name of the President and Vice President and disclose the payment amount itemized. Please fill out this form and form (1-1) or (1-2) for the director who is also the President or Vice President of the Company.

Note 2: Refers to the salary, duty allowances, and severance paid to the President and Vice President in the most recent year.

Note 3: Refers to the reward, incentives, traveling expenses, special expenses, allowances, dormitories, transportation vehicles, and other compensations paid to the President and Vice President in the most recent year. For the housing, automobiles and other transportation vehicles, or the exclusive personal expenses provided, the nature and cost of the assets, the actual or imputed rent at fair market value, the gasoline expense, and other payments should be disclosed. In addition, for the chauffeur appointed, please explain in the notes regarding the remuneration paid but the amount will not be included in the total remuneration amount.

Note 4: Refers to the employee bonus (including stock dividend and cash dividend) to the President and Vice President from the earnings of the most recent year proposed and approved by the board of directors prior to the shareholders' meeting. If the distribution amount of the current year cannot be estimated, it is to base on the amount distributed in the prior year proportionally with Table 1-3 filled out.

Net income meant for the net profit after tax in the most recent year. For those companies with the international financial reporting standard adopted, net income meant for the net income after tax in the proprietary or individual financial report of the most recent year.

Note 5: Refers to the number of shares (excluding the portion executed) to be subscribed by the President and Vice President with stock options in the most recent year and up to the publication of the annual report. In addition to this form, please fill out Table 15.

Note 6: Disclose the itemized amount paid to the President and Vice President by all the companies (including the Company) in the consolidated financial statements.

Note 7: Disclose the name of the President and Vice President in the respective range of remuneration paid by all the companies (including the Company) in the consolidated financial report.

Note 8: Net income meant for the net profit after tax in the most recent year. For those companies with the international financial reporting standard adopted, net income meant for the net income after tax in the proprietary or individual financial report of the most recent year.

Note 9 : a. The remuneration amount received by the President and Vice President from the invested companies other than the subsidiaries should be disclosed in this column.

b. The remuneration amount, if any, received by the President and Vice President from the invested companies other than the subsidiaries should be disclosed in column E of the Range of Remuneration and the column should be renamed as "All transfer-investment businesses."

c. Remuneration meant for the relevant reward, income, employee bonus, and business expense collected by the President and Vice President of the Company acted as a director, supervisor, or manager of the invested companies other than the subsidiaries.

* The remuneration disclosed in the Range of Remuneration differs from the concept of income defined according to Income Tax Law; therefore, the table is for the purpose of information disclosure instead of tax levy.

■ Employee Compensation amount paid to managers

March 31, 2026
Unit: NTD

	Title (Note 1)	Name (Note 1)	Stock bonus amount (proposed)	Cash bonus amount (proposed)	Total	Ratio of Total Amount to Net Income (%)
Manager	Chairman	K.C. Liu	0	7,292,000	7,292,000	0.07%
	President	Eric Chen				
	President	Miller Chang				
	President	Linda Tsai				
	Corporate Governance Officer	Grace Liao				
	Corporate Governance Officer (note 5)	Imani Chen				
	Accounting Officer	Mandy Lin				

Note 1: Illustrate the name and job title of each manager and disclose the distribution of earnings in a lump sum.

Note 2: It refers to the employee Compensation (including stock dividend and cash dividend) to the managers from the earnings of the most recent year proposed and approved by the board of directors prior to the shareholders' meeting. If the distribution amount of the current year cannot be estimated, it is to base on the amount distributed in the prior year proportionally. Net income meant for the net profit after tax in the most recent year.

Note 3: Scope of applicability to managers, according to the Tai.Chai.Chen III Tzi No. 0920001301 Letter dated March 27, 2003 by the Commission, is as follows:

- (1) President and the equals
- (2) Vice President and the equals
- (3) Junior VP and the equals
- (4) Finance Officer
- (5) Accounting Officer
- (6) Other authorized personnel for management and signature

Note 4: For the directors, President, and Vice President who have collected employee Compensation (including stock dividend and cash dividend), in addition to Table 1-2 enclosed, please fill out this form.

Note 5: Due to an internal personnel reassignment, Ms. Imani Chen, the former Corporate Governance Officer, was succeeded by Ms. Grace Liao as Corporate Governance Officer effective April 24, 2025.

(3) Comparison of Remuneration for Directors, Supervisors, President and Vice Presidents in the Most Recent Two Fiscal Years and Remuneration Policy for Directors, Supervisors, President and Vice Presidents

- i. The ratio of total remuneration paid by the Company and by all companies included in the consolidated financial statements for the two most recent fiscal years to directors, supervisors, president and vice presidents of the Company, to the net income

Job Title	Ratio of 2025 total remuneration to net income (%)		Ratio of 2024 total remuneration to net income (%)	
	Advantech	All consolidated subsidiaries	Advantech	All consolidated subsidiaries
Directors	0.23%	0.23%	0.25%	0.25%
President and Vice President	0.46%	0.46%	0.62%	0.62%
Net Income	10,592,507,942	10,592,507,942	9,005,037,387	9,005,037,387

Note: This pertains to the remuneration amount allocated to directors and executives approved by the board of directors in the most recent fiscal year.

- ii. The policies, standards, and portfolios for the payment of remuneration, the procedures for determining remuneration, and the correlation with risks and business performance.
- (i) Remuneration policies, standards and package:
- A. Compensation of directors :
- If the Company makes profits, it shall allocate no more than 1% of the directors' remuneration in accordance with Article 20 of the articles of association. The Company regularly evaluates directors' remuneration in accordance with the “Performance Evaluation Measures of the Board of Directors” and the “Management Measures for Directors' Remuneration”. The relevant performance evaluation and remuneration rationality are reviewed by the Remuneration Committee and the Board of Directors.
- B. Remuneration of the President and Vice Presidents:
- The Company determines remuneration in accordance with the “Managerial Compensation Policy” and with reference to market compensation benchmarks for comparable positions within the industry, taking into account the scope of responsibilities of the position within the Company and the individual’s contribution to the Company’s operational objectives; such remuneration is proposed by the Remuneration Committee and approved by the Board of Directors prior to disbursement.
- (ii) Procedures for Determining Remuneration: The Company regularly evaluates the remuneration of directors and managers based on the evaluation results implemented by the Company's "Performance Evaluation Measures of the Board of Directors", “Management Measures for Directors' Remuneration” and “Management Measures for Managers’ Remuneration”. The performance measurement standards of the Chairman, President, and senior managers are based on important indicators of operation strategy (digital transformation, innovation contribution, etc.), business performance, and financial results. It also connects the overall operation performance of the Company, the future operation risk and development trend of the industry, and gives reasonable remuneration with reference to the achievement rate of individual performance and the contribution to the Company's performance. The relevant performance evaluation and remuneration rationality are reviewed by the Remuneration Committee and the Board of Directors.
- (iii) Correlation with Operating Performance and Future Risks:
- A. The performance evaluation of the Board of Directors shall be conducted regularly every year, and the evaluation results shall be submitted for the report to the Board of Directors in the first quarter of each year in accordance with the provisions of the Performance Evaluation Measures of the Board of Directors of the Company, as a reference for review and improvement, as well as the basis for selecting or nominating directors or remuneration. In addition to the full disclosure of individual directors’ remuneration in the Company’s annual report, the distribution of employee and director remuneration is also presented as a proposal at the Annual General Meeting to inform shareholders and solicit their feedback.
- B. For the remuneration of directors, president, and vice president, it has fully considered the professional ability and the operation and financial status of the Company, continuous learning, and measured other special contributions. Qualitative and quantitative indicators are adopted to facilitate regular evaluations of goal achievement. By implementing a strong linkage between remuneration and performance, the Company reinforces its strategic focus to ensure sustainable growth. Remuneration is determined based on both corporate and individual performance outcomes.

C. The Company shall review future operational risks from time to time to ensure that possible risks within the scope of duties and responsibilities can be managed and prevented. In addition, the Company shall approve the rating results according to the actual performance, connect all relevant human resources and relevant remuneration systems and policies, as well as review the remuneration system at any time according to the actual operation status and relevant laws and regulations, so as to balance the sustainable operation and risk control of the Company.

4. Implementation of Corporate Governance

(1) Board of Directors

A total of 4 (A) meetings of the Board of Directors were held in 2025. The attendance of director and supervisor were as follows:

Title	Name	Attendance in Person (B)	By Proxy	Aattendance Rate (%) (B/A)
Chairman	K.C. Liu	4	0	100%
Director	Advantech Foundation: Representative: Chaney Ho	3	1	75%
Director	K and M Investment Co., Ltd. Representative: Wesley.Liu	4	0	100%
Director	AIDC Investment Corp. Representative: Tony Liu	4	0	100%
Director	Jeff Chen	4	0	100%
Director	Ji-Ren Lee	4	0	100%
Independent Director	Ming-Hui Chang	4	0	100%
Independent Director	Benson Liu	4	0	100%
Independent Director	Chan-Jane Lin	4	0	100%

Other mentionable items:

- If any of the following circumstances occur, the dates of the meetings, sessions, contents of motion, all independent directors' opinions and the company's response should be specified:
 - Matters listed in the Securities and Exchange Act §14-3: The Securities and Exchange Act §14-3 is not be applicable because the Company has established the Audit and Risk Committee. For relevant information, please refer to the "Audit and Risk Committee Meeting Status" in this Annual Report.
- If there are directors' avoidance of motions in conflict of interest, the directors' names, contents of motion, causes for avoidance and voting should be specified: None
- Implementation of self-evaluations by the Company's Board of Directors

Evaluation cycle	Evaluation period	Scope of evaluation	Evaluation method	Evaluation items
Once a year	Performance evaluation for January 1, 2025 to December 31,2025	Board of Directors	Board of Directors self-evaluation	1. Participation in the operation of the company. 2. Improvement of the quality of the board of directors' decision making. 3. Composition and structure of the board of directors. 4. Election and continuing education of the directors. 5. Internal control.
Once a year	Performance evaluation for January 1, 2025 to December 31,2025	Board of Directors	The performance of the board members	1. Alignment of the goals and missions of the company. 2. Awareness of the duties of a director. 3. Level of Participation in the Company's Operations 4. Management of internal relationship and communication.

Evaluation cycle	Evaluation period	Scope of evaluation	Evaluation method	Evaluation items
				5. Directors' Professional Qualifications and Continuing Education 6. Internal control.
Once a year	Performance evaluation for January 1, 2025 to December 31, 2025	Audit Committee	The performance of the Audit Committee	1. Participation in the operation of the company 2. Awareness and Fulfillment of the Duties of Functional Committees 3. Improvement of quality of decisions made by the functional committee 4. Makeup of the functional committee and election of its members 5. Internal control
Once a year	Performance evaluation for January 1, 2025 to December 31, 2025	Compensation Committee	The performance of the Compensation Committee	1. Participation in the operation of the company 2. Awareness of the duties of the functional committee 3. Improvement of quality of decisions made by the functional committee 4. Makeup of the functional committee and election of its members
Once a year	Performance evaluation for January 1, 2025 to December 31, 2025	Sustainable Development Committee	The performance of the Compensation Committee	1. Participation in the operation of the company 2. Awareness of the duties of the functional committee 3. Improvement of quality of decisions made by the functional committee 4. Makeup of the functional committee and election of its members

4. Objectives for Strengthening Board Functions in the Current and Recent Years (e.g., Establishment of Audit Committee, Enhancement of Information Transparency) and Performance Evaluation:

The Company's Board of Directors has established two statutory functional committees to assist in fulfilling its oversight responsibilities: the Audit Committee (established in 2017) and the Remuneration Committee (established in 2011). Both committees are composed entirely of independent directors (three members) and operate under charters approved by the Board. The committees report their activities to the Board on a regular basis.

To enhance corporate governance, the Company has clearly defined performance goals aimed at improving the functions and operational efficiency of the Board. In accordance with Article 37 of the Corporate Governance Best Practice Principles for Listed Companies, the Board passed a resolution on March 6, 2015, to establish the "Board Performance Evaluation Regulations." At the end of each fiscal year, the Board Secretariat collects relevant information about Board activities, distributes self-assessment questionnaires to Board members, and presents the evaluation results to the Board for review and improvement.

The Board of Directors strictly adheres to the "Board Meeting Rules" and relevant regulations. The financial and auditing officers also attend Board meetings and present reports for Board members' reference. Additionally, to enhance the functions of Board members, external lecturers are invited for training, and collective learning sessions are arranged for the Board.

In an effort to promote and strengthen corporate sustainability, ESG development, and corporate social responsibility governance, the Company established the "Sustainable Development Committee" (SDC) under the Board on July 29, 2022. The committee focuses on implementing altruistic and beneficial practices related to environment, social, and governance (ESG), positioning the Company as a catalyst for a sustainable planet.

■ 2025 Independent Director Attendance Records

◎: In person ☆: Delegate to attend * : Not present

2025 15th Board of Director	2025/2/27 Term 11 of 15 th Board of Director	2025/4/24 Term 12 of 15 th Board of Director	2025/7/31 Term 13 of 15 th Board of Director	2025/10/30 Term 14 of 15 th Board of Director
Ming-Hui Chang	◎	◎	◎	◎
Benson Liu	◎	◎	◎	◎
Chan-Jane Lin	◎	◎	◎	◎

(2) Audit Committee :

i. Audit Committee's Involvement in Board Operations

- The Audit Committee of the Company is composed of three independent directors. The Committee is established to assist the Board of Directors in fulfilling its oversight responsibilities with respect to the quality and integrity of the Company's accounting, auditing, financial reporting processes, and financial controls. The professional qualifications and experience of the members, as well as the reasons for their appointment, are set forth below:

Qualification Name	Professional qualifications and experience
Independent Director Convener Benson Liu	Important experience: Chairman and President of Taiwan Bristol-Myers Squibb (Taiwan) Ltd., the sixth chairman of Taiwan Corporate Governance Association, and the current standing director. Currently serving independent directors concurrently of Chenbro Micom Co., Ltd. Rely on Independent Director Liu's professional knowledge and skills in financial accounting, corporate governance, operation management, etc., and is familiar with relevant laws and regulations.
Independent Director Ming-Hui Chang	Professional certification and license: Certified Public Accountant of the Republic of China. Currently serves as an independent director of Uni-President Enterprise Corp, Longwell Company, and Solomon Technology Rely on Independent Director Chang's experience as former chairman of PwC Foundation and the director of PwC Taiwan who has professional accounting and financial knowledge; also his profound understanding of the international market and sufficient experience in risk management.
Independent Director Chan-Jane Lin	She had the experience as the professor at the Accounting Department of National Taiwan University and an adjunct professor at the School of Management of National Taiwan University. She also serves as the convener of supervisors of Taiwan Corporate Governance Association, and the supervisor of the Securities and Futures Investors Protection Center. Important experience: Independent director of Fubon Financial Holding Co., Ltd., independent director of Fubon Life Insurance Co., Ltd., and independent director of Fubon Securities Co., Ltd. Currently serving as an independent director: FocalTech Systems Co., Ltd., Chief Telecom Inc., Vanguard International Semiconductor Corporation Rely on Independent Director Lin's expertise in financial accounting, business management, and corporate governance.

- A total of 4 (A) Audit Committee meetings were held in 2025. The attendance of the independent directors was as follows:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%) (B/A)	Remarks
Independent Director Convener	Benson Liu	4	0	100	2023.05.25 Re-elected
Independent Director	Ming-Hui Chang	4	0	100	2023.05.25 Newly-elected
Independent Director	Chan-Jane Lin	4	0	100	2023.05.25 Re-elected

i. Other mentionable items:

- A. If any of the following circumstances occur, the dates of meetings, sessions, contents of motion, resolutions of the Audit Committee and the Company's response to the Audit Committee's opinion should be specified:

- (1) Matters referred in Article 14-5 of the Securities and Exchange Act.

Audit Committee	Subjects	Resolution results
The 9th meeting of the 15th session on Feb 27, 2025	<ol style="list-style-type: none"> 1. Approved the Company’s 2024 consolidated financial statements. 2. Approved the Company’s 2024 annual business report, and the reserve earnings distribution proposal. 3. Approved the Company’s 2024 Statement of Internal Control System. 4. Assessment of Independence and qualifications of Certified Public Accountants for 2025. 5. Status of activities regarding derivative commodities, fund loaning, endorsements/guarantees, and major assets transaction in 2024Q4. 6. Approved the reclassification of intercompany loans among Aures Group, the Company’s subsidiary, as shareholder’s equity. 7. Approved the Company’s long aged Accounts Receivables from ACN. 8. Approved the Company’s additional investment in “Advantech Corporate Investment (ACI)” and “ Advantech Corporate Investment Ltd. Cayman.” 9. Approved the revision of “Articles of Incorporation” and “Risk Management Policy and Procedure.” 10. Approved the revision of internal control policies of “Labor and wage cycle”, “Property, plant and equipment cycle”, and “management of sustainability information”. 11. Approved 2025 project audit plan. 	Approved by all Independent Directors
The 10th meeting of the 15th session on Apr 24, 2025	<ol style="list-style-type: none"> 1. Approved the Company’s 2025Q1 consolidated financial statements. 2. Status of activities regarding derivative commodities, fund loaning, endorsements/guarantees, and major assets transaction in 2025Q1. 	Approved by all Independent Directors
The 11st meeting of the 15th session on July 31, 2025	<ol style="list-style-type: none"> 1. Approved the Company’s 2025Q2 consolidated financial statements. 2. Status of activities regarding derivative commodities, fund loaning, endorsements/guarantees, and major assets transaction in 2025Q2. 3. Approved the Company’s short-term loan of USD 700million to the subsidiary, “Retail Technology Group (RTG).” 4. Approved the Company’s short-term loan of USD 500million to the subsidiary, “Aures FR.” 5. Approved the revision of internal control policy of “Production cycle.” 	Approved by all Independent Directors
The 12nd meeting of the 15th session on Oct 30, 2025	<ol style="list-style-type: none"> 1. Approved the Company’s 2025Q3 consolidated financial statements. 2. Status of activities regarding derivative commodities, fund loaning, endorsements/guarantees, and major assets transaction in the 2025Q3. 3. Approved the application of Non-Deliverable Forward, the derivative, for purposes of hedging foreign exchange risk. 4. Approved the Company’s disposition of shareholding in AzureWave Technologies, Inc. 5. Approved 2026 internal audit plan. 	Approved by all Independent Directors
<p>(2) Other matters which were not approved by the Audit Committee but were approved by two-thirds or more of all directors: None.</p> <p>2. If there are independent directors’ avoidance of motions owing to conflict of interest, the directors’ names, contents of motion, causes for avoidance and voting should be specified: None</p>		

3. Independent Directors’ communication with Chief Internal Auditor and CPA, respectively (e.g. the material agenda, methods and results regarding the Company’s finance or operation status, etc.)

(1) The Company’s Chief Internal Auditor update audit findings to Audit Committee on regular basis and present internal audit report in quarterly meetings; in case of special circumstances, Chief Internal Auditor reports to Audit Committee immediately.

(2) In 2025, there was no special circumstance mentioned above. The Chief Internal Auditor communicated well with Audit Committee.

(3) The Company’s CPA presents audits or review results of quarterly financial statements and other statutory matters to Audit Committee in quarterly meetings; in case of special circumstances, the CPA reports to Audit Committee immediately. In 2025, there was no special circumstance mentioned above. The CPA communicated well with Audit Committee.

The audit items in 2025 annual audit plan include information security inspections in accordance with regulatory requirements. In addition, the Company has disclosed its information security risk management and strategy on its ESG (sustainability) website.

(4) Independent director discussion Items with Chief Internal Auditor and CPA:

Date (Session)	Discussion Items with Chief Internal Auditor	Discussion Items with CPA
The 9th meeting of the 15th session on Feb 27, 2025	<ul style="list-style-type: none"> • Reviewed 2024Q4 internal audit report. • Reviewed the Company’s 2024 Statement of Internal Control System. 	<ul style="list-style-type: none"> • Discussed the audit results of 2024 financial statements, including problems or challenges and management’s responses (in a closed-door meeting). • Reported changes in laws and regulations.
The 10th meeting of the 15th session on Apr 24, 2025	<ul style="list-style-type: none"> • Reviewed 2025Q1 internal audit report. 	<ul style="list-style-type: none"> • Discussed the review results of Q1 2025 financial statements, including problems or challenges and management’s responses (in a closed-door meeting). • Reported changes in laws and regulations.
The 11st meeting of the 15th session on July 31, 2025	<ul style="list-style-type: none"> • Reviewed 2025Q2 internal audit report. 	<ul style="list-style-type: none"> • Discussed the review results of Q2 2025 financial statements, including problems or challenges and management’s responses (in a closed-door meeting). • Reported changes in laws and regulations.
The 12nd meeting of the 15th session on Oct 30, 2025	<ul style="list-style-type: none"> • Reviewed 2025Q3 internal audit report. • Reviewed 2026 audit plan. 	<ul style="list-style-type: none"> • Discussed the review results of Q3 2025 financial statements, including problems or challenges and management’s responses (in a closed-door meeting). • Discussed audit plan for 2025 financial statements.

Result: The above matters have been reviewed or approved by Audit Committee without any objection raised by independent directors.

(3) Functional Committees

i. The composition of the Remuneration Committee, responsibilities, and operation:

■ Remuneration Committee members:

Name	Qualification Professional qualifications and experience (note 1)	Independent status (note 2)	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Independent Director Convener Ming-Hui Chang	Professional certification and license: Certified Public Accountant of the Republic of China. Currently serves as an independent director of Uni-President Enterprise Corp, Longwell Company, and Solomon Technology Rely on Independent Director Chang's experience as former chairman of PwC Foundation and the director of PwC Taiwan who has professional accounting and financial knowledge; also his profound understanding of the international market and sufficient experience in risk management.	In the two years before the election and during the term of office, they have met the independence assessment conditions of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies".	3
Independent Director Benson Liu	Important experience: Chairman and President of Taiwan Bristol-Myers Squibb (Taiwan) Ltd., the sixth chairman of Taiwan Corporate Governance Association, and the current standing director. Serving independent directors concurrently of Chenbro Micom Co., Ltd. Rely on Independent Director Liu's professional knowledge and skills in financial accounting, corporate governance, operation management, etc., and is familiar with relevant laws and regulations.	In the two years before the election and during the term of office, they have met the independence assessment conditions of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies".	1
Independent Director Chan-Jane Lin	She had the experience as the professor at the Accounting Department of National Taiwan University and an adjunct professor at the School of Management of National Taiwan University. She also serves as the convener of supervisors of Taiwan Corporate Governance Association, and the supervisor of the Securities and Futures Investors Protection Center. Important experience: Independent director of Fubon Financial Holding Co., Ltd., independent director of Fubon Life Insurance Co., Ltd., and independent director of Fubon Securities Co., Ltd. Concurrently serving as an independent director: FocalTech Systems Co., Ltd., Chief Telecom Inc., Vanguard International Semiconductor Corporation Rely on Independent Director Lin's expertise in financial accounting, business management, and corporate governance.	In the two years before the election and during the term of office, they have met the independence assessment conditions of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies".	3

Note1: None of the directors of the Company has any circumstance under Article 30 of the Company Act.

Note2: All directors of the Company have not been elected on behalf of the government, corporate or representative in accordance with Article 27 of the Company Act.

■ In 2025, the Compensation Committee held 2 times of meeting, and the attendance record as follows:

Title	Name	Actual attendance (B)	Attendance by proxy	Actual attendance rate (%) (B/A)
Convener (The 15 th Terms)	Ming-Hui Chang	2	0	100%
Member (The 15 th Terms)	Benson Liu	2	0	100%
Member (The 15 th Terms)	Chan-Jane Lin	2	0	100%

Compensation Committee	Subject	Conclusion	Corresponding Actions Based on Suggestions
The 6rd meeting of the 15th session (January 17, 2025)	Review the Senior Executives' Y2024 achievement results and Y2025 KPIs & goals	Committee members agreed with the report and suggested: Regarding the section on the 2025 objectives, we recommend considering the inclusion of external industry outlook forecasts and peer group information in the future. This would help provide clearer context and rationale behind the upcoming year's target-setting process.	Implemented according to the conclusion.
	Present the results of the self-evaluation of the performance of the Compensation Committee	Committee members agreed with the report.	Implemented according to the conclusion.
	Propose the Y2024 Directors' compensation, Senior Executives' Bonus (Year-End Bonus, Performance, etc.) and the Y2025 Salary Increase Plan	The proposal was approved as submitted. The Committee also highlighted the following points: <ul style="list-style-type: none"> Directors' Remuneration: Under the Regulations for Directors' Compensation Management, variable remuneration is allocated using a weighted-point system. The value per point is NT\$1.5 million. Functional committee members receive +0.5 point; conveners receive an additional +0.8 point. Additional points may be granted at the Chairperson's discretion for significant project involvement or special contributions. Variable Remuneration = Individual Points × Value per Point Executive Bonuses and 2025 Salary Adjustments: Senior executives' current annual compensation suggests room for further growth, subject to review with market benchmark data. The fixed-to-variable pay ratios 	Implemented according to the conclusion.
The 7th meeting of the 15th session (October 30, 2025)	Pay Structure and Competitiveness Analysis	1. Committee members agreed with the report. 2. The Committee recommended gradually increasing the proportion of variable pay in the executives' compensation structure in the future, in line with market trends and to enhance motivational impact. °	Implemented according to the conclusion.
	Annual Review Report of the Compensation Committee Charter	Committee members agreed with the report.	Implemented according to the conclusion.

Other Matters to be Disclosed:

- 1) If the Board of Directors does not adopt or modifies the proposals of the Remuneration Committee, the following shall be specified: the date and session of the Board meeting, the content of the proposal, the resolution of the Board, and the company's handling of the Remuneration Committee's opinion: The Board of Directors has no particular opinion regarding the Remuneration Committee's proposals.
- 2) For matters resolved by the Remuneration Committee, if any member has objections or reservations with recorded minutes or written statements, the following shall be specified: the date and session of the Remuneration Committee meeting, the content of the proposal, all members' opinions, and the handling of such opinions: No such circumstances occurred.

(4) Sustainable Development Committee (SDC)

To actively promote and strengthen corporate governance related to the corporate sustainability, ESG development, and corporate social responsibility, the Advantech established the "Sustainable Development Committee" (SDC) under the board of directors on July 29, 2022.

- i. The company's Sustainability Development Committee consists of three members. Professional qualifications and experience are set forth in the table below.
- ii. Tenure of the Corporate Sustainability Committee : May 25, 2023 to May 24, 2026 ◦

Qualification Name	Professional Qualifications and experience
Chairman K.C. Liu	Chairman K.C Liu is the founder of Advantech Co., Ltd., who constantly develops innovation and applications since the foundation of the company, pushing Advantech towards global objectives. In recent years, in view of the thriving development of global IoT, the Company actively co-establishes the industry ecology circle with partners, and carries forward the software/hardware solutions based on WISE-PaaS/IoT. Driven by altruism-based value, Advantech implements ESG from the core expertise based on the industry and thereby expands its social impact, shifting towards sustainability objectives.
Director Jeff Chen	Director Chen was the former global vice president and Asia president of Stanley Black & Decker, Inc. who has management experience in large-scale international enterprises, M&A strategy execution, and a profound understanding of technology expertise.
Director Ji-Ren Lee	Director Lee worked at National Taiwan University from 2005 to 2020, and successively served as deputy dean of the School of Management and executive director of EMBA, deputy dean of teaching and resource development of the School of Management, and director of the Creativity & Entrepreneurship Program and Innovation Center. Director Li has been awarded the Honorary Professor of the Department of International Business, National Taiwan University after his retirement in 2020. Director Lee has expertise and experience in business strategy, talent development, risk management, and financial analysis; also, he has more than five years of work experience needed for the company’s business. He was the Associate Executive Officer of Yulon Group in 1982, which is the kind of work experience related to the GICS industry. Serving independent directors concurrently: Airoha Technology

■ The Sustainable Development Committee held 2 meetings with the attendance record and qualification of Committee members as follows:

Title	Name	Actual attendance	Attendance by proxy	Actual attendance rate (%)	Remarks
Chairman Convener	K.C. Liu	2	0	100%	The expanded SDC mechanism actively incorporates insights from external consultants and experts, fosters internal consensus, and drives transformational change. In 2025, the SDC invited external professional advisors, including DDI consultant Yen-Hsi Lin and NVIDIA Global Vice President and Taiwan General Manager Eunice Chiu, to provide more international and diverse perspectives and to further embody collective intelligence.
Member	Jeff Chen	2	0	100%	
Member	Ji-Ren Lee	2	0	100%	

Date	Meeting Minutes	Resolution	Follow Up
The 6 th meeting of the 15 th term on March 25 th , 2025	<ol style="list-style-type: none"> 1. Cross-Strait geopolitical risk and Advantech's financial and cash flow hedging strategies 2. Establishment of a senior-level Growth PSOP to drive future growth momentum 3. The role and functions of the Advantech Succession Committee (ASC) 4. Succession planning and the structured process for talent development 	No objection from all the members present.	The chairman of Corporate Sustainability Committee reports implementation plans and results to the board of directors.
The 7 th meeting of the 15 th term on August 16 th , 2025	<ol style="list-style-type: none"> 1. Succession structure and implementation of the Advantech Succession Committee (ASC) 2. How mid-to-large global enterprises should manage global Geo-Regions 3. Geo-Regions performance priorities and key management items in the regional dashboard 4. Key account (KA) governance framework under the implementation of SFDC 5. Promotion plan for Lean Organization initiatives in operations 6. Establishment of a high-talent-efficiency organization – development of a headcount management system 7. Evolution of cross-functional collaboration mechanisms 8. Advantech's strategic investment policy 	No objection from all the members present.	The chairman of Corporate Sustainability Committee reports implementation plans and results to the board of directors.

■ Annual Performance Evaluation of Functional Committees: In January 2026, the Company completed the internal self-evaluation of Board performance for 2025. The evaluation scope covered overall Board performance, individual directors' performance, and the performance of functional committees, including the Remuneration Committee, Audit Committee, and Sustainability Development Committee. The Audit Committee received a score of 9.0, with an overall rating of "Outstanding." The Remuneration Committee received a score of 8.6, rated as "Excellent," while the Sustainability Development Committee received a score of 8.4, also rated as "Excellent." Going forward, the Company will continue to advance improvement initiatives in areas such as enhancing the understanding of the roles and responsibilities of functional committees, optimizing committee composition and nomination processes, and strengthening the Board's oversight of sustainability matters, in order to further implement its sustainable development objectives.

(5) The Company's implementation of corporate governance and its deviating from the "Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies" and the root cause

Evaluation Item	Implementation Status			Deviating from the "Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies" and the root cause
	Yes	No	Abstract Illustration	
1. Does the Company base on the "Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies" to set up and disclose the Company's corporate governance best-practice principles?	V		The Company has based on the "Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies" to set up and disclose the Company's corporate governance best-practice principles for guidelines on the MOPS.	None
2. The Company's equity structure and shareholders' equity				
(1) Does the Company have the internal procedures regulated to handle shareholders' proposals, doubts, disputes, and litigation matters; also, have the procedures implemented accordingly?	V		(1) The Company has a spokesperson, investor relations manager, stock affairs supervisor, and associated person assigned to effectively handle shareholder's suggestions or disputes. Legal issues, if any, will be handled with the assistance of the legal affair personnel.	
(2) Does the Company possess the list of the Company's major shareholders and the list of the ultimate controllers of the major shareholders?	V		(2) Regularly disclose the pledge, increase or decrease of shareholding, or the occurrence of other events that may cause significant changes in the shares of the shareholders with over 10% shareholding; also, maintain a good relationship with the major shareholder at any time for control.	
(3) Does the Company establish and implement the risk control and firewall mechanism with the related parties?	V		(3) The management responsibilities of the Company and the affiliated enterprises are clearly defined; also, business transactions are conducted in compliance with the Company's internal control system and the relevant requirements. For strengthening the control mechanism, the procedures for monitoring subsidiaries are regulated with proper risk control.	None
(4) Does the Company set up internal norms to prohibit the insiders from utilizing the undisclosed information to trade securities?	V		(4) The company has established "Prevention of Insider Trading Management Measures" and "Procedures for Handling Material inside information" and related legal education and promotion. At least once a year, we provide 10-minute E-learning online education and	

Evaluation Item	Implementation Status			Deviating from the “Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies” and the root cause
	Yes	No	Abstract Illustration	
			<p>training to current directors, managers, and all employees. They are required to read the digital materials on preventing insider trading and related penalties thoroughly. The content of the course covers the definition including , purpose, and essential elements of internal major information and prevention of insider trading, including the subjects, abnormal situations, and violation handling. The video also includes storytelling of practical cases to deepen the understanding of the importance of internal major information and prevention of insider trading among all employees and directors. A total of 1,525 employees, including current directors, managers, and all staff, completed the relevant training in 2025.</p> <p>Furthermore, in response to the amendments to Article 10 of the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" by the competent authority, the Company has amended Article 10 of the "Corporate Governance Best Practice Principles" on February 25, 2022, stipulating that directors may not trade the Company's stock during the closed period within 30 days of announcing the annual financial reports and within 15 days of announcing the quarterly financial reports.</p>	
<p>3. Composition and Responsibilities of the Board of Directors</p> <p>(1) Does the Board of Directors develop and implement a policy to promote diversity in the composition of its members?</p>	V		<p>(1) The Company has the board directors diversification policy defined in the “Corporate Governance Best-Practice Principles.” The incumbent nine (9) board directors are with professional abilities in the fields of finance, accounting, legal affairs, leadership,</p>	None

Evaluation Item	Implementation Status			Deviating from the “Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies” and the root cause
	Yes	No	Abstract Illustration	
(2) Does the Company, in addition to setting the Remuneration Committee and Audit Committee lawfully, have other functional committee set up voluntarily?	V		<p>decision-making, management, marketing, and sustainability, which are helpful to the company’s long-term strategic development and are in compliance with the diversity policy. The company’s board of directors is composed of 33% board directors who are also employees of the company, 33% external board directors, and 33% independent directors.</p> <p>(2) According to July 29th ,2022 resolution, the Board of directors approved the establishment of the Corporate Sustainability Committee responsible for formulating sustainability policies, decisions, and talent development, as well as the enterprise succession plan. The Sustainable Development Committee will implement from environment, society, and governance(ESG) aspects including communication and information disclosure and report to board of directors.</p>	
(3) Does the company establish standards and method for evaluating Board performance,conduct annual performance evaluations, submit performance evaluation results to the Board,and use the results as a basis for determining the remuneration and nomination of individual directors?	V		<p>(3) Advantech conducts board performance evaluations in accordance with its “Board Performance Evaluation Policy,” covering both internal self-assessments and external evaluations.</p> <p>Internal Evaluation: The Company completed the internal self-assessment of the Board’s performance for 2025 in January 2026. The evaluation scope covered overall Board performance, individual directors’ performance, and the performance of functional committees, including the Remuneration Committee, Audit Committee, and Sustainability Development Committee. The 2025 evaluation results ranged between 8.4 and 9.0, indicating a solid performance. The evaluation outcomes were fully reported at the 15th Board Meeting of the 15th</p>	

Evaluation Item	Implementation Status			Deviating from the “Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies” and the root cause
	Yes	No	Abstract Illustration	
(4) Does the Company have the independence of the public accountant evaluated regularly?	V		<p>term on February 26, 2026, with detailed disclosure of directors’ feedback and corresponding improvement plans. Overall, the evaluation result was rated as “Excellent.” Going forward, the Company will continue to enhance Board effectiveness and strengthen directors’ engagement and communication in corporate operations.</p> <p>External evaluation: The company had entrusted an external independent organization “The Taiwan Institute of Ethical Business (TIEB)” to carry out an effectiveness evaluation on the board of directors and functional committees in September - December 2023. The TIEB is not affiliated with Advantech and has no business relationship established; therefore, TIEB operates independently from the company. The four aspects of the board of directors, including professional functions, decision-making effectiveness, attitude toward sustainable development, and internal control and supervision, were evaluated with questionnaires and on-site inspections. The company had the said evaluation results fully reported at 15th meeting of the 15th Board of Directors on February 26, 2026 so as to enhance the functions of the board of directors (please visit the official website for the evaluation report in detail) continuously.</p> <p>(4) The company’s audit committee evaluates the independence and competency of the certified public accountants (CPAs) every year, and requires the CPAs to provide the “Declaration of Independence” and “Audit Quality Indicators (AQIs);” also, perform evaluations in accordance with the standards stated in Note 1. It has been confirmed that the CPAs have no other financial</p>	

Evaluation Item	Implementation Status			Deviating from the “Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies” and the root cause
	Yes	No	Abstract Illustration	
			interests or business relationships with the company except for collecting the attestation and taxation fees from the company; also, the CPAs do not violate the independence requirements. Regarding the evaluation results of the most recent year, the board of directors resolved to approve the evaluation of the CPAs’ independence and competency on February 27, 2025. (Note)	
4. Does the company set up a corporate governance unit or appoint personnel responsible for corporate governance matters (including but not limited to providing information for directors and supervisors to perform their functions, handling work related to meetings of the board of directors and the shareholders' meetings, filing company registration and changes to company registration, and producing minutes of board meetings and shareholders' meetings)?	V		<p>The dedicated Corporate Governance Officer appointed by the Company’s Board of Directors meets all legal requirements and was appointed through a resolution of the Board. The scope of responsibilities includes matters related to corporate governance, such as:</p> <ul style="list-style-type: none"> • Handling matters related to Board of Directors and Shareholders’ meetings in accordance with the law. • Assisting in planning for Board meetings, expanded SDC, and Shareholders’ meetings. • Assisting directors with onboarding and continued education. • Assisting in providing directors with the necessary information to perform their duties. • Assisting in ensuring directors’ compliance with applicable laws and regulations. • Assisting in the execution of other matters as stipulated in the Company’s Articles of Incorporation. • Assisting in the planning of annual training roadmaps for directors and supervisors across various knowledges. • "Corporate Governance Management Platform": Based on the evaluation indicators of the Taiwan Stock Exchange’s "Corporate 	None

Evaluation Item	Implementation Status			Deviating from the “Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies” and the root cause
	Yes	No	Abstract Illustration	
			Governance Evaluation," the platform regularly reviews and optimizes the implementation status with relevant departments.	
5. Does the company establish a communication channel and build a designated section on its website for stakeholders (including but not limited to shareholders, employees, customers, and suppliers), as well as handle all the issues they care for in terms of corporate social responsibilities?	V		(1) The Company has a spokesperson, investor relations manager, and stock affairs supervisor assigned to establish a comprehensive communication channel, and regularly or irregularly held briefings to offer a face-to-face and comprehensive communication interface targeting on various issues and inquiries. The Company sets up the Advantech CSR website in English and the stakeholder section on the Company’s website, assigns contact person to communicate with the stakeholders. The Company also responds to the stakeholder’s concern over CSR issues through stakeholder questionnaire, notice of collection, website, and CSR reports. For more details, please refer to the 'Stakeholder Engagement' section under Corporate Sustainability on Advantech’s official website.	None
6. Does the company appoint a professional shareholder service agency to deal with shareholder affairs?	V		The Company commissioned a professional stock affairs service agent - KGI Securities Co., Ltd. Shareholder Service Department to handle the Company’s stock service matters, and with the “Guidelines for Handling of Stock Affairs” stipulated to regulate the relevant operations.	None
7. Information disclosure (1) Does the Company have a website setup and the financial business and corporate governance information disclosed?	V		(1) The company profile and business information is disclosed in the Company’s website with the shareholder’s section setup to disclose financial information and corporate governance; also, to establish a communication channel for communicating to investors.	None
(2) Does the Company have adopted other information disclosure methods (such as, establishing an English	V		(2) The Company has information fully disclosed through the English website, assigning the	

Evaluation Item	Implementation Status			Deviating from the “Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies” and the root cause
	Yes	No	Abstract Illustration	
<p>website, designating responsible person for collecting and disclosing information of the Company, substantiating the spokesman system, placing the juristic person seminar program on the Company’s website, etc.)?</p> <p>(3) Does the company announce and report annual financial statements within two months after the end of each fiscal year, and announce and report Q1, Q2, and Q3 financial statements, as well as monthly operation results, before the prescribed time limit?</p>	V		<p>Investor Relations Commissioner for information collection and disclosure, a clear spokesperson system, and the investor conference on the Company’s website.</p> <p>(3) The Company announces and reports annual financial statements Within two months of the end of each fiscal year, and announces and reports Q1, Q2, and Q3 financial statements, as well as monthly operation results, before the prescribed time limit. All relevant filings have been disclosed on the Market Observation Post System (MOPS) of the Taiwan Stock Exchange and on the Company’s official website.</p>	
<p>8. Are there any other important information (including but not limited to the interests of employees, employee care, investor relations, supplier relations, the rights of stakeholders, the continuing education of directors and supervisors, the implementation of risk management policies and risk measurement standards, the execution of customer policy, the purchase of liability insurance for the Company’s directors and supervisors) that are helpful in understanding the corporate governance operation of the Company?</p>	V		<p>(1) Employee interests and rights and employee care: Provide all employees with a salary that is higher than the minimum wage under the Labor Standards Act, provide employee with benefits that are better than those offered in the industry; provide various insurance benefits and pension provisions lawfully, provide additional group insurance and overseas business trips insurance so to protect the work and life safety of colleagues; clearly define labor safety and health best practice principle, implement equality in employment, provide a healthy, safe, and harassment-free working environment and culture, and obtain ISO-14001 (Environmental Management International Standards) and ISO-45001 (Occupational Health and Safety Management Systems) certification; moreover, the interim and annual performance evaluation of all colleagues in the company are conducted to achieve the overall operating plan and to serve as a reference for personnel promotion, employee</p>	None

Evaluation Item	Implementation Status			Deviating from the “Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies” and the root cause
	Yes	No	Abstract Illustration	
			<p>training and development, and salary payment. Ensure and protect the “Collective Bargaining Agreement” of all employees through labor-management meetings, department meetings, symposiums, Suggestion Box, and other communication channels.</p> <p>(2) Supplier relations: In terms of supplier management, Advantech has introduced the “Responsible Business Alliance (RBA)” management system since 2010, has environmental protection principles strictly incorporated into the supplier management mechanism so to establish a “Green Supply Chain” management system, to carry out supplier management through the SRM (Supplier Relationship Management) platform, and to conduct supplier code of conduct reviews/factory inspections on important suppliers, including the addition/change of suppliers and the supplier evaluation process, which are all clearly defined and standardized in the company’s management document (M-001_Procurement Procedure). The “Advantech Procurement Code of Conduct” is stipulated internally to clearly regulate procurement act. Also, suppliers are required to sign a letter of undertaking of integrity to have themselves committed to complying with the principles of ethical conduct jointly.</p> <p>(3) Investor Relations: Information is fully disclosed through the MOPS and the Company’s Website to help investors understand the Company’s operating conditions and to communicate with investors through the shareholders’ meeting and the spokesman.</p>	

Evaluation Item	Implementation Status			Deviating from the “Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies” and the root cause
	Yes	No	Abstract Illustration	
			<p>(4) Continuing education of directors and supervisors: In the 2025, each director received an average of 9.4 hours of training, exceeding the regulatory recommended hours of 6 hours. The Company encourages directors to continuously pursue further education and stay abreast of professional fields and international trends. In addition to regularly disseminating information about governance courses organized by professional institutions such as the Chinese Corporate Governance Association, the Securities and Futures Institute, and the Taiwan Directors Association for directors to consider and enroll in, the company also holds periodic director training seminars. The topics for these seminars are selected based on references from the comprehensive operational risk map and significant issues. The training courses include collective knowledge of the highest governance body in areas related to sustainability and corporate governance. In 2025, the directors collectively completed a total of 36 hours of training related to sustainability and corporate governance.</p> <p>(5) Customer Policy: The Company maintains close communication with customers through online/telephone customer service and the Account Manager system on a regular basis to understand their needs. Additionally, customer feedback is actively collected through annual customer satisfaction surveys, serving as the basis for Advantech's product and service optimization efforts. Throughout the year, we also hold periodic product or solution briefings for customers to engage with Advantech more directly. Furthermore, the company provides</p>	

Evaluation Item	Implementation Status			Deviating from the “Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies” and the root cause
	Yes	No	Abstract Illustration	
			<p>product solutions, technical support, and after-sales services on its online platform, ensuring product reliability and quality.</p> <p>(6) The acquisition of liability insurance for directors : According to Article 39 of our company's Corporate Governance Practices Guidelines, the Company has acquired liability insurance for directors and supervisors . Renewal matters are reported to the board of directors in the second quarter of each year, including important details such as the insured amount, coverage scope, and premium rates. Board members provide guidance on company strategy and supervise management based on their professional expertise and experience, bearing responsibility to both the Company and its shareholders. Currently, Advantech does not impose a limit on directors' liability. To mitigate associated risks, the Company annually arranges liability insurance coverage for its directors and key personnel. The coverage includes corporate indemnification liability, securities claims against the Company, and employment practices liability, among others. Regular reports on the insurance coverage are submitted to the Board of Directors.</p>	
<p>9. Does the Company have a corporate governance self-assessment report prepared or a corporate governance assessment report issued by the commissioned professional institutions? (If yes, please state the opinion of the board of directors, the self-assessment or outsourcing evaluation results, the main nonconformity or suggestion, and implementation of improvement)</p> <ol style="list-style-type: none"> 1. The company was awarded the highest level of evaluation for corporate governance in the top 5% ranking in the 2024 (11th) corporate governance assessment. The company will strengthen the disclosure of relevant information on the company's official website to comply with corporate governance regulations. 2. ACL particularly disclosed the information on our website to meet the corporate governance requirements. The Company will make improvement progressively according to the plan to be made for the matters that have not been improved. 				

Note 1: Assessment criteria of accountant’s Independence

Evaluation items	2025 Assessment Result (Y/N)	Independence (Y/N)
1. Does the CPA have a direct or indirect financial interest in Advantech.	Y	Y
2. Does the CPA have a significant-close business relationship with Advantech.	Y	Y
3. Is the CPA concerned about the possibility of losing significant clients.	Y	Y
4. Is the CPA entering into potential employment negotiations with Advantech.	Y	Y
5. Is the CPA entering into a contingent fee arrangement relating to an audit engagement.	Y	Y
6. A member of the assurance team being, or having been a director, or supervisor of the client, or employed by the client in a position to exert significant influence over the subject matter of the engagement within the last two years.	Y	Y
7. The non-assurance service performed by the CPA for an audit client would affect directly a material item of the assurance engagement.	Y	Y
8. Does the CPA promote or broker shares or other securities issued by Advantech.	Y	Y
9. Does the CPA act as an advocate on behalf of Advantech in litigation or disputes with third parties.	Y	Y
10. A member of the engagement team having a close or immediate family member who is a director, supervisor, or officer of Advantech or an employee of Advantech who is in a position to exert significant influence over the subject matter of the engagement.	Y	Y
11. Does the CPA accept gifts or preferential treatment from Advantech, or the director, supervisor, officer, or major stockholder of Advantech.	Y	Y
12. Is the CPA being threatened with litigation by Advantech.	Y	Y
13. Does Advantech threaten that it will revoke a planned non-assurance contract to the firm if the firm continues to disagree with the client's accounting treatment for a particular transaction.	Y	Y
14. Is the firm being threatened with dismissal from Advantech engagement.	Y	Y
15. Is the accounting firm being pressured to reduce inappropriately fees, to compel the firm to reduce the extent of work performed.	Y	Y
16. Was the CPA pressured to agree with controversial issues due to Advantech's employee having more expertise on the matter in question.	Y	Y
17. Has a member of the audit engagement team been informed by a partner of the firm that a planned promotion will not occur unless the member agrees with an audit client's inappropriate accounting treatment.	Y	Y

■ Training and Educational Status of Directors and Supervisors of the Company:

Title	Name	Study Date		Organizer	Courses	Study Hours
		(starting)	(ending)			
Director	KC Liu	114/01/17	114/01/17	Taiwan Institute of Directors	M&A Strategy and Post-Merger Integration	3
		114/02/14	114/02/14	Taiwan Institute of Directors	Experience Sharing on the M&A Process and Strategic Organizational Integration	3
		114/10/31	114/10/31	Taiwan Institute of Directors	Diversified Growth under Globalization: End-to-End Thinking from Strategy to Results	3
Director	Chaney Ho	114/07/09	114/07/09	Cathay Financial Holdings	2025 Cathay Sustainable Finance and Climate Change Summit	6
Director	Wesley Liu	114/01/17	114/01/17	Taiwan Institute of Directors	M&A Strategy and Post-Merger Integration	3
		114/02/14	114/02/14	Taiwan Institute of Directors	Experience Sharing on the M&A Process and Strategic Organizational Integration	3
		114/07/04	114/07/04	Taiwan Institute of Directors	Key Success Factors in Corporate Investment and M&A	3
		114/10/31	114/10/31	Taiwan Institute of Directors	Diversified Growth under Globalization: End-to-End Thinking from Strategy to Results	3
Director	Tony Liu	114/01/17	114/01/17	Taiwan Institute of Directors	M&A Strategy and Post-Merger Integration	3
		114/02/14	114/02/14	Taiwan Institute of Directors	Experience Sharing on the M&A Process and Strategic Organizational Integration	3
		114/03/07	114/03/07	Taiwan Institute of Directors	M&A Transactions, Corporate Valuation, and Due Diligence	3
		114/07/04	114/07/04	Taiwan Institute of Directors	Key Success Factors in Corporate Investment and M&A	3
		114/10/31	114/10/31	Taiwan Institute of Directors	Diversified Growth under Globalization: End-to-End Thinking from Strategy to Results	3
Director	Jeff Chen	114/02/21	114/02/21	Taiwan Corporate Governance Association	Current Global Economic Outlook	1
		114/03/11	114/03/11	Taiwan Corporate Governance Association	Trump 2.0, the Death of Globalization, and Regional Wars	3
		114/03/27	114/03/27	Taiwan Corporate Governance Association	Corporate Mindset and Strategy in a New Era of Change	3
Director	Ji-Ren Lee	14/05/22	114/05/22	Taiwan Corporate Governance Association	Introduction to and Analysis of the Global Minimum Tax Regime	3
		114/10/29	114/10/29	Taiwan Corporate Governance Association	Sustainability, Risk, and Cybersecurity Issues in the AI Era	3
Independent Director	Ming-Hui Chang	114/04/14	114/04/14	Taiwan Institute of Directors	Cross-Strait Political and Economic Risk Outlook amid U.S.–China Geopolitical Competition	3
		114/10/23	114/10/23	Taiwan Institute of Directors	Data-Driven and Intelligent Transformation	3

Title	Name	Study Date		Organizer	Courses	Study Hours
		(starting)	(ending)			
Independent Director	Benson Liu	114/03/26	114/03/26	Taiwan Corporate Governance Association	Creating a New Sustainable Future Seminar	2
		114/04/23	114/04/23	Taiwan Corporate Governance Association	Management Accounting and ESG Innovation	1
		114/05/21	114/05/21	Taiwan Corporate Governance Association	Enhancing Board and Functional Committee Performance Evaluation Seminar	2
		114/09/03	114/09/03	Taiwan Corporate Governance Association	The 21st (2025) International Corporate Governance Summit – The Role of the Board in Shaping Corporate Strategy amid Global Upheaval	6
Independent Director	Chan-Jane Lin	114/03/26	114/03/26	Taiwan Corporate Governance Association	Creating a New Sustainable Future Seminar	2
		114/06/27	114/06/27	Taiwan Corporate Governance Association	The Future Direction of Diversity, Equity, and Inclusion (DEI) Policies	1
		114/09/03	114/09/03	Taiwan Corporate Governance Association	The 21st (2025) International Corporate Governance Summit – The Role of the Board in Shaping Corporate Strategy amid Global Upheaval	6
		114/10/28	114/10/28	Taiwan Corporate Governance Association	Low-Carbon Economy and Corporate Sustainability Strategy	3
		114/12/05	114/12/05	Taiwan Corporate Governance Association	Sustainability Equals Innovation: Trends in Corporate Sustainability and ESG Value Management	3
		114/12/29	114/12/29	Taiwan Corporate Governance Association	Sustainability, ESG, and Competition Law	1

■ The acquisition of liability insurance for directors and supervisors:

Insured object	Insurance company	Amount of insurance coverage (NT\$)	Insurance period
All directors and supervisors	Cathay Century Insurance Co., Ltd.	156,635,000	2025/04/01~2026/04/01

(6) Sustainable Development Implementation Status and Deviation from the “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” and the Root Cause

Evaluation Items	Implementation Status (Note 1)			Deviation from the “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” and the root cause
	Yes	No	Abstract Explanation	
1. Has the company established an ESG unit (full-time or part-time), with a senior manager authorized by the Board of Directors to handle and report related activities to the Board of Directors? (TWSE/TPEX Listed Companies should report the implementation status, non-compliance, or interpretation.)	V		<p>Advantech has published its corporate social responsibility reports since 2013. The ESG Sustainability Office and the President of General Management report on the issuance of the annual report and a summary of ESG work priorities at the annual board meeting. The Board of Directors is responsible for reviewing the annual sustainability report and major sustainability issues with the important ESG projects led by the chairman. Advantech’s Corporate Sustainable Development Committee (SDC) members include the Chairman (founder) and two directors (Director Jeff Chen and Director Ji-Ren Lee), who manage projects related to corporate sustainability from the three aspects of governance, environment, and society. In 2025, a total of two meetings of the SDC Sustainability Development Committee were convened. The ESG Office formulates the annual plan and reports on key ESG issues and project progress on a quarterly basis at the ESG-QEM (ESG Quarterly Executives Meeting). In the fourth quarter, a comprehensive update is presented to the Board of Directors and the SDC Sustainability Development Committee. Quarterly meetings are attended, in accordance with the agenda, by external sustainability consultants, the President of General Management, the Chief Audit Executive, the VP of Quality Audit, Associate Vice Presidents of Human Resources and Employee Relations, and the Head of Corporate Governance. Depending on the topics discussed, industry ESG experts are also invited to share best practices. The accountable team will take actions for the new projects once it is confirmed by the committee or the highest-ranking official (President of General Management) of the ESG Sustainability Office, and the ESG Office will regularly track results and propose improvement plans.</p> <p>The ESG Office made three written and verbal reports to the Board of Directors in 2025 on the issues of: Sustainability report review, annual major sustainability issue review, and description of annual sustainability performance and sustainability goals for the coming year; also, invited external sustainability consultants to share short-term and medium-term sustainability trends to help Advantech respond preemptively.</p>	None

Evaluation Items	Implementation Status (Note 1)			Deviation from the “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” and the root cause
	Yes	No	Abstract Explanation	
			<p>The ESG Office had held three quarterly meetings to discuss the following issues:</p> <ol style="list-style-type: none"> (1) Annual sustainable performance KPI reward mechanism and incentive summary review; (2) Advantech DEI development blueprint and goals; (3) Sustainable raw materials issues; (4) Major thematic reports of the sustainability report, stakeholder engagement reports, and reports on the core content of the sustainability report; (5) Adaptation to IFRS Sustainability Disclosure Standards; (6) EU Taxonomy project planning; (7) TCNFD Climate- and Nature-Related Financial Disclosure Report; (8) Product Sustainable Packaging (omitted); (9) Human Rights Due Diligence and Living Wage Progress Report; <p>The Company’s Board of Directors regularly learns or receives written reports (including sustainability issues) from the management team on a quarterly basis; also, it provides advice on sustainability issues. The Board of Directors and the SDC Corporate Sustainability Committee review the annual sustainable development results and goals for the coming year in the fourth quarter of every year that are presented by the ESG Office. The Board of Directors also prompts and makes rolling adjustments to the Group’s sustainable strategy.</p>	
2. Does the company follow principles of materiality in evaluating the risks of environmental, social, and corporate governance, and establish relevant policies or strategies? (Note 2)	V		<p>This data disclosure covers the Company’s sustainable development performance at the main locations from January to December 2025. The risk assessment boundary is mainly based on the Company, including the core operating locations in Taiwan, Mainland China, Japan, South Korea, America, and Europe.</p> <ol style="list-style-type: none"> 1. Risk management policy or strategy: Advantech has various risks defined based on the Company’s overall operating direction, and has introduced an enterprise risk management system (ERM) to establish and identify, accurately measure, effectively monitor, and strictly control risk management mechanisms. The Company prevents possible losses within the tolerable risk range and continuously adjusts the best risk management practices based on changes in internal and 	None

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			<p>external environments. The major risks identified by Advantech’s risk management process include economic, environmental, and social issues.</p> <p>A. Economic issues include: Business succession, geopolitics, sustainable supply chain, information security, material investment management issues, etc.</p> <p>B. Environmental issues include: Eco products and sustainable requirements, climate change risks, etc.</p> <p>C. Social issues include: Talent cultivation and development, privacy protection, labor disputes, etc.</p> <p>The survey results of the annual major sustainability issues are also used as one of the references for identifying and measuring the annual major risk issues. For example, in 2025, the major sustainability issues were also considered as major, as high as 70%, strategic or operational risk issues in corporate risk management. Advantech applies risk management mechanisms to reduce or hedge the impact of risks on the Company’s possible revenue, costs, expenses, and goodwill. At the same time, Advantech actively explores opportunities that risks may bring, such as engaging in the related application of solar energy, wind power, and electric vehicle industries; also, developing energy management platforms that are available to different industries.</p> <p>2. Three lines of defense for risk management: Advantech has set up a mechanism of a three-line-of-defense for risk management, which is detailed as follows:</p> <table border="1"> <thead> <tr> <th>Three-line-of-defense Hierarchy Model</th> <th>Corresponding Units</th> <th>Role Playing</th> </tr> </thead> <tbody> <tr> <td>First Line of Defense: Risk accountability</td> <td>Supervisors and colleagues of each operation / functional unit</td> <td> <ul style="list-style-type: none"> Supervisors are responsible for planning and promoting the first-line-of-defense risk management mechanism. Supervisors and colleagues implement response plans. </td> </tr> </tbody> </table>	Three-line-of-defense Hierarchy Model	Corresponding Units	Role Playing	First Line of Defense: Risk accountability	Supervisors and colleagues of each operation / functional unit	<ul style="list-style-type: none"> Supervisors are responsible for planning and promoting the first-line-of-defense risk management mechanism. Supervisors and colleagues implement response plans. 	
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			<p>3. Advantech complies with the reporting principles of the GRI 2021 Standards (GRI Standards) and incorporates the EU’s “Double Materiality” concept to establish a materiality analysis methodology from the two aspects of “sustainable development impact on economy, environment, and people (human rights)” and “organizational operations and financial impact” so to identify material and influential topics, to consider sustainable challenges and opportunities that can be specifically implemented from the essence of operations in order to observe the changing trends of sustainability issues, respond to the expectations and suggestions of stakeholders, and follow up on the progress of long-term sustainability goals. The implemented sustainability disclosure standards include: Based on the GRI (Global Reporting Initiative) Universal Standards 2021 Reference option, the Financial Supervisory Commission’s requirement for specific industries to disclose sustainability indicators (industry: computer and peripheral equipment industry), the industry standards of the Sustainability Accounting Standards Board (SASB) (applicable category: Hardware), and AA1000 as reporting principles.</p> <p>Advantech also identifies the positive and negative impacts of each major topic on the environment, society (including people and human rights), and economy, and takes preventive, mitigating, or compensating measures further. The major themes of Advantech in 2024-2025 are identified as follows: Information security management, sustainable intelligent solutions, customer and partner co-creation, talent cultivation and development, occupational safety and health, supply chain sustainable management, circular economy, greenhouse gas inventory and energy management, green design and product sustainable responsibility, and innovation mechanism. Some of the major issues of the year overlap with risk management concerns and are included in ongoing supervision. Advantech has adopted a biennial approach to conduct dual materiality assessments in its sustainability reports since 2025. Therefore, the major themes remained unchanged for 2024-2025. The latest annual action plan and tolerance for major risks are explained below:</p>	

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3. Environmental issues (1) Does the company establish a proper environmental management system based on the characteristics of the industries?	V		<p>In terms of environmental management, in addition to carrying out environmental protection work related to wastewater and waste disposal in accordance with relevant laws and regulations, Advantech has established the “ESH management system manual” as a guiding principle for the operation of the management system, and the management was checked and implemented regularly. All wastewater discharges meet the standards and are declared as required. Industrial waste is also handled and disposed of by qualified contractors. The Company’s environmental policy has been confirmed and committed to by the Board of Directors and is published on the official website.</p> <p><u>The Company’s environmental declaration and environmental policy are as follows:</u></p> <ol style="list-style-type: none"> 1. Comply with or go beyond domestic and international environmental protection and occupational safety and health laws, regulations, and standards. 2. Promote green operations, implement pollution prevention, waste management and green procurement, cooperate with customers, suppliers, and contractors to jointly establish a green supply chain from design, production, to product delivery and services, and substantiate energy-saving, emission reduction, sustainable use of resources, and circular economy. 3. Observe global climate change, environmental protection, and occupational health and safety issues. Assess risks and opportunities voluntarily, set quantitative indicators for management performance, promote environmental and health implementation plans, and achieve environmental safety and health goals. 4. Committed to deepening employees’ environmental safety and health awareness through training and advocacy. Employee representatives shall participate in the meetings and consultations to form consensus, formulate priorities and action plans, eliminate hazards, and reduce safety and health risk and its impacts on the environment. 5. Enhance the management performance of environmental safety and health through continuous improvement of the management systems, cultivate a corporate environmental safety and health management culture, urge all employees, stakeholders, and joint ventures to understand the important responsibility for and awareness of sustainable development; also, conduct due diligence investigation in accordance with this policy when merging and acquiring related businesses. 	None

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			<p>Specific actions:</p> <ol style="list-style-type: none"> 1. No violation of environmental laws and regulations, as well as fines in the past three years. 2. The procedures for promoting environmental management include: Environmental protection-related management operation regulations, environmental management system (ISO 14001 expiration date: 02 December 2026), greenhouse gas inventory (ISO 14064-1, the certificate does not contain an expiration date, Advantech conducts a greenhouse gas inventory project every year, the latest certificate was issued on March 24, 2026, and the greenhouse gas inventory date of the certificate covers the period from January 1, 2025 to December 31, 2025), energy management system (ISO 50001, expiration date: March 19, 2029), etc. 3. Management actions include: Pollution control and prevention, environmental responsibility training for employees, such as: water conservation, waste reduction, etc., environmental management system maintenance, GHG management, and monitoring and improving energy performance. 	
(2) Does the company endeavor to utilize all resources more efficiently and use renewable materials with low impact on the environment?	V		<p>The Company strives to improve the utilization efficiency of various resources and use recycled materials with a low impact on the environment. The Company’s energy management strategy is: Energy-saving, energy creation, and energy purchase, of which the essence of energy saving includes: Using high-efficiency equipment, improving the energy efficiency of machines and common equipment, and introducing energy-saving management and monitoring systems.</p> <p>Taiwan Head Office and Kunshan Manufacturing Park, Advantech’s major operating locations, have the highest share of global electricity consumption, accounting for more than 90% of Advantech’s global electricity consumption. Advantech’s global renewable energy goal is to reach 50% at its Taiwan Head Office and Kunshan Manufacturing Park in 2030, and to achieve RE100 globally in 2040. Advantech’s use of renewable energy was 16.2% in 2024.</p>	None

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			<p>Advantech’s overseas operation locations also simultaneously achieve RE100 through the installation of solar photovoltaic panels, direct procurement of green electricity, and purchase of renewable energy certificates. Advantech’s major overseas locations have three-year goals set as follows:</p> <table border="1"> <thead> <tr> <th rowspan="2"></th> <th rowspan="2">Approach</th> <th colspan="3">Target</th> </tr> <tr> <th>2024</th> <th>2025</th> <th>2026</th> </tr> </thead> <tbody> <tr> <td>HQ</td> <td>Investment on the solar power plant and purchase the renewable energy</td> <td>0%</td> <td>5%</td> <td>10%</td> </tr> <tr> <td>AKMC</td> <td>Purchase the renewable energy and solar power panels installation</td> <td>20%</td> <td>25%</td> <td>30%</td> </tr> <tr> <td>AJP</td> <td>Purchase the renewable energy/solar power panels installation/REC</td> <td>4%</td> <td>27%</td> <td>41%</td> </tr> <tr> <td>AKR</td> <td>Solar power panels installation/REC</td> <td>0%</td> <td>0%</td> <td>25%</td> </tr> <tr> <td>ANA (AASC)</td> <td>Solar power panels installation(AASC)</td> <td>50%</td> <td>100%</td> <td>100%</td> </tr> <tr> <td>AEU (AESC)</td> <td>Solar power panels installation/REC(AESC)</td> <td>100%</td> <td>100%</td> <td>100%</td> </tr> </tbody> </table> <p>In terms of reducing the impact of products on the environment, Advantech has it managed from the source and formulated Advantech’s eco product design management standards and guidelines from four aspects of products: (1) green materials, (2) green packaging materials, (3) product recycling, and (4) product energy saving. The environmental impact of products at each stage, from production, manufacturing to transportation, consumer use, recycling, and waste disposal, is evaluated in compliance with international regulations and customer needs, for example, the use of recycled materials, improving energy efficiency, and designing innovative Eco products that help reduce environmental toxicity hazards.</p> <p>Three benchmark products were promoted based on product type in 2025, successfully incorporating recycled plastics and recycled metals. The mass production of the related products has been initiated since the year of 2025. Based on assessments of the usability and feasibility of recycled materials to promote the introduction and application of</p>		Approach	Target			2024	2025	2026	HQ	Investment on the solar power plant and purchase the renewable energy	0%	5%	10%	AKMC	Purchase the renewable energy and solar power panels installation	20%	25%	30%	AJP	Purchase the renewable energy/solar power panels installation/REC	4%	27%	41%	AKR	Solar power panels installation/REC	0%	0%	25%	ANA (AASC)	Solar power panels installation(AASC)	50%	100%	100%	AEU (AESC)	Solar power panels installation/REC(AESC)	100%	100%	100%	
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			<p>recycled materials in specific products, to increase the overall proportion of recycled materials used, and to achieve the goals of using recycled materials in specific products.</p> <p>At the same time, it officially launches circular economy practice at the green factory in Linkou: in addition to continuously promoting the recycling and reuse of waste tin slag, it successfully recovers reusable metal resources through tin slag separation equipment, reaching 70% tin slag reuse, with a cumulative reuse of nearly 5 tons, effectively reducing the output of hazardous waste.</p> <p>In addition, the Company has successfully piloted the production of recycled PE waste from its factory into PE products (such as packaging films and PE bags for product packaging), which have been applied to the packaging materials for the FPM-S15W monitor computer product. The future goal is to gradually expand its use across the entire company, serving as a starting point for Advantech’s efforts in promoting waste recycling and remanufacturing.</p> <p>Advantech will continue to implement the concept of circular economy and move towards the goal of sustainable operation by pursuing Eco product design and sustainable factory management in parallel.</p> <p>2025 Core Achievements:</p> <ul style="list-style-type: none"> ● Replace EPE with paper and plastic packaging materials for products under 5 kgs, which account for more than 90%; ● Products with low-halogen plastic parts account for 93% of the annual sales; products with low-halogen PCB boards account for 5% of the annual sales. ● Achieve 87.1% internal self-declaration mark silver level in eco design system products. ● Achieve a 18.7% annual revenue contribution from mass-produced products that meet Silver-level eco design standards or carry the Advantech Energy-Saving Label. 	

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			<ul style="list-style-type: none"> ● 100% adoption of SW Utility in x86 windows Image for designated product-specific product lines (EIOT, IIOT). ● The mechanical components of the monitor/computer (GSC-7153W) in this specific product are made of plastics containing 30% recycled materials. Recycled materials account for 9.4% of the product. The mechanical components of the fanless embedded computers (ARK-1125C, ARK-1222) are made of steel containing 13% recycled materials. Recycled materials account for 3.2% of the product. <p>2026 Target:</p> <ul style="list-style-type: none"> ● Continue to ensure 100% compliance of raw material with international environmental regulations and Advantech’s regulatory substance standards. ● Achieve over 90% Silver level compliance in eco design for new products. ● Achieve a 20% annual revenue contribution from mass-produced products that meet Silver-level eco design standards or carry the Advantech Energy-Saving Label. ● Gold Level certification across four dimensions: 5% of products in specific product lines ● Setting targets for the percentage of recycled materials used in eco design products (plastics/metals) (Set target proportions of recycled materials in the raw materials for different types of mechanical components) <table border="1"> <thead> <tr> <th rowspan="3">年份</th> <th colspan="6">綠色設計產品使用再生材料 (塑膠 / 金屬) 目標設定</th> </tr> <tr> <th colspan="2">塑膠 (使用再生材料占比)</th> <th colspan="4">金屬 (使用再生材料占比)</th> </tr> <tr> <th></th> <th></th> <th>鋼材</th> <th colspan="3">鋁材</th> </tr> </thead> <tbody> <tr> <td>2025</td> <td>機構外殼</td> <td>>30%</td> <td>機構外殼</td> <td>>10%</td> <td colspan="2">-</td> </tr> <tr> <td>2026</td> <td>機構件</td> <td>>30%</td> <td>機構件</td> <td>>10%</td> <td>機構件</td> <td>>50%</td> </tr> <tr> <td>2030</td> <td>機構件</td> <td>>50%</td> <td>機構件</td> <td>>20%</td> <td>機構件</td> <td>>80%</td> </tr> </tbody> </table> <p>Note: 上述所指的機構外殼或機構件為研華設計部件，並遵循研華綠色設計產品金牌準則</p>	年份	綠色設計產品使用再生材料 (塑膠 / 金屬) 目標設定						塑膠 (使用再生材料占比)		金屬 (使用再生材料占比)						鋼材	鋁材			2025	機構外殼	>30%	機構外殼	>10%	-		2026	機構件	>30%	機構件	>10%	機構件	>50%	2030	機構件	>50%	機構件	>20%	機構件	>80%	
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(3) Does the company evaluate the potential risks and opportunities in climate change with regard to the present and future of its business, and take appropriate action to counter climate change issues?	V		<p>Advantech has joined the Carbon Disclosure Project (CDP) and regularly publishes greenhouse gas inventory data on the official website for the information of customers and stakeholders. Advantech has promoted the TCFD (Task Force on Climate-related Financial Disclosures) climate-related financial disclosure project since 2021 to illustrate Advantech’s climate change risk assessment, including potential risks and opportunities and corresponding response measures. In addition, the Science Based Target (SBT) was adopted and committed to in 2021, striving to take practical actions to implement carbon reduction through the Science Based Target (SBT) plan, and update the SBTi science-based target application of keeping warming below 1.5°C in 2025.</p> <p>In terms of assessment and governance, Advantech has introduced the “Task Force on Climate-related Financial Disclosures (TCFD) to promote climate change management and disclosure in accordance with the four core elements of climate governance, strategy, risk management, and key indicators recommended by the TCFD guidelines. It has followed the TCFD guidelines and recommendations to systematically measure the Company’s climate risks and opportunities, and deeply assess the existing risk management procedures, which focused on climate change in the Pan-Operational Risk</p>	None												

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			<p>Map. The assessment results and response plan have also been reported to the Corporate Sustainability Development Committee; also, the annual sustainability performance is reported to the Board of Directors in the 4th quarter.</p> <p>Advantech identified short-term, medium-term, and long-term opportunities with 13 risks and 10 opportunities concluded annually. Then, Advantech significantly identified 7 risks and 3 opportunities based on the impact level; also, assessed the financial impact of the four most important items based on Advantech’s future development direction. Please refer to the “2025 Advantech Climate and Financial Disclosure Report” on the official website of Advantech for detailed climate risk and opportunity disclosures and management actions.</p>	
(4) Does the company take inventory of its greenhouse gas emission, water consumption, and total weight of waste in the last two years, and implement policies on greenhouse gas reduction, water reduction, or waste management?	V		<p>【Greenhouse Gas Management】 In order to ensure the credibility of greenhouse gas emission data, the ISO14064 third-party on-site verification has been conducted by third-party verification organizations such as SGS Taiwan and TUV Nord since 2019, and the validity of the certification is maintained every year. The SASB sustainability accounting standards and indicators disclosure and the assurance of related major indicators have been added to the sustainability report since 2022. Advantech has also formulated greenhouse gas reduction goals and plans to achieve the SBT carbon reduction goals, and plans short-term, medium-term, and long-term carbon reduction processes. Advantech has also conducted greenhouse gas inventory progress that is superior to the requirements of the competent authorities. The Company completed the greenhouse gas inventory and education and training of the subsidiaries in Japan and Korea in 2024, and completed the external audit in 2025. The Company completed the greenhouse gas inventory and education and training of the European subsidiaries in 2025, and completed the external audit in 2026.</p> <p>Greenhouse gas emission in the last two years (including Scope 1 ~ Scope 3): Scope 1 and Scope 2 GHG emissions from Advantech’s main operating locations and production plants in 2025:</p>	None

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			<p>Greenhouse gas reduction policy: Stage 1: Advantech continues to expand its manufacturing capacity, which results in an increase in energy usage. It reduces greenhouse gas emissions by improving energy efficiency. Stage 2: Core production bases (Linkou Smart Co-creation Park and Kunshan Manufacturing Center) continue to increase the use of renewable energy in order to reduce carbon emissions. Stage 3: Activate greenhouse gas alternative solutions, advanced low-carbon technologies, and carbon credits to achieve net-zero goals.</p> <p>In 2025, Scope 3 greenhouse gas emissions per unit of revenue increased by 27% compared to 2024, primarily driven by ongoing product development initiatives and capacity expansion, which led to increases in C1 (purchased goods and services) and C11 (use of sold products). Going forward, the Company will continue to collaborate with suppliers and implement decarbonization strategies, including supplier carbon reduction initiatives, energy efficiency labeling, eco-design, power efficiency improvements, and the promotion of internal carbon pricing, to progressively reduce Scope 3 emissions.</p> <p>Policy commitments:</p> <ol style="list-style-type: none"> 1. Adopt and commit to achieving the Science Based Target (SBT) by 2030. 2. Join the RE100 initiative and commit to achieve the goal of 100% renewable energy by 2040. 3. Set a target of achieving net zero carbon emissions by 2050. <p>【Environmental Management】 In terms of environmental management, in addition to implementing wastewater and waste-related environmental protection work in accordance with relevant laws and regulations, Advantech has formulated the “ESH management system manual” as the guiding principle for the operation of the management system, and regularly inspected and implemented management; also, it actively certified and passed external</p>	

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			<p>verification of the ISO14001 management system. The Company’s environmental policy has been confirmed and committed to by the Board of Directors and is published on the official website. Advantech discloses its greenhouse gas emissions, water consumption, and total waste weight every year, sets reduction targets, develops specific action plans, and regularly reviews its operational effectiveness.</p> <p>■ Water use and management Water consumption reduction policy: Advantech has implemented the ISO 14001 environmental management system to systematically identify and assess water resources and wastewater treatment processes, find water-saving opportunities, and actively implement water-saving management projects in order to reduce water consumption and wastewater discharge for realizing proper water resource management.</p> <p>Advantech continues to explore various water conservation opportunities across its sites. Employees are required to undergo annual environmental responsibility training covering water-saving practices. The Company has implemented rainwater harvesting systems for toilet flushing and landscape irrigation, as well as smart irrigation systems to enhance water efficiency. In addition to installing water-saving faucets and toilets, chilled water systems at Taiwan sites are equipped with intelligent temperature control to precisely regulate temperature and humidity in operational areas, thereby avoiding unnecessary water consumption. Across Advantech’s major operating locations, total water consumption in 2025 decreased by approximately 16,075 cubic meters compared to 2024. Key water conservation initiatives by site include: in 2025, Taiwan sites replaced two chilled water units and carried out maintenance and repairs of landscape ponds. These measures improved the operational efficiency of the chilled water systems and reduced water usage. For landscape ponds, phased reductions in water replenishment were implemented. As a result, annual water consumption decreased by approximately 9,194 metric tons compared to 2024, enhancing overall water use efficiency. At the Japan site, construction planning at the original location led to the elimination of one water-consuming facility. Consequently, total water consumption at the site in 2025 decreased by approximately 39% year-over-year, equivalent to around 1,932 cubic meters.</p>	

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			<p>Water consumption of Advantech’s main operating locations and production plants in recent years (2024-2025):</p> <table border="1"> <thead> <tr> <th colspan="2">Year</th> <th>2024</th> <th>2025</th> </tr> </thead> <tbody> <tr> <td colspan="2">Water intake</td> <td>270,362</td> <td>254,287</td> </tr> <tr> <td rowspan="2">Discharge</td> <td>Domestic wastewater</td> <td>177,513</td> <td>166,469</td> </tr> <tr> <td>Industrial wastewater</td> <td>11,532</td> <td>11,532</td> </tr> <tr> <td colspan="2">Water consumption</td> <td>81,108</td> <td>76,286</td> </tr> </tbody> </table> <p>*Note: In the event of any discrepancies, the figures disclosed on the official website, as verified, shall prevail.</p> <p>■ Waste management Waste reduction management policy: Advantech’s waste management strategy is to reduce the total amount of waste and to turn waste into resources; also, reduce waste and carbon footprint through resource recycling, and shift waste from linear treatment to closed-loop sustainable recycling. Advantech regularly promotes and trains employees on waste reduction management, and the production factory also holds regular meetings to track the waste reduction plans and performance of each unit. In addition to reducing waste output through source management measures such as the reduction of raw materials so to reduce waste, Advantech also identifies type of waste and waste disposal methods in order to search opportunities for improvement, and actively promotes process improvement or waste resource utilization, such as replacing the existing terminal disposal process by recycling reusable packaging materials, in order to turn waste into useful resources, not only realize a true recycling but also reduce the resource consumption and costs of waste disposal.</p>	Year		2024	2025	Water intake		270,362	254,287	Discharge	Domestic wastewater	177,513	166,469	Industrial wastewater	11,532	11,532	Water consumption		81,108	76,286	
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			* In the event of any discrepancies, the figures disclosed on the official website, as verified, shall prevail. 2025 Performance: <ol style="list-style-type: none"> Zero Waste to Landfill Policy: Advantech promotes a zero waste to landfill policy, focusing on reducing, recycling, and reusing industrial waste. UL 2799 Zero Waste to Landfill Standard: Advantech has adopted the UL 2799 Zero Waste to Landfill standard. All major global operating locations and manufacturing sites have eliminated landfill disposal. Waste Diversion Rate: In 2025, the waste diversion rate across Advantech’s major global operating sites reached 81%, representing a 6% increase compared to 2024. The Kunshan site achieved a 90% diversion rate and obtained the highest UL 2799 Platinum certification. 																

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			<p>4. ISO 14001 Management System: Advantech follows the ISO 14001 standard to ensure waste treatment complies with local regulations, and conducts regular audits of waste contractors.</p> <p>5. Waste Contractor Management: Contractors are evaluated based on licensing qualifications and compliance records, ensuring waste handling and disposal meet regulatory requirements.</p> <p>6. Reduction and Circular Collaboration:</p> <ul style="list-style-type: none"> ○ Collaborates with upstream suppliers to recycle and reuse packaging materials and wooden pallets. ○ Implements internal initiatives such as solder dross recycling to reduce waste generation. ○ Partners with external vendors on circular economy projects, converting in-house PE plastic waste into reusable packaging molds. <p>7. Environmental Impact Reduction: Through multi-stakeholder collaboration, Advantech reduces waste sent for incineration, lowering environmental impact and advancing toward a sustainable circular resource system.</p> <p>8. Powder Coating Technology: Since 2023, the Kunshan site has developed a transition from liquid coating to powder coating, fully implemented in 2024. In 2025, this initiative reduced paint sludge waste by approximately 48 metric tons compared to 2024.</p>	
<p>4. Social issues</p> <p>(1) Does the company have the relevant management policies and procedures stipulated in accordance with the relevant regulations and international</p>	V		<p>Advantech recognizes and voluntarily complies with internationally recognized human rights standards such as the “UN Universal Declaration of Human Rights,” “UN Global Impact,” “UN Guiding Principles on Business and Human Rights,” “UN International Labor Organization,” and the International Labor Organization’s “Declaration on Fundamental Principles and Rights at Work.” Advantech has passed the “Advantech Human Rights Management Policy,” respected the protections set forth in human rights conventions, at the same time, complied with the laws and regulations at where the Company located. The “Advantech Human Rights Management Policy” has been reviewed and approved by the top management to protect the basic human rights of all employees, suppliers, customers, and stakeholders, which is published on the official website of Advantech.</p>	None

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conventions on human rights?			<p>Advantech regularly reviews the business operations, value chain, new business activities (such as mergers and acquisitions, and joint ventures), and other related activities every year by observing major social issues, data monitoring, questionnaires, etc. At the same time, a human rights risk investigation process is established to regularly conduct impact assessments and management improvements on objects of concern in order to identify and assess the groups at risk and potential human rights risks. The human rights issue control plans are formulated based on potential risks, and the results of plan implementation are monitored and improved continuously. In terms of the human rights risk investigation, the relevant internal audit committee shall select relevant risk topics (covering “human rights risks”) to review the risk rating of each topic and to identify the groups with high-risk for management.</p> <p>At the same time, Advantech employees must comply with the “Employee Code of Conduct,” which includes labor standards, humane treatment, prohibition of child labor, prohibition of discrimination against employees, and prohibition of any discrimination or other human rights violations. The Company conducts “Ethical Corporate Management Best Practice Principles” and legal compliance education and training every year to ensure that all employees understand and comply with the aforementioned policies. It includes providing legitimate reporting channels for employees to report and discipline, and to keep the identity of the whistleblower and the confidentiality of the reported content. In addition, for direct employees, Advantech’s Taiwan Manufacturing Center (factory) holds regular education and training on the “Employee Code of Conduct” every year, which includes anti-discrimination and anti-harassment. The Company also regularly reviews the latest human rights policies and regulatory developments both domestically and internationally, and incorporates rolling updates into the Advantech Human Rights Policy and Commitment.</p> <p>Advantech’s human rights management policies and specific plans are summarized as follows:</p>	

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			illegal infringements on duty performance through the labor (occupational) health and occupational protection personnel organization.	
(2) Does the company disclose its employee benefits (including salary, leave, and other benefits), retirement system, and its implementation, and do business performance or results reflect on employee salaries?	V		<p>“People-oriented” is the core value of Advantech, and the belief in “Work, Learning, and Love” drives Advantech’s employees to grow. Please refer to the following information on Advantech’s employee remuneration, welfare measures, etc.</p> <p><u>Employee remuneration</u> The Company complies with the “Labor Standards Act” and related laws and regulations to formulate various employee remuneration and welfare measures, and provides market-competitive benefits to motivate employees. The remuneration structure includes year-end bonuses, personal performance bonuses, team bonuses, business performance bonuses, outstanding talent stock or cash dividend compensation, and other rewards. The Company develops diversified reward programs and uses different reward methods to motivate employees of different groups and to share the profit results with colleagues.</p> <ul style="list-style-type: none"> • The average salary of the Company’s full-time employees who are not holding a supervisory position: NT\$1,322 (thousand) • The median salary of the Company’s full-time employees who are not holding a supervisory position: NT\$1,156 (thousand) <p><u>Business performance is reflected in employee remuneration</u></p> <ul style="list-style-type: none"> • Article 20 of the Articles of Incorporation: Advantech shall reserve funds to make up for the accumulated losses in advance based on the profit of the current year (net income before tax and before the distribution of employee and director remuneration). The balance amount, if any, shall be applied to provide employee remuneration, which shall be calculated based on the earnings of the merged company in the current year, and it is not less than 5%, and the director's remuneration shall not exceed 1%. The recipients of employee remuneration include employees of affiliates who meet certain conditions. 	None

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			<ul style="list-style-type: none"> • Overall Remuneration Policy: The Company participates in a market remuneration survey every year and adjusts salaries based on market salary levels, economic trends, and personal performance to maintain overall salary competitiveness. The average annual salary increases for the supervisory and non-supervisory positions of the merged company in Taiwan were 4.5% in 2025, with the highest individual increase reached 21.7%. • Pursuant to Article 20 of the Company’s Articles of Incorporation, and taking into consideration the Company’s overall operating performance and industry benchmarks, it is proposed to allocate NT\$710,000,000 as employee compensation from 2025 earnings. Of this amount, 21.53%, or NT\$152,899,749, is allocated as compensation for frontline employees, with an estimated 1,649 eligible employees. The entire employee compensation will be distributed in cash, with no difference from the expense recognized in 2025. <p><u>Maintenance and protection of employees’ physical and mental health</u> Advantech encourages colleagues to learn with innovation, experience life, and give back to society after work through Advantech’s “ABLE Club,” which includes employee relations, foundations, and welfare committees. Advantech values the importance of the employee’s physical and mental health with sports space and facilities, professional psychologist consulting services, etc., provided.</p> <p><u>Employee welfare measures</u></p> <ul style="list-style-type: none"> ● Provide various welfare programs, such as: marriage allowance, childbirth allowance, hospitalization allowance, bereavement condolence allowance, emergency relief funds, annual festival benefits (Dragon Boat Festival / Mid-Autumn Festival / Birthday), and the various insurance benefits lawfully, including pension contributions and group insurance, to protect the work and life security of colleagues. ● In terms of vacation benefits, Advantech offers 14 types of leave, including special leave, sick leave, menstrual leave, work-related injury leave, personal leave, family care leave, marriage leave, maternity leave, pregnancy checkup 	

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			<p>accompaniment and paternity leave, bereavement leave, official business leave, pregnancy and recuperation leave, pregnancy check-up leave, and volunteer leave.</p> <p><u>Diversity and equality in the workplace</u> Achieve equal pay for equal work and equal promotion opportunities for men and women; also, maintain more than 20% of female managerial positions, and promote sustainable inclusive workplace economic growth. The average proportion of female employees in the Company accounted for 42.3% in 2025, and the average proportion of female supervisors accounted for 22.1%. Advantech values the importance of employee rights and benefits, shares profits with the employees, and maintains a good working environment, including comprehensive physical, mental, and spiritual care for all groups. (1) The goal of recruiting disabled colleagues was achieved. (2) Special projects are implemented for the selection, training, employment, retention, cultural fusion, health, and safety of foreign colleagues. (3) Implement a friendly workplace to empower women and allow colleagues of all genders to work with peace of mind.</p>	
(3) Does the company provide employee with a safe and healthy working environment, and provide safety and health education to employees regularly?	V		<p><u>Occupational Safety and Health Policy</u> The Company formulates policies in accordance with the Occupational Safety and Health Act and the regulations of customers and related groups. The Company also builds an occupational safety and health culture (OSH culture) through commitment and action, promotes OSH management as a core strategy, and respects the requirements of relevant stakeholders for occupational safety and health. Furthermore, provides employees with a safe and healthy working environment and reduces the occurrence of workplace accidents by improving employees’ safety awareness, behavioral habits, and overall safety atmosphere. The Company passed the occupational safety and health management system certification (ISO 45001:2018) in 2025 to create a workplace with zero occupational hazards, and jointly create a healthy, safe, and zero-hazard quality workplace through risk management and by enhancing employee safety awareness.</p>	None

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			<p>In 2025, Advantech’s global disabling injury frequency rate (FR) was 1.09. The following table provides a breakdown of occupational injury statistics across each region:</p> <table border="1"> <thead> <tr> <th>2025</th> <th>Headquarters (Taiwan)</th> <th>Advantech China</th> <th>Advantech Japan</th> <th>Advantech Korea</th> <th>Advantech Europe</th> <th>Advantech USA</th> </tr> </thead> <tbody> <tr> <td>Total working hours</td> <td>7,781,312</td> <td>6,785,280</td> <td>464,520</td> <td>247,968</td> <td>1,041,809.6</td> <td>1,098,288</td> </tr> <tr> <td>Total number of occupational injuries</td> <td>13</td> <td>4</td> <td>0</td> <td>0</td> <td>1</td> <td>1</td> </tr> <tr> <td>Occupational injury categories</td> <td>Cuts / Falls / Others</td> <td>Contusion / Others</td> <td>None</td> <td>None</td> <td>Others</td> <td>Others</td> </tr> <tr> <td>Working days lost due to occupational injuries</td> <td>46</td> <td>209.4</td> <td>0</td> <td>0</td> <td>3</td> <td>26</td> </tr> <tr> <td>Disabling injury frequency rate (FR)</td> <td>1.67</td> <td>0.59</td> <td>0.00</td> <td>0.00</td> <td>0.96</td> <td>0.91</td> </tr> <tr> <td>Disabling injury severity rate (SR)</td> <td>6</td> <td>31</td> <td>0</td> <td>0</td> <td>3</td> <td>24</td> </tr> <tr> <td>Occupational injury fatality rate</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> </tr> <tr> <th>2025</th> <th>Headquarters (Taiwan)</th> <th>Advantech China</th> <th>Advantech Japan</th> <th>Advantech Korea</th> <th>Advantech Europe</th> <th>Advantech USA</th> </tr> <tr> <td>Occupational disease fatality rate</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> </tr> <tr> <td>Serious occupational injury rate</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> </tr> </tbody> </table>		2025	Headquarters (Taiwan)	Advantech China	Advantech Japan	Advantech Korea	Advantech Europe	Advantech USA	Total working hours	7,781,312	6,785,280	464,520	247,968	1,041,809.6	1,098,288	Total number of occupational injuries	13	4	0	0	1	1	Occupational injury categories	Cuts / Falls / Others	Contusion / Others	None	None	Others	Others	Working days lost due to occupational injuries	46	209.4	0	0	3	26	Disabling injury frequency rate (FR)	1.67	0.59	0.00	0.00	0.96	0.91	Disabling injury severity rate (SR)	6	31	0	0	3	24	Occupational injury fatality rate	0	0	0	0	0	0	2025	Headquarters (Taiwan)	Advantech China	Advantech Japan	Advantech Korea	Advantech Europe	Advantech USA	Occupational disease fatality rate	0	0	0	0	0	0	Serious occupational injury rate	0	0	0	0	0	0
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			<p>Environmental safety and health education and training Confirm the validity of the certificates of the operation supervisors at all levels and professional licensed personnel (including: occupational safety and health personnel, waste management personnel, healthcare personnel, first aid personnel, organic solvent operation supervisors, fire management personnel, and forklift operators). Provide safety and health education and training for new and current employees with the following courses arranged: 6S management, hazardous chemical management, AED education and training, etc., with a total of 10,010 employees/time trained and a total training time of 13,139.5 hours.</p> <p>Chemical Management We promote a shift from “periodic reviews” to “real-time monitoring” for enhancing chemical safety management. We integrate on-site self-inspections with tiered management assessments by implementing an online chemical management system to achieve dynamic monitoring of chemical inventory and hazard risks.</p> <p>Regular inspection of equipment and machinery Perform regular inspections, key inspections, and operation checkpoints on machinery equipment, as well as operation checkpoints on matters related to their operations. Implement automatic checks, detect deficiencies early, and take preventive measures to prevent occupational hazards and ensure the safety and health of workers.</p> <p>Occupational safety and health patrol inspection Work safety patrol inspections are divided into six categories, including 1. Contractor management, 2. Chemical operation safety, 3. Electrical appliances safety, 4. Work environment safety, 5. 6S environmental management, and 6. Emergency response preparation (including fire safety). Perform corrective actions for nonconformities identified and provide a safer working environment by performing occasional patrol inspections.</p> <p>Occupational Safety and Health Management Review Meeting Convene management review meetings regularly to report the occupational safety and health management performance of each region and related improvement measures to the supervisors in accordance with the ISO 45001 management system.</p>	

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			<p>Labor working environment monitoring</p> <p>The Company conducts workplace environment monitoring twice a year to gradually understand the actual exposure status of workers in order to protect workers from harmful substances in the workplace and provide them with a healthy and comfortable working environment.</p>	
(4) Does the company set up effective career development and training programs for its employees?	V		<p>Talents are the key driving force of enterprise growth. We at Advantech deem talent cultivation and development as an important strategy for corporate sustainability, and create a comprehensive learning ecosystem through a combination of physical training and digital learning. Our education and training system not only focuses on management leadership development, professional skills improvement, and cross-departmental knowledge exchange, but also ensures the true value of the training programs through data analysis and learning effectiveness evaluation.</p> <ul style="list-style-type: none"> Physical training courses include physical training and development activities such as supervisor management training courses, APEX Program, 100 Book-Reading Club, career sharing lectures, technical forums, etc. Advantech constantly enhances the comprehensive digital learning platform “Advantech AIoT Academy” for perfection. Advantech AIoT Academy focuses on four colleges “Management, Professional, General Knowledge, and New Hires” to provide corresponding learning resources and courses based on the career development needs of employees in order to ensure appropriate growth opportunities for every employee. Such a structure is designated for the benefit of all Advantech’s fellows worldwide, including indirect employees, direct employees, and part-time and contract employees. The content of the digital platform courses is diversified, including various professional function development courses, inheritance and sharing of business philosophy, and training of mid- and senior-level management talents. Advantech colleagues can create exclusive learning lists according to personal needs and learn at any time and from anywhere. 	None

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			In 2025, Advantech further increased its investment in talent development in response to accelerating global operations and organizational transformation, intensifying competition for talent, and rising demands for succession in key roles and cross-domain capabilities. To ensure that its talent pipeline can support the Company’s mid- to long-term strategy and business growth, Advantech has advanced the Global APEX and High-Level APEX programs to develop high-potential talent, strengthening strategic perspective and cross-functional, cross-regional collaboration capabilities. In addition, the Individual Development Plan (IDP) serves as a bridge to extend training outcomes, with clearly defined development goals and action plans to enhance the practical application of learning and long-term development effectiveness. Across Advantech Headquarters (including HQ business units, corporate functions, and Advantech Taiwan), as well as China, Japan, South Korea, Europe, North America, and other overseas regions, total training expenditure amounted to NT\$31,793,393, with an average training cost per employee of NT\$3,515.41. Total training hours (including both online and in-person programs) reached 406,533.3 hours, with an average of 45 training hours per employee.	
(5) Does the company comply with relevant regulations and international standards in customer health and safety, customer privacy, and marketing and labeling involving its goods and services, and has it established consumer rights	V		The Company has the health and safety of the customers who receive the products and services, marketing, and labelling handled in compliance with relevant laws and regulations and international standards, such as CE, FCC electromagnetic compatibility regulations, and safety requirements of related products (such as international standards for information, industrial control, medical, automotive, and marine products), and has announced product information on the official website of the Company. Advantech currently complies with the 3C quality policy: Customer first, continuous innovation, active market monitoring, and immediate feedback for improvement. Advantech currently has received the following certificates: <u>Advantech Co-Creating the Future of the IoT World (Advantech.com)</u> , including: <u>ISO9001/TL9000/ISO27001/ISO13485/ISO17025/ISO14001/ISO45001/ISO50001/AS 9100/ISO14064/IECQ QC080000</u> etc. Advantech has relevant privacy protection policies for customers (including but not limited to employees, customers, suppliers, and other persons who use this website, online services, and other services) formulated and announced on the official website of	None

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protection policies and complaint procedures?			<p>the Company. Advantech has established a personal data protection team under the Legal Department; also, formulated the 【Advantech Personal Data Protection Manual】 and 【Privacy Policy】 in compliance with personal data protection laws and regulations and the General Data Protection Regulations (GDPR) for privacy protection. Advantech Privacy Policy: Chinese: https://www.advantech.com/zh-tw/legal/privacy English: https://www.advantech.com/en/legal/privacy</p> <p>In terms of products, Advantech strictly complies with the international environmental protection laws and regulations announced, from the effective use of natural resources to the prohibition of hazardous substances; also, it complies with international eco product standards. Advantech had promoted eco products based on safety, energy saving, and environmental protection, and had disclosed this in the 2025 Sustainability Report.</p> <p>Regarding product information security issues, continue to obtain IEC 62443-4-2 certification for all products, and cooperate with renowned domestic certification laboratories to obtain IEC 62443-4-2 VOC (Verification of Conformity) certification for platform products such as industrial computers and servers, as well as prepare system integrators ready for passing IEC 62443-3-3 certification. Overall, the Company maintains a steady pace in obtaining information security certifications for all products.</p> <p>The Company has established consumer protection policies and complaint procedures, and has formulated quality feedback systems, customer service platforms, return for repair instructions, and other program files to ensure a proper handling process. Please refer to the Company’s statement on quality commitment: Advantech Co-Creating the Future of the IoT World (advantech.com).</p> <p>Advantech has established a complete and systematic product handling and customer complaint management process, which is integrated into the Company’s overall quality management system. All customer complaints and product nonconformities are handled</p>	

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			<p>by the relevant departments according to the established process. The mission is to ensure that issues are responded to in a timely manner and effectively controlled through a systematic platform for cases logging, classification, tracking, and analysis.</p> <p>The quality, R&D, manufacturing, supply chain, and sales departments will collaborate across departments based on the nature of the problem throughout the case handling process, conduct root cause analysis, and propose corresponding corrective and preventive actions (CAPA). A project management mechanism will be activated for major or recurring issues; also, the QPM will coordinate and track the progress and effectiveness of improvements.</p> <p>Advantech’s customer complaint handling process has been incorporated into the audit scope of international quality management systems such as ISO 9001, ISO 13485, and AS9100 to ensure the integrity and consistency of the process. Related handling results and improvement experiences will also be fed back to the internal knowledge base and the design and manufacturing processes, serving as an important basis for continuous improvement and risk prevention, thereby enhancing product quality and customer satisfaction.</p> <p>Please contact us for any comments or complaints you may have as follows: Customer feedback Email : buy@advantech.com Report reporting Email : audit.direct@advantech.com.tw</p>	
(6) Does the company have a supplier management policy that requires suppliers to comply with regulations on environmental protection,			<p>The Company has had a green supply chain management system established since 2010. Suppliers on this supply chain platform must promise and guarantee that their products do not contain hazardous substances restricted by the Company, and confirm the manufacturer’s process, quality, environmental safety and health, labor conditions, and ESG control according to the checklist, furthermore, conduct quarterly supplier assessments through the supplier management platform, evaluate quality, delivery time, and cooperation, and take corresponding measures based on the evaluation result. Advantech provides corrective actions or corresponding resources or guidance for ESG nonconformities identified. Large companies shall guide small companies to encourage</p>	None

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occupational safety and health, and labor rights, and what is its implementation status?			<p>suppliers to improve their ESG performance. The management and implementation policies are as follows:</p> <ol style="list-style-type: none"> 1. Sign the “Consent Form for Supplier Code of Conduct” to establish management procedures. 2. Conduct written reviews and implement supply chain risk management with the supplier ESG risk assessment questionnaires. 3. Suppliers are classified and managed through written audit, on-site audit, and evaluation analysis to ensure the sustainable standards of Advantech’s supply chain. 4. Supervise and assist suppliers to complete nonconformity corrections. Those who fail to meet the standards within a certain period of time will be eliminated in order to ensure the competitiveness of the sustainable supply chain. <p>The E/S/G screening criteria for suppliers are as follows: E: Comply with environmental regulations, environmental management systems (waste, air pollution, etc.), carbon management, hazardous substance management, local supplier priority, and reduce transportation energy consumption and emissions. S: Comply with labor regulations, occupational health and safety management, human rights, labor practices, and media due diligence investigation to find out whether there is any negative news or litigation record. G: Business ethics, ethical corporate management, public information disclosure and intellectual property protection, identity protection; public disclosure of information or corporate governance evaluation records (such as annual reports or sustainability reports); financial statement review and analysis;</p> <p>Others:</p> <ul style="list-style-type: none"> ● Prohibit the use of conflict minerals and materials on the banned list of the USA. ● Observe the existing international sanctions regulations and avoid accidentally violating them. ● Note the specific countries or specific items that are prohibited from being imported from or exported to sanctioned countries. 	

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			<ul style="list-style-type: none"> ● RBA Code of Conduct and the consumption of energy resources during the product production process. ● The resource intensity and energy consumption risks involved in the manufacturing process (e.g., the necessary stability of power supply for production and the alternative measures). ● Trends in regional regulations for potentially polluting industries (for example, environmental regulations for the painting or electroplating industries or whether there is a trend of migration ban). <p>Performance results:</p> <ol style="list-style-type: none"> 1. ESG screening includes, but is not limited to, governance, environment, society, country, industry, product cooperation, commodity, and business operation relevance, accounting for 26.7% of the overall procurement assessment. 2. 100% of significant suppliers have completed signing the “Consent Form for Supplier Code of Conduct.” 3. New suppliers are 100% complaint with environmental guidelines. 4. 100% of significant suppliers have signed the “Declaration of Non-use Conflict Minerals.” 5. 100% of significant suppliers completed the counseling guidance and improved their deficiencies. 6. Expand the scope of the annual ESG risk identification to 77.5% Tier 1 suppliers, over 800 suppliers, achieving 60% of the goal. <p>Advantech’s sustainable supply chain management policy: Advantech has established a four-stage supply chain sustainability management process to implement Advantech’s procurement and supply chain policy. Advantech ensures that suppliers meet Advantech’s standards and improve their sustainability performance through the annual rolling improvement, circular, and exit mechanism. Step 1: Require suppliers to sign the “Consent Form for Supplier Code of Conduct” in order to establish management procedures. Step 2: Evaluate the supply chain risk level with the Supplier ESG risk assessment questionnaires survey to substantiate the supply chain risk management.</p>	

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			<p>Step 3: Implement document audits, on-site audits, evaluations, analysis, and implement hierarchical management based on the evaluation results to ensure that suppliers meet Advantech’s sustainability requirements.</p> <p>Step 4: Suppliers continue making improvements on the exit mechanism, continuously track, and assist suppliers to complete corrective actions. Advantech has initiated a supplier exit mechanism for those suppliers who have not completed corrective actions within three months. Ensure Advantech’s core competitiveness in the sustainable supply chain.</p> <p>In addition, Advantech actively invests resources in supplier empowerment and capability-building programs. In 2025, nearly 300 suppliers participated, with over 800 participant attendances and more than 500 total training hours delivered. Key outcomes are summarized as follows:</p> <p>A. ESG Online Seminars: Three sessions covering ESG implementation experience sharing (in collaboration with MOXA), EHS practices, and supply chain ESG disclosure strategies. These sessions focused on knowledge sharing and concept building, with a total of 619 participant attendances from Tier-1 suppliers.</p> <p>B. In-Person Workshops: Two sessions, including renewable energy and circular economy workshops, providing practical insights and facilitating group discussions and brainstorming. A total of 84 participant attendances from Tier-1 suppliers were recorded.</p> <p>C. Large-Scale Forums and Seminars: A Sustainable Supply Chain and Circular Economy Forum integrating perspectives from industry, government, academia, and research institutions—from policy to practice—to enhance suppliers’ understanding of global ESG issues and market trends. A total of 129 participant attendances from Tier-1 suppliers were recorded.</p>	
(7) Has the Company established and disclosed its human rights due diligence process and its	V		<p>Employees are the foundation of corporate value realization and the most critical driving force behind Advantech’s sustainable development. To fulfill corporate social responsibility and respond to the growing global emphasis on corporate human rights governance, Advantech has established a comprehensive human rights due diligence framework in alignment with international standards, including the Universal Declaration of Human Rights, the United Nations Global Compact, the UN Guiding</p>	

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implementation status?			<p>Principles on Business and Human Rights, and the ILO Declaration on Fundamental Principles and Rights at Work. This framework covers employees, suppliers, contractors, and joint ventures. The assessment results serve as a key basis for identifying potential human rights risks, implementing mitigation measures, and strengthening management systems.</p> <p>Advantech has established clear due diligence frequencies and coverage: assessments are conducted every three years for employees, contractors, and joint ventures, and every two years for key Tier-1 suppliers to evaluate human rights risks. Since initiating its first comprehensive human rights due diligence in 2022, the Company has progressively strengthened its human rights governance practices and further expanded the scope of its due diligence in 2025.</p> <p>Advantech Human Rights Due Diligence Process:</p> <p>1. Risk Identification and Mapping: Based on international human rights standards and industry characteristics, potential human rights risk issues are identified and mapped to establish an assessment checklist.</p> <p>2. Risk Assessment and Analysis: Quantitative evaluations are conducted through questionnaires, assessing both the likelihood of occurrence and severity of impact. A risk matrix is applied to determine the relative risk level of each issue.</p> <p>3. Material Risk Identification: High-risk and priority human rights issues are identified based on assessment results and designated as key management focus areas.</p> <p>4. Mitigation Measures and Management Mechanisms: Corresponding improvement plans and control measures are developed for material risk issues and integrated into daily operational management.</p> <p>5. Monitoring and Review: Implementation effectiveness is regularly reviewed, and management practices are continuously refined to ensure effective risk control.</p> <p>6. Communication and Disclosure: Relevant information is disclosed through annual reports, sustainability reports, and official channels to strengthen stakeholder engagement.</p> <p>2025 Assessment Overview:</p> <ul style="list-style-type: none"> Employees: Three human rights issues were identified, including labor conditions protection, equal pay for equal work, and freedom of expression. 	

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			<ul style="list-style-type: none"> • Suppliers: Five human rights issues were identified, including commitment, management systems and regulatory compliance, social freedom, young workers, forced labor, wages and benefits, humane treatment, and non-discrimination. • Contractors: Eleven human rights issues were identified, including forced labor, right to work protection, labor conditions protection, freedom of expression, human trafficking/child labor, equal pay for equal work, health and occupational safety, personal freedom and security, non-discrimination and diversity & inclusion, freedom of association and worker communication channels, and privacy and personal data protection. • Joint Ventures: Eleven human rights issues were identified, including forced labor, right to work protection, labor conditions protection, freedom of expression, human trafficking/child labor, equal pay for equal work, health and occupational safety, personal freedom and security, non-discrimination and diversity & inclusion, freedom of association and worker communication channels, and privacy and personal data protection. <p>Human Rights Risk Mitigation and Remediation: The table below presents a global overview, with supplementary disclosures provided for specific regions.</p> <table border="1"> <thead> <tr> <th>Stakeholder Group</th> <th>Issue Identified</th> <th>Current Status (Due Diligence)</th> <th>Mitigation Actions</th> <th>Management Targets</th> </tr> </thead> <tbody> <tr> <td>Employees</td> <td>Labor Conditions Protection</td> <td>(Taiwan) The Company has established “Work Rules” in accordance with regulations, covering working hours, overtime limits, compensation, and leave policies. (Global) A “living</td> <td>(Taiwan) 1. Overtime control: ≤4 hours/day, ≤46 hours/month, subject to prior approval. 2. Comprehensive leave system (14 types, including annual leave, family care leave, volunteer leave) to</td> <td>(Global) Full implementation of living wage across global operations and supply chain; reduction of overtime ratios; regular monitoring of compensation structures to ensure</td> </tr> </tbody> </table>	Stakeholder Group	Issue Identified	Current Status (Due Diligence)	Mitigation Actions	Management Targets	Employees	Labor Conditions Protection	(Taiwan) The Company has established “Work Rules” in accordance with regulations, covering working hours, overtime limits, compensation, and leave policies. (Global) A “living	(Taiwan) 1. Overtime control: ≤4 hours/day, ≤46 hours/month, subject to prior approval. 2. Comprehensive leave system (14 types, including annual leave, family care leave, volunteer leave) to	(Global) Full implementation of living wage across global operations and supply chain; reduction of overtime ratios; regular monitoring of compensation structures to ensure	
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5. Does the company reference internationally accepted reporting standards or guidelines, and prepare reports that disclose non-financial information of the company, such as corporate social responsibility reports? Do the reports above obtain assurance from a third-party verification unit?	V		The 2025 Sustainability Report is in compliance with GRI (Global Reporting Initiative), Universal Standards 2021 (In accordance)Reference option, the Financial Supervisory Commission requires specific industries to disclose sustainability indicators (industry: computer and peripheral equipment industry), the industry standards of the Sustainability Accounting Standards Board (SASB) (applicable category: Hardware), and AA1000 are used as reporting principles. Disclose Advantech’s strategies, management policies, projects, and performance in corporate sustainability. Transparently and openly present the Company’s governance, environmental and social strategies, management policies, practical results, and future directions for improvement to stakeholders and the general public. The report will be published in August 2026. The annual main task is based on the requirements of GRI and the Financial Supervisory Commission to demand specific industries to disclose sustainable indicators (industry: computer and peripheral equipment industry), and to report on SASB Hardware and AA1000. The said report was verified by a third party, SGS Taiwan Limited. In addition, PwC Taiwan had performed an independent limited assurance test on the selected key performance indicators in accordance with International Standard on Assurance Engagements 3000 (ISAE 3000: Assurance Engagements other than Audits or Reviews of Historical Financial Information) of the Republic of China. The limited assurance report is attached as an appendix to the report.	None
6. If the company has its own sustainable development code based on the “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies,” please describe the differences between its operation and the established principles:	The Company has established policies on corporate social responsibility commitment, employee code of conduct, environmental safety and health, and control of hazardous substances in products. The Company also observes domestic and international sustainable development trends and regulatory developments with full compliance and implementation executed, which is in compliance with the requirements of the “Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies.”			
7. Other important information that helps understand the implementation of sustainable development:	<p>Environmental aspect:</p> <p>1. Renewable energy development: Establish an “RE100” global promotion team to set annual goals and promotion measures for each business unit, including but not limited to direct procurement of green electricity, installation of solar power generation equipment, purchase of green electricity certificates, and investment in solar green energy power plants for proprietary use. Advantech’s global renewable energy accounted for 16.2% in</p>			

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			<p>2025. Advantech also actively participated in RE100 member activities in Taiwan, including attending RE100 members’ online gathering (Topic: Electricity Subdivision: RE30 Product Analysis), TRE100 Latest Initiative Announcement Meeting, the RE100 Assembly; also, actively engaged with corporate members through the “World Café” discussion model to form groups to discuss public-private partnerships, alignment with international standards, forward-looking energy planning, and green electricity product planning.</p> <p>2. Climate change strategy and carbon management:</p> <ul style="list-style-type: none"> ● The shadow price mechanism was completed in 2024 and the carbon price was recommended to be NT\$1,700-3,000tCO₂. The carbon fee will be collected to fund a low-carbon operation and low-carbon innovation in 2025 in order to increase carbon reduction efforts and achieve carbon reduction goals. ● Complete ISO 14064 greenhouse gas inventory and verification for the parent company in Taiwan and Kunshan subsidiary every year, and have it expanded to other subsidiaries year by year. Advantech arranged GHG inventory and education and training courses for the subsidiaries in Japan and South Korea in 2024 and the subsidiaries in the Netherlands in 2025 to help cultivate local seed personnel for carbon reduction efforts. ● Complete ISO 50001 energy management and certification for the parent company in Taiwan and the subsidiary in Kunshan every year. ● Advantech reviews potential risks in business management such as climate regulations, climate adaptation, and other climate-related issues thoroughly through regular annual CDP information disclosure, and takes effective measures to reduce and eliminate the said potential risks in order to comply with the requirements of international customers for greenhouse gas management. The CDP climate change ranking of Advantech received “Level B” in 2025. <p>3. Eco products:</p> <ul style="list-style-type: none"> ● Implement ISO 14067 product carbon footprint assessment and application, and establish a digital platform project for product carbon footprint management. ● Continue to increase the proportion of Advantech’s new products meeting Eco Design (Silver level) standards during 2024–2026, while strengthening internal requirements and enhancing target setting and corresponding strategies. ● Continue to develop low-carbon products during 2025–2026, with more ambitious targets for energy-efficient product design. ● Establish a Sustainable Materials Task Force during 2025–2026, launching three pilot projects across EIoT, IIoT, and SIoT. Continue to incorporate recycled metals and plastics, and set targets for the use of recycled materials (plastics/metals). <p>4. Energy resource management:</p> <ul style="list-style-type: none"> ● Clearly establish reduction goals and promotion practices for energy resources such as water, electricity, waste, and VOC in order to substantiate carbon reduction. ● Continue to enhance the quality and integrity of Advantech’s global green operation data. <p>5. Biodiversity:</p> <ul style="list-style-type: none"> ● Plan and implement biodiversity risk analysis for Advantech’s downstream customers. The analysis results will be included in Advantech’s 	

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			<p>TCFD+TNFD integrated report for disclosure. Implement TCFD+TNFD financial quantitative impact assessment and quantify the Company’s climate change & natural risks and opportunities. It is expected to be disclosed on Advantech’s official website in the third quarter of 2026.</p> <ul style="list-style-type: none"> ● Advantech has begun focusing on biodiversity and forest conservation issues since 2022 and joined the Taiwan Nature Positive Initiative (TNPI) platform initiated by the Business Council for Sustainable Development (BCSD), Taiwan. This initiative aims to take more proactive action on these issues to enhance Advantech’s corporate resilience; also, it applies Advantech’s IoT expertise to empower nature conservation. Advantech headquarters and overseas subsidiaries initiated numerous activities related to biodiversity in 2025. ● Technology and Nature in Harmony: Conservation species are found in the Linkou Smart Co-creation Park, strengthening the ecological restoration blueprint. Linkou Smart Co-creation Park is with an area of approximately 3.477 hectares, at an altitude of about 250 meters, located in the Linkou Industrial Park 3 (Spatial Planning Act: Category I Urban-Rural Development Zone), adjacent to Shuiduike Creek. The location of Advantech’s Linkou Smart Co-creation Park is crucial, situated within the core area of the Linkou Specific Area (Taoyuan section) as a “Wildlife Refuge Center” (Urban-Rural Development Zone (1): Animal and Plant Refuge Buffer Corridor). The park features modern buildings and some green plantings, and it has partnered with local government departments to adopt roadside trees around Linkou Smart Co-creation Park. We conducted our first biodiversity survey of Advantech Smart Co-Creation Park in 2025, covering plants and animals (including mammals, birds, butterflies, amphibians, reptiles, and insects) to assess biodiversity information and plan future conservation directions. In the future, we will collaborate with government policies to promote the vision of a conservation symbiotic community. ● Advantech’s Smart Co-Creation Park is also committed to reducing negative environmental impacts and obtained the Green Building Label Certificate (Gold Level) from the Ministry of the Interior and Smart Building Label Certificate (Qualification Level) in 2025. Such honor not only affirms the Park’s hardware design but also demonstrates Advantech’s leading strength in developing smart and green parks. ● A grant was made to the Association of Taiwan Forest Restoration (ATFR) to support the forest restoration of the Taichung lowland and the Neihu Area biodiversity monitoring project of the Society of Wilderness (SOW). Advantech’s grant (totaling NT\$207,800) was invested in local operating locations (Neihu Headquarters and Taichung Branch Office), collaborating with local non-profit organizations to exert influence. Results are as follows: <ul style="list-style-type: none"> A. Advantech, headquartered in Neihu District, Taipei City, for investing in local ecological support, collaborates with the Society of Wilderness to support wetland conservation efforts in Xizhi and Neihu areas, specifically targeting Cuihu Lake, Jinmianshan Mountain, and Xinshan Meng Lake. Outcomes include: guided eco-tours, biodiversity volunteer courses, removal of invasive species, and hands-on trail maintenance, with a total of 217 participants annually. B. Regarding the progress of forest conservation, Advantech sponsors the “Taichung Dadu Plateau Ecological Reforestation Project” of the Association of Taiwan Forest Restoration, with the goal of producing 6,000 seedlings of 75 species, and more than 70% of which must be the native tree species in Taichung’s coastal and lowland. The seedlings produced will be provided to Taichung City Government for forest restoration and tree planting, and will also be provided to relevant public departments for ecological reforestation needs for public welfare purposes. The funding will be used for seed collection, cultivation of native seedlings, forest ecological education, and seedling 	


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			<p>growth monitoring. It is estimated that this support program is to plant trees on 0.8-hectare land and to absorb 1.76 metric tons of carbon. Quantitative results are as follows: Phenology and Seed Collection: Collected 166 varieties of seeds from Taichung area in 2025; Seedling Production: Sown 134 varieties in 1,217 pots in 2025; Nursery Inventory: inventoried 167 varieties in 37,936 native seedlings in Taichung area in 2025Q3; planted 192 varieties in 18,194 native seedlings in Taichung area; held 43 activities of corporate tree planting and environmental education, with 3,301 participants.</p> <ul style="list-style-type: none"> ◆ Organized more than 7 biodiversity-theme volunteer activities, including removal of alien species, wetland restoration, reforestation, handmade trails, citizen science ecology survey, etc. at where nearby Advantech’s operating bases (Taipei Metropolitan, Linkou, Taoyuan and nearby areas) or branch offices (Taichung Office and Kaohsiung Office) and attended by more than 260 participants and more than 2,260 hours served. ◆ Adopt Ruiguang Park for an Inclusive Community: We have adopted Ruiguang Park, which is adjacent to the headquarters of Advantech, for three consecutive years since 2024, to maintain the green corridor in the urban jungle and to provide surrounding businesses and residents with good air quality, a clean environment, and a stress-relieving environment. 	
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1. Creating a DEI (Diversity, Equity, Inclusion) workplace: Advantech has been actively promoting gender equality in the global workplace to promote diversity and equality in the workplace, such as: a gender-neutral salary system, a fair and just performance appraisal and promotion system, flexible working hours to support women in management positions, and an emphasis on women’s family care. Advantech announced the EDI (Diversity, Equity, Inclusion) workplace strategy blueprint in 2023, setting goals and action plans for issues such as employee engagement and sense of belonging, corporate DEI awareness cultivation, employee diversity, parent-friendly planning, narrowing the gender pay gap, friendly promotions for women in technology, and the proportion of female supervisors. Ensure that an employment is not affected by the factors of gender, race, religion, political stance, marital status, etc., nor will such factors lead to differential pay. Also, clear recruitment strategies are formed to enhance employee diversity, gradually eliminate basic differences among employees due to physical or psychological conditions with the internal diverse training and talent development channels implemented. Advantech also regularly reviews salary and remuneration indicators for each region, type of work, and job hierarchy to ensure and substantiate the creation of a diverse and equal workplace environment. Advantech has optimized the flexible working hours system for the benefit of married colleagues to take care of their children due to the impact of a severe labor shortage, a declining birthrate, and an aging workforce. The WFH one-day program per week and increased days of maternity leave and paternity leave that are superior to the regulations allowed are implemented.				
Diversity, Equity and Inclusion (DEI) & Workplace Soft Skills:				
Centered on DEI, Advantech enhances employees’ understanding of corporate culture and inclusive management, fostering a more inclusive workplace. Key initiatives in 2025 are as follows:				




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<p>i. Cross-Generational & Inclusive Leadership Development: In response to the needs of a multi-generational workforce, Advantech continued to promote inclusive leadership training to help managers better understand diverse employee characteristics, needs, and communication styles. The program strengthens managerial sensitivity and effectiveness in daily leadership, feedback, and interactions. Through case studies, interactive discussions, and scenario-based exercises, managers are guided to identify blind spots and develop more supportive and equitable management approaches. In 2025, a total of four sessions were conducted, with 136 mid- to senior-level managers participating. Advantech aims to embed inclusive practices into daily management and cultivate a more open, supportive, and diverse workplace.</p> <p>ii. Gender & Career Development: Amid growing emphasis on DEI, women’s career opportunities and challenges have gained increasing attention. In 2025, Advantech invited six mid- to senior-level professionals from six key global operating locations, representing diverse nationalities, roles, and backgrounds, to participate in a global online seminar. They shared insights on career development strategies, cross-cultural adaptation, and navigating workplace challenges. The session attracted 139 managers and employees. Topics included women’s leadership development and overcoming career barriers, providing practical insights and actionable guidance to empower female employees and support sustainable career growth. Advantech aims to create a more inclusive environment where all employees can realize their full potential.</p> <p>iii. Cultural Diversity & Communication Training: To strengthen communication and collaboration in a multicultural workplace, Advantech organized two specialized training sessions in 2025, featuring external speakers who shared practical experiences in managing multinational teams. These sessions enhanced employees’ cross-cultural understanding, communication, and collaboration skills, with a total of 66 participants.</p> <p>iv. Communication & Learning Initiatives: In response to increasing cross-functional collaboration and coordination needs, Advantech launched training programs in 2025 focused on embedding inclusive values and strengthening employees’ capabilities in cross-departmental communication, issue alignment, and consensus building. The courses covered topics such as lateral management, coaching-based communication, and interpersonal understanding and observation. A total of three sessions were conducted, with 171 employees participating.</p> <p>2. Employee Talent Development and Growth: Advantech is committed to creating a workplace that enables employees to realize their potential and supports long-term development. The Company provides diverse career development opportunities, including international assignments and internal transfers. Through onboarding training, management training at different levels, the Global APEX Program, 100-Reading Club, career-sharing sessions, and technical forums, combined with the continuously enhanced comprehensive digital learning platform “Advantech Academy,” employees are supported in continuously improving at different career stages. In 2025, Advantech further promoted several strategic talent development initiatives to strengthen key talent cultivation, cross-domain connection, and capability implementation, supporting the Company’s operations and strategic advancement.</p>				




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			<ul style="list-style-type: none"> ● Global APEX Program and IDP Talent Development Plan: Since launching the APEX Global Talent Development Program in 2023, Advantech has focused on core capability exchange and practical issue discussions. Through cross-business unit and cross-functional co-learning, the program cultivates integrated thinking and practical capabilities among high-potential talents. By 2025, a total of four cohorts have been conducted, with 139 participants in total. Among them, 45 individuals were promoted, representing a promotion rate of 42.9%, significantly higher than the Company average. The program invites senior executives, directors, and external experts to deliver courses, and incorporates team collaboration and exchange to help participants expand cross-domain connections during the learning process, laying a foundation for future leadership roles and organizational succession. To extend the impact of APEX and support continuous talent development, the Company promotes the IDP (Individual Development Plan), setting personalized development goals and action plans for high-potential talents. Through coaching and mentoring mechanisms, continuous guidance and resource support are provided. By 2025, two cohorts have been completed with 22 participants, among whom 11 were promoted, achieving a promotion rate of 50%, demonstrating the effectiveness of systematic talent development and gradually forming a sustainable talent development culture. ● Domain AI Talent Development Program: In response to the Company’s strategic development and the accelerating implementation of AI applications, Advantech promotes an AI capability-building initiative focusing on three objectives: establishing a common language, strengthening measurable capabilities, and promoting practical application. The training design adopts a tiered and practice-oriented approach, including AI general courses (to establish basic concepts and a common language), AI certification courses (to strengthen advanced tools and methodologies and use certification as capability validation), and AI competitions (to promote cross-departmental co-learning and application through practical tasks), forming a learning chain from fundamentals to practical application to support digital transformation and business needs. In 2025, total participation in AI courses reached 259, with 9 employees obtaining AI certifications. The AI competition attracted 34 teams, generating 6 finalist cases. The results have been uploaded to internal AI communities to promote knowledge sharing and reuse. Employees who obtain certifications may apply for incentives under the Company’s certification management system, continuously strengthening AI capability building and application outcomes. ● M&A Professional Capability Development Program: To strengthen M&A professional capabilities and cultivate key talent with strategic perspective and investment management capabilities, Advantech officially launched the M&A Academy in the fourth quarter of 2024. The program invites industry experts and corporate leaders to deliver courses, helping managers build M&A strategic thinking and decision-making frameworks. In 2025, the M&A Academy continued to offer advanced courses covering post-merger integration, transaction management, and corporate valuation. Through project exercises and industry mentoring, practical application capabilities are enhanced. In 2025, cumulative participation of mid- to senior-level managers and investment function leaders reached 368, supporting the Company in capturing growth opportunities in a competitive market. <p>3. IoT and industry-Academia Cooperation Education: Advantech, under the industry-academia cooperation mechanism, has developed “three principles” to cultivate IoT talents and narrow the gap between industry and academia by injecting industry resources. Advantech cooperates with</p>	

Evaluation Items	Implementation Status (Note 1)			Deviation from the “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” and the root cause
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			<p>the academic community, Advantech’s employees, and industry ecosystem partners to create applications and solutions through the “Industry-Academia Co-Creation” value chain management, and guides to think about combining Advantech’s core capabilities and resources to make contribution to society, help the IoT industry become more prosperous, and provide the possibility of introducing academic research into industrial development so to create more employment opportunities. In 2025, expenditures on industry-academia collaboration amounted to NT\$51,577,293.</p> <p>I. An amount more than NT\$8.7 million was invested in AIoT Innoworks developer program with 1,440 students recruited from 122 universities in 6 countries around the world to participate and 360 projects completed.</p> <p>II. AIoT Academy IoT higher education courses and certification courses, an amount of more than NT\$2.85 million was invested in 2025 with 5 IoT seminars held in campus. A total of more than 3,500 WISE-IoTSuite technical certificates were issued in campus collaboration in 2021~2025.</p> <p>III. An amount around NT\$4.08 million was invested in the Elite 100 Internship Program. It is strategically focusing on three core areas: Cultivating young talent, applying AI technology, and innovative business and early design. A total of 26 interns were recruited in 2025, of which, 8 students (a retention rate of 30.7%) had their internship extended after the internship ended, including one student who was admitted to the research and development substitute service and will report to duty in 2026.</p> <p>IV. Industry-Academia Research and Co-creation Projects - National Yang Ming Chiao Tung University (NYCU), National Taiwan University of Science and Technology, National Taipei University of Technology, and the College of Bioresources and Agriculture, National Taiwan University, invested more than NT\$29 million for a total of 11 industry-academia projects to be implemented, covering topics such as Thermal, circuit diagram AI Agent, and high-frequency voltage conversion. Simultaneously, new business issues related to the environment and agriculture were developed, and two demonstration sites were established.</p> <p>V. Advantech received the “World Family Friendly Award” in the large enterprise manufacturing category in 2025, highlighting the Company’s outstanding performance in talent development and retention, and social inclusion, which has been widely recognized by society. Advantech ensures that employees receive sufficient training and development opportunities at all stages of their careers by establishing a diverse and comprehensive talent development system, and enhances organizational identification through cross-border and intergenerational innovation competitions and ESG activities. Advantech’s Elite recruitment program based on the core concept of “Right People on the Bus” to attract outstanding talent, with a retention rate of 80% expected. At the same time, Advantech actively implements its DEI (Demand, Innovation, and Integrity) values to promote a friendly workplace policy, including employee stock option incentive programs, maternity and paternity leave that are superior to the regulations allowed, and maternal care measures, creating a happy workplace.</p> <p>4. Sustainable innovative education and support to arts: Advantech Foundation is committed to arts and culture development, innovative education, and sports development sponsorship. An amount of NT\$14,958,767 was expensed for arts and culture promotion in 2025; an amount of NT\$11,705,796 was expensed for sustainable education, and an amount of NT\$16,820,482 was expensed for public welfare.</p>	

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<p>5. Excerpts from Advantech’s 2025 Volunteer Activities</p> <ul style="list-style-type: none"> ● Local Community Volunteer Activity – Advantech Linkou Campus, Taipei: “Step30 – Sorting and Packaging Second-hand Goods” Since early 2024, Advantech has evaluated community engagement opportunities around its Linkou operations and partnered with the local non-profit organization Step30 (Used Shoes Save Lives Association) in New Taipei City. Through corporate volunteer services, the Company supports local manpower needs while promoting circular economy and international aid concepts, actively fulfilling its corporate social responsibility. The activity was held at Step30’s Linkou Bethlehem Warehouse, where Advantech mobilized employees from the Linkou office, along with their families and friends, to participate. Volunteers assisted in sorting and packing second-hand clothing and shoes collected from across Taiwan, supporting the organization’s efforts to deliver these materials to African regions to address shortages in essential resources. In addition, the organization arranged an international aid educational session, introducing its initiatives in Africa, including material donations, water resource education, hygiene education, and educational support. This enhanced participants’ awareness and engagement with the Sustainable Development Goals (SDGs). Interactive quiz activities were also incorporated to reinforce learning and encourage engagement, while promoting family participation to foster a positive and inclusive corporate culture. A total of 25 volunteers participated in the event, contributing 50 hours of volunteer service. The activity effectively assisted the organization in processing large volumes of donated goods, reducing labor burden for the non-profit. It also strengthened Advantech’s community engagement and local presence in the Linkou area, enhanced employees’ sense of belonging, and reinforced internal cohesion—achieving both community co-prosperity and corporate sustainability objectives. ● World Food Day x Nationwide Food Bank Volunteer Campaign (Taichung) To support World Food Day and raise awareness on food waste and hunger issues, Advantech collaborated with the 1919 Food Bank to host volunteer service events at its Taichung site in October 2025. The events aimed to provide hands-on support for food packaging and distribution operation, while also enhancing employees’ understanding and engagement through educational talks on food security. Volunteers assisted in sorting, packaging, and delivering rice bags and food boxes, and attended educational seminars hosted by the food banks. These seminars covered topics such as the food distribution process, food security, and food waste. A total of 30 volunteers took part in this event, completing the packaging of 1,112 kilograms of rice. Each volunteer’s time was transformed into concrete actions, helping deliver food to disadvantaged families in need. The activities also deepened employee’s understanding of food waste and social care issues, strengthened the Company’s role in social engagement, and enhanced employee cohesion and support for the Company’s sustainability values. ● World Migratory Bird Day x Kaohsiung Wild Bird Society Volunteer Activity (Kaohsiung) World Migratory Bird Day is held annually on the second Saturday of May and October. The theme for 2025 was “Shared Space: Creating Bird-Friendly Cities and Communities.” This event aims to raise awareness of the challenges posed by human activities and urban expansion to migratory birds and to encourage global action, such as reducing light pollution, planting native vegetation, avoiding glass collisions, and managing cat activity ranges so to create bird-friendly urban and community environments. According to the Global Assessment Report on Biodiversity and Ecosystem Services, nearly 50% of migratory bird populations are declining, with the Asia-Africa Flyway being the most 				

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<p>severely impacted. Advantech worked with Kaohsiung Wild Bird Society to hold a volunteer service event at Advantech’s operations in Kaohsiung in November 2025. Taiwan is located at the crossroads of the East Asian-Australasian Flyway, where over 200 migratory bird species stopover or wintering, from the Black-faced Spoonbill to the Little Tern, all of which are important conservation targets. Migratory birds are not just travelers in the sky, but also a shared responsibility connecting nations and generations. The theme of the 2025 World Bird Day is “Ecological Connectivity,” reminding us that we can ensure the sustainable coexistence of humanity and nature only by protecting the free flight of migratory birds. A total of 30 volunteers participated in this event, working together to conserve the wetland environment at Niaosong Wetland Park.</p> <ul style="list-style-type: none"> List of other related volunteer activities <p>Every Advantech employee is entitled to 2-day paid volunteer leave per year. Advantech headquarters engaged in local biodiversity-themed volunteer service activities in 2025, based on the locations of each branch office. It allows employees to experience eco-friendly working holidays, achieving both public welfare and sustainability.</p>				
Event Name	Place	Activity Theme	Photo	
World Earth Day - Knowing and Cleaning Mountains, Preserving the Beauty of Banping Lake Wetland	Kaohsiung	Advantech volunteers participated in local activities in Kaohsiung, with the theme of “Knowing and Cleaning the Mountains,” attending ecological interpretation activities, site cleaning, and plant identification courses at important wetlands in Kaohsiung.		

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World Environment Day - Dakeng Hiking Trails Restoration Volunteers			Taichung Advantech employees in Taichung Dakeng area to carry out forest plank roads restoration, hiking trail restoration, and construction of mountain drainage ditches on World Environment Day in 2025 (June 5).	
World Environment Day Volunteer Activity - A walk in the woods at Kaohsiung’s Shuangsi Tropical Viviparous Forest Reserve			Kaohsiung Advantech employees in Kaohsiung assisted with trail repairs and environmental cleanup in preparation for a typhoon on World Environment Day in 2025 (June 5). The event raised employees’ awareness of the importance of maintaining the park’s natural environment, local ecology, and public spaces through volunteer participation.	
World Earth Day Volunteer Activity – Dongda Creek Ecological Seeding Volunteers			Taichung In response to World Earth Day, Advantech employees and their families were invited to explore nature and waters, participating in ecological conservation and environmental education. The main focus was on assisting in the cultivation of the native Hibiscus mutabilis species and understanding the local ecological characteristics of Taichung.	

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World Earth Day – Manyueyuan National Forest Recreation Area: Exploring Citizen Science			Taipei Centered on the theme of “World Earth Day,” guided by professional instructors, to create ecological records and forest experience activities with the citizen science APP iNaturalist.	
Society of Wilderness x Advantech Corporate Volunteer Activities			Taipei Advantech collaborated with the Society of Wilderness to conduct a habitat conservation volunteer activity in Wugu Wetland. This activity focused on wetland conservation, leading Advantech volunteers to participate in removing invasive species and maintaining beaches. It allowed colleagues to understand the importance of wetlands through hands-on experience and work together to protect the precious natural resources of northern Taiwan.	
Kaohsiung Wild Bird Society X Advantech Corporate Volunteer Activity			Kaohsiung Advantech responded to World Migratory Bird Day in 2025 by collaborating with Kaohsiung Wild Bird Society to conduct a half-day eco-volunteer service at Niaosong Wetland. Advantech volunteers were led to gain a deeper understanding of the species and ecological environment of Niaosong Wetland and jointly support habitat conservation efforts.	
Governance aspects:				
<ol style="list-style-type: none"> ESG Global eNewsletter released to deepen employees’ awareness of sustainability: ESG eNewsletter in Traditional Chinese, Simplified Chinese, and English is published quarterly to share the Group’s ESG achievements and to introduce ESG trends. ESG Global Engagement: Regularly hold ESG review meetings for overseas subsidiaries on a quarterly basis, organize ESG overseas business trips for visiting European subsidiaries and the French subsidiary in order to deepen ESG education with overseas employees and key customers, and 				

Evaluation Items	Implementation Status (Note 1)			Deviation from the “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” and the root cause																														
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3.			build up partnerships. Board Functions and Governance: Promote corporate governance beyond regulatory standards by referring to the Financial Supervisory Commission’s Sustainable Development Action Plan. The following items have been completed: Directors’ remuneration reported in the shareholders’ meetings; implemented a mechanism linking senior management remuneration to ESG performance; and enhanced information disclosure. Implement sustainable actions with concrete incentive systems offered. Advantech plans to optimize the Board structure in 2026 continuously: Taking into account long-term strategic development and the trend of diversified governance to make the most suitable arrangements. Advantech will collaborate with external consultants to promote the Sustainable Blueprint 2.0 plan in 2026, enhance the SDC Corporate Sustainability Committee for synergy, and further refine and optimize it based on the long-term strategic development.																															
4.			ESG KPI Incentive Mechanism: Advantech strives to become an intelligent promoter of a sustainable Earth continuously. The Company established and implemented an ESG KPI mechanism for senior managers in 2022, listing ESG sustainability indicators such as environment, society, and governance, as important performance appraisal items for the Chairman, President of General Management and senior executives, relevant accountable managers, and ESG office members in 2025. Employee Stock Plans (ESOP) were the main incentive rewards added with performance bonuses, which were settled in December and to be paid in the third quarter of 2026. At the same time, set goals, indicators, and promotion plans to conduct regular evaluations with reference to major annual sustainable development issues, such as renewable energy development, climate change and carbon management, eco product development, talent cultivation and development, diverse and inclusive workplace, Internet of Things education application and promotion, etc.																															
5.			List of ESG domestic and international awards and honors:																															
			<table border="1"> <thead> <tr> <th>Awards</th> <th>Class or Category</th> <th>Honor</th> </tr> </thead> <tbody> <tr> <td>Dow Jones Best-in-Class Indices (DJBIC)</td> <td>S&P Global Sustainability Yearbook 2026</td> <td>Top 5%</td> </tr> <tr> <td>EcoVadis Assessment</td> <td>/</td> <td>Silver medal</td> </tr> <tr> <td>Carbon Disclosure Project (CDP)</td> <td>Climate change questionnaire</td> <td>B Level</td> </tr> <tr> <td>World’s Most Sustainable Companies 2025</td> <td>/</td> <td>Shortlisted</td> </tr> <tr> <td>World’s Best Employers 2025</td> <td>/</td> <td>Shortlisted</td> </tr> <tr> <td>Interbrand international brand value</td> <td>/</td> <td>4th place</td> </tr> <tr> <td>Corporate Governance Assessment</td> <td>/</td> <td>Top 5%</td> </tr> <tr> <td>Excellence in CSR Award</td> <td>Large Enterprise Category</td> <td>4th place</td> </tr> <tr> <td>Parenting TW Family-Friendly Workplace Award</td> <td>Large Enterprise Category</td> <td>Shortlisted</td> </tr> </tbody> </table>	Awards	Class or Category	Honor	Dow Jones Best-in-Class Indices (DJBIC)	S&P Global Sustainability Yearbook 2026	Top 5%	EcoVadis Assessment	/	Silver medal	Carbon Disclosure Project (CDP)	Climate change questionnaire	B Level	World’s Most Sustainable Companies 2025	/	Shortlisted	World’s Best Employers 2025	/	Shortlisted	Interbrand international brand value	/	4 th place	Corporate Governance Assessment	/	Top 5%	Excellence in CSR Award	Large Enterprise Category	4 th place	Parenting TW Family-Friendly Workplace Award	Large Enterprise Category	Shortlisted	
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**(6) Climate-Related Information of TWSE/TPEX Listed Company
Implementation of Climate-Related Information**

Item	Item implementation status	
1. Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities.	Board of Directors	The Board of Directors is the highest supervisory unit for risk management (including climate risk), responsible for reviewing major climate-related goals and implementation budget, and overseeing climate risk management and strategy implementation results.
	Chairman	Chairing the Corporate Sustainable Development Committee (SDC) and leading the climate issue management mechanism to confirm climate-related KPIs and action plans.
	SDC Corporate Sustainable Development Committee	<ul style="list-style-type: none"> • Responsibilities and decision-making units for climate risk management; • Regular reporting to the Board on climate management progress; • Review climate-related risk and opportunity assessment results and response strategies. • Approve TCFD report. • Monitor the implementation of climate issues and review KPIs.
	ESG Corporate Sustainability Development Office	<ul style="list-style-type: none"> • Coordinate the implementation of climate-related risk and opportunity analysis and integrate the disclosure reports. • Promote climate-related action plans and report the progress to the Corporate Sustainable Development Committee (SDC) on a quarterly basis. • Research and analyze policies on climate issues and scientific research development trends, and monitor climate risk events on a regular basis.
	Board Oversight	<ul style="list-style-type: none"> • The Corporate Sustainable Development Committee (SDC) regularly reports climate-related management plans and results to the Board of Directors, while the Board of Directors reviews related major goals and budgets. • In 2021, the Board of Directors approved Advantech Taiwan's green energy goals, renewable energy PPA procurement budget, and the project of setting up a solar power plant in collaboration with renewable energy providers. • In 2022, consulting companies and external experts were assigned to attend the Board of Directors' training on topics such as how the ICT industry can help fight climate change, international sustainability trends, new trends in risk management, and responses. • In 2023, the Board of Directors reviewed the annual comprehensive ESG performance, which included climate change-related aspects such as RE100 global workforce group and local target progress, product

Item	Item implementation status	
		<p>carbon footprint progress, annual GHG inventory, EU carbon tariff response topics, etc.</p> <ul style="list-style-type: none"> In 2024, in addition to reviewing the comprehensive ESG performance of 2023, Advantech also re-identified the climate-related risks and opportunities with four major risks and opportunities selected among them for scenario simulation analysis. In 2025, the first edition of the “Climate and Nature-related Financial Disclosure Report” was released, integrating the “dependencies and impacts” and “opportunities and risks” related to climate and nature, to improve sustainability disclosure and governance, and to improve the measures taken to address climate change each year continuously.
	Advanced management mechanism	<ul style="list-style-type: none"> The SDC Committee, led by the Chairman, holds meetings each quarter. The ESG Corporate Sustainability Development Office reports on climate-related issue trends, strategic planning, and implementation progress. The SDC supervises the achievement of goals and reviews climate change-related risks and opportunities assessments, results, and countermeasures.
<p>2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term)?</p>	<p>【Strategy】</p> <ul style="list-style-type: none"> Short-, medium-, and long-term risks and opportunities <ul style="list-style-type: none"> Advantech identified 13 risks and 10 opportunities by referring to the risk and opportunity topics and their financial impact of the TCFD guidelines, added with the analysis of operating locations and industries. Then, Advantech identified additional 7 major risks and 3 opportunities based on the level of impact; also, assessed the financial impact of the four most important items based on Advantech’s future development direction. Define the short-term, medium-term, and long-term as within 3 years, 3 to 5 years, and more than 5 years, and assess when each issue is likely to occur and the financial planning. Qualitatively assess the possible financial impact of various major risks and opportunities, develop preventive and improvement measures, and set KPI accordingly. Senoria Analysis <ul style="list-style-type: none"> We conducted an analysis of carbon reduction potential and its financial implications for the Company based on the International Energy Agency (IEA) Beyond 2°C Scenario (B2DS) and 1.5°C Scenario (1.5DS). Additionally, we evaluated the physical impacts on our operations under the Representative Concentration Pathways (RCP) 4.5 scenario (Business-AS-Usual, BAU) and RCP8.5 scenario (high-emission), to assess our adaptive capacity and enhance the resilience of our climate strategies. <p>Scenario Analysis of Transition Risks and Opportunities:</p>	

Item	Item implementation status		
	Category	Scenario	Impact Assessment
	Risk	STEPS (Stated Policies Scenario)	As an assessment of the potential impact on Advantech’s operations from 2025 to 2033 due to government regulations, including stricter renewable energy requirements for major electricity users, amendments to the Climate Change Response Act, and the implementation of a carbon tax or related legislation. Failure to comply may result in penalties or carbon-related fees, leading to increased operational costs.
	Risk	1.5DS (Net-Zero Scenario)	As assessment of the potential impact on Advantech’s operations from 2025 to 2033 due to government regulations, including stricter renewable energy requirements for major electricity users, amendments to the Climate Change Response Act, and the implementation of carbon tax or related legislation. Failure to comply may result in penalties or carbon-related fees, leading to increased operational costs.
	Category	Scenario	Impact Assessment
	Risk	ESG Image and Reputation and Brand Management Scenario (Based on Historical Trends)	An evaluation of the financial implications stemming from Advantech’s ESG image and reputation (e.g., low-carbon or sustainability performance), including increased financing costs from banks and potential revenue loss due to poor environmental sustainability performance. These factors may lead to higher operating costs.
	Opportunity	Low-Carbon Products and Market Scenario (Based on Historical Trends)	An assessment of revenue opportunities from low-carbon-related products by 2040, representing a financial opportunity for Advantech’s transition to a low-carbon economy.
	Physical Risk Scenario Analysis		
Scenario	Impact Assessment		
RCP8.5 (high-emission scenario)	Assesses the potential financial impact on Advantech’s overall operations and production due to extreme weather events (e.g., typhoons/tropical cyclones) occurring through 2050 under the most severe climate change scenario. Other physical risks (e.g., rising temperatures, droughts) are not considered in this assessment.		
RCP4.5 (Business-As-Usual, BAU Scenario)	Assesses the potential financial impact on Advantech’s overall operations and production due to extreme weather events (e.g., typhoons/tropical cyclones) occurring through 2050 under the most severe climate change scenario. Other physical risks (e.g., rising temperatures, droughts) are not considered in this assessment.		

Item	Item implementation status
	<p>【Risk Management】</p> <ul style="list-style-type: none"> ■ Evaluation and management process <ul style="list-style-type: none"> • ESG Corporate Sustainability Office convenes cross-departmental members to collect and review relevant climate risks and opportunities factors of the Company annually, assess major climate issues through the level of impact and likelihood, monitor changes in risk levels, review and develop response strategies, and report to the SDC for resolutions, as well as review related disclosures, and the SDC regularly reports to the Board of Directors to supervise the progress of climate risk management and review major relevant decision. ■ Overall risk system integration <ul style="list-style-type: none"> • The Risk Management Task Force assesses the Company’s overall operational risks according to the risk management procedures at the beginning of each year, draws a Pan-Operational Risk Map, and reports the risk management process and plan to the Board of Directors. • Since 2021, climate change risks have been included in the assessment process, and the risk level is evaluated and identified through the main investigation of the Audit Office and in cooperation with the ESG Corporate Sustainability Office. • In 2022, we introduced the complete TCFD assessment process. The assessment methods and results will be applied to the climate change risk analysis in the aforementioned risk map and included in the overall risk management process. • In 2023, the TCFD evaluation process will continue to be included in the overall risk management process. In 2024, we expect to adjust climate scenario based on the latest IPCC assessment report, climate risks and responses will be reassessed. • In 2024, reidentified Advantech’s climate-related risks and opportunities and selected the four major risks and opportunities among them for scenario simulation analysis in order to conduct a qualitative assessment on the financial impact with countermeasures proposed. • In 2025, the “Climate and Nature-related Financial Disclosure Report” was released, integrating the “dependencies and impacts” and “opportunities and risks” related to climate and nature, to improve sustainability disclosure and governance, and to improve the measures taken to address climate change each year continuously. <p>Note: For detailed TCFD financial quantification, please refer to the “Advantech Climate- and Nature-related Financial Disclosures Report” published on Advantech’s ESG website.</p>

Item	Item implementation status
<p>3. Describe the financial impact of extreme weather events and transformative actions.</p>	<p>[Physical risks]</p> <ul style="list-style-type: none"> ■ Risk of extreme weather events: <ul style="list-style-type: none"> • Operational disruption and production risks: Extreme weather (such as typhoons and flooding) may lead to factory shutdowns and equipment damage, with costs and delivery risks increased. • Rising maintenance costs for facilities and equipment: It is necessary to enhance flood control and drainage systems and reinforce building structures in response to climate risks. At the same time, high temperatures may accelerate equipment aging and increase costs. • Inventory damage and financial losses: Typhoons and floods may cause inventory damage and financial losses. • Increased disaster prevention and insurance expenses: It is necessary to invest in disaster-resistant equipment, improve emergency response capabilities, and spend more money on insurance to spread financial risks in order to reduce the impact of extreme weather. • Earthquake-resistant construction and maintenance pressure: It is necessary to improve the earthquake-resistant design of new factories, and to initiate earthquake-resistant reinforcement for old factories at increased expense. ■ Financial impacts of extreme weather events: <ul style="list-style-type: none"> • Increase operating cost • Increase capital expenditures • Decrease operating revenue • Decrease assets <p>[Transformation risks]</p> <ul style="list-style-type: none"> ■ Legal and policy risks, including: <ul style="list-style-type: none"> • Increase in operating costs: Stricter emission regulations (e.g., Taiwan carbon fee and EU CBAM) cause costs to go up. • Equipment replacement and green electricity investment pressure: It is necessary to replace high-energy-consuming equipment and invest in green electricity in order to obtain international certification and meet customers' sustainable needs, which has caused increasing expenses. • System design and maintenance burden: It is necessary to invest resources to build and maintain the system in order to meet the needs of carbon data collection. • Product price adjustment risk: The implementation of internal carbon pricing will cause Advantech's adjusting financial system to reflect internal carbon fees, causing product prices to rise and market competitiveness weakened.

Item	Item implementation status
	<ul style="list-style-type: none"> ■ Financial impact, including: <ul style="list-style-type: none"> • Increase operating cost • Increase capital expenditures • Decrease operating revenue ■ Supply chain disruption risks, including: <ul style="list-style-type: none"> • Increase in operating and supply chain costs: It is necessary to invest resources to build alternative supply chains in response to climate risks and political factors, causing cost to go up. • Inventory and capital pressure: Supply chain disruptions will lead to capital turnover pressure and increase in storage management costs. • Product development delays: Supply chain changes may lead to component redesign and supplier changes, causing delay in product development progress and market launch. • Production and delivery uncertainty: Supply chain disruptions will cause the risk of production disruption and delay in product delivery. ■ Financial impact, including: <ul style="list-style-type: none"> • Increase operating cost • Operational disruption • Decrease operating revenue ■ The risks of fines and cost pressures from EU plastic content disclosure include: <ul style="list-style-type: none"> • Risk of regulations and fines: European countries require disclosure of plastic content (including weight of components and packaging), and failure to comply will result in fines. • Increase in material and supply chain costs: The use of sustainable materials and green packaging materials in response to local regulations and sustainable trends will cause the procurement and production costs to go up. • Increase in design and development costs: Product packaging and external components need to be redesigned to meet the regulations of different regions, causing delay in development and increase in the corresponding costs. • Data transparency and management burden: A cross-departmental database needs to be established in response to sustainability and compliance requirements, causing increase in labor, technology, and operation costs. • Risk of declining market competitiveness: Market competitiveness declines due to increasing material and design costs.

Item	Item implementation status
	<ul style="list-style-type: none"> ■ Financial impact, including: <ul style="list-style-type: none"> • Increase operating costs • Increase compliance spending ■ The risks of high cost and time requirement for eco product testing and certification include: <ul style="list-style-type: none"> • Differences in certification standards and increase in compliance costs: Resources need to be invested in testing and design adjustments in order to meet local green and energy efficiency requirements and to improve management, design, and material costs. • Certification expenses and market launch delay risks: Expenses need to be paid for acquiring green certification; also, the long certification time may affect the timing of product launch and market share. • Market entry and revenue source risks: If the product does not meet international energy efficiency standards (such as EU ErP and US Energy Star), it may not be able to enter major markets (such as Europe and the United States), resulting in concentrated revenue sources and amplifying the impact of regional policies and market fluctuations. ■ The financial impact includes: <ul style="list-style-type: none"> • Increase operating cost ■ The risks of international review standards and regulations getting tightened, which include: <ul style="list-style-type: none"> • Regulatory risks: Global regulations are increasingly tightening (such as EU CBAM and US CCA); therefore, if the Company fails to respond in time, it will face legal risks, fines, and market entry restrictions. • Loss of market entry opportunities: If value chain partners are unable to provide solutions for corresponding regulations challenges, they will lose the market entry opportunities. ■ The financial impact includes: <ul style="list-style-type: none"> • Increase operating cost • Decrease operating revenue • Increase compliance spending ■ Market ESG image and reputation risks include: <ul style="list-style-type: none"> • Brand value and customer trust: The Company’s failure in effectively managing climate risks or insufficient performance in the ESG field will affect the Company’s reputation in the market and the trust of stakeholders (customers, shareholders, investors, etc.). • Climate risk: The Company’s failure in properly assessing climate risk may affect factory operations and damage the Company’s reputation while facing natural disasters such as typhoons and earthquakes.

Item	Item implementation status
	<ul style="list-style-type: none"> ■ The financial impact includes: <ul style="list-style-type: none"> • Increase operating cost • Increase capital expenditures • Decrease operating revenue <p>Note: For detailed TCFD financial quantification, please refer to the “2024 Advantech Climate- and Nature-related Financial Disclosures Report” published on Advantech’s ESG website.</p>
<p>4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.</p>	<ul style="list-style-type: none"> • At the beginning of each year, the Risk Management Task Force assesses the Company’s overall operational risks according to the risk management procedures, draws a Pan-Operational Risk Map, and reports the risk management process and plan to the Board of Directors. • Since 2021, climate change risks have been included in the assessment process, and the risk level is identified through the main investigation of the Audit Office and in cooperation with the ESG Corporate Sustainability Office. • In 2022, we introduced the complete TCFD assessment process. The assessment methods and results will be applied to the climate change risk analysis in the aforementioned risk map and included in the overall risk management process. • In 2023, the TCFD evaluation process will continue to be included in the overall risk management process. In 2024, we expect to adjust climate scenario based on the latest IPCC assessment report, climate risks and responses will be reassessed. • In 2024, reidentified Advantech’s climate-related risks and opportunities and selected the four major risks and opportunities among them for scenario simulation analysis in order to conduct a qualitative assessment on the financial impact with countermeasures proposed. • In 2025, the first edition of the “Climate and Nature-related Financial Disclosure Report” was released, integrating the “dependencies and impacts” and “opportunities and risks” related to climate and nature, to improve sustainability disclosure and governance, and to improve the measures taken to address climate change each year continuously.
<p>5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and</p>	<p>For detailed TCFD financial quantification, please refer to the “2024 Advantech Climate- and Nature-related Financial Disclosures Report” published on Advantech’s ESG website.</p> <p>Advantech specifically identifies relevant key risks and opportunities, the corresponding potential scenarios and the severity of impact, and an analysis of the possible financial effects in accordance with the TCFD guidelines by multi-faceted issue gathering, cross-departmental discussions, and external consultations; also, analyzes the potential</p>

Item	Item implementation status
<p>major financial impacts used should be described.</p>	<p>financial impact. Advantech aims to comprehensively assess the Company’s climate risks and opportunities and accurately propose corresponding response strategies by focusing on three key aspects - operations (reduction, natural disasters), products (including supply chain), and markets based on industry characteristics and international context. Therefore, Advantech’s climate risk management covers the entire value chain (upstream, downstream, and its own operations). Advantech’s climate-related risk and opportunity and financial impact assessment process, projects, and materiality assessment results are detailed below.</p> <div data-bbox="539 512 846 1153" style="border: 1px solid black; padding: 5px;"> <p>風險與氣候因子蒐集</p> <ul style="list-style-type: none"> 參考 TCFD 定義議題、追蹤營運所在地法規及市場趨勢 研析國際科學研究報告 同業相關議題分析 <p>▼</p> <p>聚焦 13 項風險、10 項機會</p> <p>重大性與財務影響分析</p> <ul style="list-style-type: none"> 舉辦 Workshop 跨部門研討各項議題實際情形及評估其營運影響 評估影響可能性與影響程度 參考外部專家觀點 <p>▼</p> <p>收斂 7 項風險、3 項機會，並挑選 4 項進行情境模擬分析</p> <p>策略回應與精進評估</p> <ul style="list-style-type: none"> 盤點因應風險或實現機會之措施 永續趨勢與產業標準分析，調整因應策略 <p>▼</p> <p>評估各面向策略精進方案，以有效管理相關風險與機會</p> </div> <div data-bbox="869 512 1727 1153" style="text-align: center;"> <p>風險/機會分級定義：</p> <ol style="list-style-type: none"> 1. 無實質風險/機會：10 < [影響可能性(L) X 影響程度(H)] < 20 2. 高風險/機會：9 < [影響可能性(L) X 影響程度(H)] < 10 3. 中風險/機會：4 < [影響可能性(L) X 影響程度(H)] < 9 4. 低風險/機會：1 < [影響可能性(L) X 影響程度(H)] < 4 5. 無實質風險/機會：[影響可能性(L) X 影響程度(H)] < 1 </div> <p>We conducted an analysis of carbon reduction potential and its financial implications for the Company based on the International Energy Agency (IEA) Beyond 2°C Scenario (B2DS) and 1.5°C Scenario (1.5DS). Additionally, we evaluated the physical impacts on our operations under the Representative Concentration Pathways (RCP) 4.5 scenario (Business-AS-Usual, BAU) and RCP8.5 scenario (high-emission), to assess our adaptive capacity and enhance the resilience of our climate strategies.</p>

Item	Item implementation status		
	Transition Risks and Opportunities Scenario Analysis		
	Category	Scenario	Impact Assessment
	Risk	STEPS (Stated Policies Scenario)	As an assessment of the potential impact on Advantech’s operations from 2025 to 2033 due to government regulations, including stricter renewable energy requirements for major electricity users, amendments to the Climate Change Response Act, and the implementation of a carbon tax or related legislation. Failure to comply may result in penalties or carbon-related fees, leading to increased operational costs.
	Category	Scenario	Impact Assessment
		1.5DS (Net Zero scenario)	As assessment of the potential impact on Advantech’s operations from 2025 to 2033 due to government regulations, including stricter renewable energy requirements for major electricity users, amendments to the Climate Change Response Act, and the implementation of carbon tax or related legislation. Failure to comply may result in penalties or carbon-related fees, leading to increased operational costs.
		ESG Reputation and Brand Management Scenario (Based on Historical Trends)	An evaluation of the financial implications stemming from Advantech’s ESG image and reputation (e.g., low-carbon or sustainability performance), including increased financing costs from banks and potential revenue loss due to poor environmental sustainability performance. These factors may lead to higher operating costs.
	Opportunity	Low-Carbon Products and Market Scenario (Based on Historical Trends)	An assessment of revenue opportunities from low-carbon-related products by 2040, representing a financial opportunity for Advantech’s transition to a low-carbon economy.

Item	Item implementation status						
	<p>Physical Risk Scenario Analysis</p> <table border="1" data-bbox="539 268 2085 608"> <thead> <tr> <th data-bbox="539 268 920 308">Scenario</th> <th data-bbox="920 268 2085 308">Impact Assessment</th> </tr> </thead> <tbody> <tr> <td data-bbox="539 308 920 459">RCP8.5 (high-emission)</td> <td data-bbox="920 308 2085 459">Assesses the potential financial impact on Advantech’s overall operations and production due to extreme weather events (e.g., typhoons/tropical cyclones) occurring through 2050 under the most severe climate change scenario. Other physical risks (e.g., rising temperatures, droughts) are not considered in this assessment.</td> </tr> <tr> <td data-bbox="539 459 920 608">RCP4.5 (Business-As-Usual, BAU Scenario)</td> <td data-bbox="920 459 2085 608">Assesses the potential financial impact on Advantech’s overall operations and production due to extreme weather events (e.g., typhoons/tropical cyclones) occurring through 2050 under the most severe climate change scenario. Other physical risks (e.g., rising temperatures, droughts) are not considered in this assessment.</td> </tr> </tbody> </table> <p>Note: SSP5-8.5 (high-forcing scenario) corresponds to RCP8.5 (high-emission scenario), and SSP2-4.5 (middle path scenario) corresponds to RCP4.5 (BAU scenario).</p>	Scenario	Impact Assessment	RCP8.5 (high-emission)	Assesses the potential financial impact on Advantech’s overall operations and production due to extreme weather events (e.g., typhoons/tropical cyclones) occurring through 2050 under the most severe climate change scenario. Other physical risks (e.g., rising temperatures, droughts) are not considered in this assessment.	RCP4.5 (Business-As-Usual, BAU Scenario)	Assesses the potential financial impact on Advantech’s overall operations and production due to extreme weather events (e.g., typhoons/tropical cyclones) occurring through 2050 under the most severe climate change scenario. Other physical risks (e.g., rising temperatures, droughts) are not considered in this assessment.
Scenario	Impact Assessment						
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RCP4.5 (Business-As-Usual, BAU Scenario)	Assesses the potential financial impact on Advantech’s overall operations and production due to extreme weather events (e.g., typhoons/tropical cyclones) occurring through 2050 under the most severe climate change scenario. Other physical risks (e.g., rising temperatures, droughts) are not considered in this assessment.						
<p>6. If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks.</p>	<p>Greenhouse gas scope 1, 2, and 3 emissions and goals:</p> <ul style="list-style-type: none"> • The SBT science-based carbon reduction target review was passed for the first time in 2021; the application was updated in 2025 to include the SBT science-based carbon reduction target with less than 1.5°C temperature increase. • Advantech Taiwan and Kunshan completed ISO 14064-1 greenhouse gas inventory, verification, and target tracking every year. • Completed the greenhouse gas inventory and education and training of the Japanese and Korean subsidiaries in 2024, and completed the external audit in 2025. The Company completed the greenhouse gas inventory and education and trianing of the European subsidiaries in 2025, and completed the external audit in 2026. The Company expects to complete the greenhouse gas inventory and education and training of the American subsidiaries in 2026. <p>Other climate-related management indicators and targets:</p> <ul style="list-style-type: none"> • Committed to joining the RE100 initiative and setting a net-zero carbon emissions goal for 2050. • The Company has already set the goals for power saving, renewable energy use, water saving, waste reduction, eco product revenue ratio, and product power supply efficiency improvement. • The Company has introduced ISO 5001 energy management system to manage energy efficiency, and formulate management indicators and goals for relevant strategies continuously. • LCA life cycle carbon footprint assessment for main products has already been introduced and internal product carbon footprint system platform development has been initiated, which will be applied to green and low-carbon product planning. 						

Item	Item implementation status				
<p>7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.</p>	<p>Advantech launched the Internal Carbon Pricing (ICP) project in 2023, hoping to derive internal price by calculating and evaluating carbon emission costs, and incorporate them into the organization’s cost-benefit evaluation mechanism in order to guide low-carbon investment, promote low-carbon production in all departments, thereby improving Advantech’s carbon management efficiency and achieve SBT carbon reduction goals. The calculation and evaluation of the project will be initiated with the shadow price method prioritized, and will have prices set at NT\$1,700-3,000 per ton of CO₂e by referring to carbon trading regulations and market prices in each country in order to enhance the carbon reduction investment decisions of each business unit.</p> <p>The Company further promoted the planning of an internal carbon pricing/carbon fee mechanism as a pilot program before formal implementation in 2025. Advantech held multiple discussions with senior management to plan and evaluate the system design, scope of application, and implementation methods. At the same time, Advantech reviewed relevant management processes and data to ensure the feasibility of the system implementation. In the future, the Company plans to launch a trial of the internal carbon fee mechanism in 2026, gradually incorporating carbon costs into operational and investment decisions to enhance the Company’s overall carbon reduction governance and low-carbon transformation effectiveness.</p>				
<p>8. If climate-related targets have been set, the activities covered, the scope of greenhouse gas emission, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified.</p>	<p>Advantech has set medium- and long-term climate goals, with the use of renewable energy in Taiwan and Kunshan manufacturing centers reaching 50%; Advantech’s global locations will use 100% renewable energy in 2040; in addition to reducing emissions in Scope 1 and 2 by 2050, Advantech will achieve the net zero carbon emissions goal by enhancing Scope 3 reduction planning and execution, developing and designing eco products, working with the supply chain, cultivating supply chain partners to create low-carbon products and transformation; also, applying future low-carbon technologies, purchasing carbon rights, etc.</p> <p>Renewable Energy Highlights Project of the Key Operating Bases:</p> <table border="1" data-bbox="539 1077 2085 1406"> <tbody> <tr> <td data-bbox="539 1077 719 1153">ANA</td> <td data-bbox="719 1077 2085 1153">Solar photovoltaic panels are actively deployed at the AASC plant, achieving a renewable energy coverage rate of 80.9%.</td> </tr> <tr> <td data-bbox="539 1153 719 1406">AKR</td> <td data-bbox="719 1153 2085 1406"> <ol style="list-style-type: none"> 1. A local solar energy installation plan has been initiated and an application for government funding has been submitted. 2. It is expected to achieve the renewable energy goals through the installation of solar power generation devices and the purchase of REC (Renewable Energy Concentration). 3. Rooftop solar power generation systems will be officially introduced in 2025Q4. 4. According to statistics, the coverage rate of renewable energy has reached 5.1%. </td> </tr> </tbody> </table>	ANA	Solar photovoltaic panels are actively deployed at the AASC plant, achieving a renewable energy coverage rate of 80.9%.	AKR	<ol style="list-style-type: none"> 1. A local solar energy installation plan has been initiated and an application for government funding has been submitted. 2. It is expected to achieve the renewable energy goals through the installation of solar power generation devices and the purchase of REC (Renewable Energy Concentration). 3. Rooftop solar power generation systems will be officially introduced in 2025Q4. 4. According to statistics, the coverage rate of renewable energy has reached 5.1%.
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Item	Item implementation status	
	AJP	AJP has complied with the renewable energy policies of the countries in which it operates and has identified suitable renewable power suppliers. It expects to negotiate procurements in 2026Q1 when the policies become clearer.
	AKMC	The goal is to increase the share of renewable electricity by 5% annually, with renewable electricity generated from solar photovoltaic panels and the purchase of RE100-approved green electricity certificates. The target for the renewable electricity shares in 2025 is 23.7%.
	AEU	The direct purchase from local renewable energy suppliers has helped achieve the goal of 100% renewable energy.
	HQ	Advantech headquarters has entered into a green power procurement agreement with an integrated energy service provider. Over the next six years, the Company will collaborate with renewable energy suppliers under a long-term wheeling and power purchase model to supply approximately 40 million kWh of green electricity, supporting Advantech in achieving its renewable energy usage targets. In 2025, the renewable energy usage rate reached 6.1%.

7. Greenhouse Gas (GHG) Inventory and Assurance Status, Reduction Targets, Strategies, and Action Plans

(1) Greenhouse Gas Inventory and Assurance Status for the Most Recent 2 Fiscal Years■ Greenhouse Gas Inventory Information

Describe the greenhouse gas emission (tons CO₂e), intensity (tons CO₂e/NT\$ million), and data coverage for the most recent two years.

Scope 1 and Scope 2 GHG emissions from Advantech's main operating locations and production plants in 2025:

Region	Scope 1 Direct greenhouse gas emissions	Scope 2 Energy indirect greenhouse gas emissions		Total	
		Market-based	Location-based	Market-based	Location-based
ACL	808.9672	8,408.61	8,981.19	9,217.5734	9,790.1535
AKMC	2,686.9175	11,318.32	14,443.96	14,005.2345	17,130.8774
AJMC	147.2068	1,283.30	1,283.30	1,430.5076	1,430.5076
AKSC	7.8120	146.55	154.36	154.3655	162.1719
AASC	21.0590	31.38	163.85	52.4434	184.9045
AESC	70.5036	0	42.70	70.5036	113.2077
Total emissions from Scope 1 and Scope 2 (metric tons of CO ₂ e)				24,930.6280	28,811.8225

* Note 1: Greenhouse gas inventories of the plants in the United States have not yet been verified by a third party.

* Note 2 In the Market-based calculation, the greenhouse gas emissions from renewable energy in Taiwan, Kunshan (China), Korea, and Europe, are calculated with an electricity emission coefficient of 0.

*Note 3: In the event of any discrepancies, the figures disclosed on the official website, as verified, shall prevail.

Identification and emissions of Scope 3 greenhouse gases from Advantech's Taiwan and Kunshan plants in 2025

Scope 3 / Category items	Verification scope description	Emission from ACL (tons CO ₂ e)
C1/ Category 4	Procurement of goods and services	312,482.0088
C2/ Category 4	Capital goods	7,426.6174
Scope 3 / Category items	Verification scope description	Emission from ACL (tons CO ₂ e)
C3/ Category 4	Upstream fuels and energy	3,405.2271
C4/ Category 3	Raw material transportation	2,000.6367
C5/ Category 4	Operational waste	43.4851
C6/ Category 3	Business travel	343.5095
C7/ Category 3	Employee commute	928.5078
C8/ Category 4	Upstream lease assets	50.2611
C9/ Category 3	Product transportation	125.1796
C10/ Category 5	Product processing	0
C11/ Category 5	Product use	790,816.8395
C12/ Category 5	Product end-of-life treatment	8.6387
C13/ Category 5	Downstream lease assets	0
C14/ Category 5	Franchise	0
C15/ Category 5	Investment	8,627.1313
Total		1,126,258.0427

Note1: GHG Protocol: 2006 Scope 3 C1~C15 correspond to ISO 14064-1:2018 Categories 3~6

Note2: In the event of any discrepancies, the figures disclosed on the official website, as verified, shall prevail.

Scope 1 and Scope 2 GHG emissions from Advantech's main operating locations and production plants in 2024:

Region	Scope 1 Direct greenhouse gas emissions	Scope 2 Energy indirect greenhouse gas emissions		Total	
		Market-based	Location-based	Market-based	Location-based
ACL	804.3931	9,222.2612	9,222.2612	10,026.6543	10,026.6543
AKMC	2,531.4193	11,974.1196	11,974.1196	14,505.5389	16,727.0365
AJMC	150.3177	1,203.5099	1,203.5099	1,353.8276	1,353.8276
AKSC	9.7673	158.4522	158.4522	168.2195	168.2195
ANA	23.7654	168.3008	168.3008	192.0662	192.0662
AEU	45.3768	0	56.3275	45.3768	101.7043
Total of Scope 1 and Scope 2 emissions (tons CO ₂ e)				26,291.6832	28,569.5084

*Note 1: Greenhouse gas inventories at plants in the United States and Europe have not yet been verified by a third party.

*Note 2: In the Market-based calculation, the greenhouse gas emissions from renewable energy in Kunshan, Europe, and the United States are calculated with an electricity emission coefficient of 0.

*Note 3: In the event of any discrepancies, the figures disclosed on the official website, as verified, shall prevail.

Identification and emissions of Scope 3 greenhouse gases from Advantech's Taiwan and Kunshan plants in 2024

Scope 3 / Category items	Verification scope description	Emissions from ACL (tons CO ₂ e)	Emissions from AKMC (tons CO ₂ e)
C1/ Category 4	Procurement of goods and services	170,478.9531	47,641.4656
C2/ Category 4	Capital goods	4,329.4307	1,281.4052
C3/ Category 4	Upstream fuels and energy	1,825.8036	7,984.8634
C4/ Category 3	Raw material transportation	35.6019	344.4792
C5/ Category 4	Operational waste	40.0910	25.8684
C6/ Category 3	Business travel	125.9435	36.2100
C7/ Category 3	Employee commute	466.4475	265.3049
C8/ Category 4	Upstream lease assets	52.1071	0
C9/ Category 3	Product transportation	1.4836	93.5695

Scope 3 / Category items	Verification scope description	Emissions from ACL (tons CO ₂ e)	Emissions from AKMC (tons CO ₂ e)
C10/ Category 5	Product processing	0	0
C11/ Category 5	Product use	513,625.6319	Incorporated into Taiwan Head Office
C12/ Category 5	Product end-of-life treatment	9.6846	Incorporated into Taiwan Head Office
C13/ Category 5	Downstream lease assets	0	426.3576
C14/ Category 5	Franchise	0	0
C15/ Category 5	Investment	9,178.8698	Incorporated into Taiwan Head Office
Total		750,942.4011	

Note 1: GHG Protocol:2006 Scope 3 C1~C15 correspond to ISO 14064-1:2018 Categories 3~6

Note 2: The product use and product end-of-life treatment refer to the scope of the Inspection of Advantech worldwide.

Note 3: In the event of any discrepancies, the figures disclosed on the official website, as verified, shall prevail.

The data scope includes: The boundaries include important operating bases and main plants, namely: Advantech Taiwan Ruiguang, Yangguang, and Linkou (collectively known as ACL) and Advantech Kunshan Manufacturing Center (AKMC). The disclosure scope of overseas operating locations includes: Advantech Corporation (ANA), Advantech Europe B.V. (AEU), Advantech Japan Co., Ltd. (AJP), Advantech KR Co., Ltd. (AKR), and Beijing Advantech Industrial Electronic Technology Co., Ltd. (ACN).

Note 1: Direct emissions (Scope 1, i.e., emissions from sources owned or controlled by the Company), energy indirect emissions (Scope 2, i.e., indirect greenhouse gas emissions from purchased electricity, heat, or steam), and other indirect emissions (Scope 3, i.e., emissions resulting from the Company's activities that are not energy indirect emissions but arise from sources owned or controlled by other entities).

Note 2: The coverage of data for direct emissions and energy indirect emissions shall be handled in accordance with the timeline specified by the competent authority under Article 10, Paragraph 2 of this regulation, while disclosure of other indirect emissions is voluntary.

Note 3: Greenhouse gas inventory standards: the Greenhouse Gas Protocol (GHG Protocol) or ISO 14064-1 issued by the International Organization for Standardization (ISO).

Note 4: Greenhouse gas emission intensity may be calculated per unit of product/service or per unit of revenue; however, at a minimum, the metric based on revenue (in NT\$ millions) shall be disclosed.

■ Greenhouse gas assurance information

Describe the assurance status for the most recent two years as of the publication date of the annual report, including the assurance scope, assurance organization, assurance criteria, and assurance opinions.

- Advantech has a paid-in capital of NT\$8.6 billion and falls under the FSC's Phase 4 regulatory scope (effective in 2027). While assurance disclosure is not yet mandatory, the Company has voluntarily obtained assurance and disclosed the relevant information.
- Greenhouse gas assurance information for the past two years is as follows:

- 2024: Based on ISO 14064. Major production sites in Taiwan, Japan, and Korea were verified by TÜV NORD, while the Kunshan site was verified by the China Quality Certification Center (CQC).
- 2025: Based on ISO 14064. Major production sites in Taiwan, Japan, Korea, and Europe were verified by TÜV NORD, while the Kunshan site was verified by the China Quality Certification Center (CQC).
- The ESG Reports for both 2024 and 2025 have been subject to SGS AA1000 Type II high-level assurance.

Note 1: It is to be handled in accordance with the schedule specified in Article 10, Paragraph 2 of these Regulations. If the Company has not obtained a complete greenhouse gas assurance opinion as of the publication date of the annual report, it shall indicate that “complete assurance information will be disclosed in the sustainability report.” If the Company has not prepared a sustainability report, it shall indicate that “complete assurance information will be disclosed at the Market Observation Post System” and then have complete assurance information disclosed in the annual report in the following year.

Note 2: The assurance institution shall comply with the relevant provisions of the assurance institution for the sustainability report that are stipulated by the Taiwan Stock Exchange Corporation and Taipei Exchange.

Note 3: Please refer to the practice reference examples on the Corporate Governance Center website of Taiwan Stock Exchange for relevant disclosure in details.

(2) Greenhouse gas reduction targets, strategies, and specific action plans

Describe the greenhouse gas reduction base year and its data, reduction goals, strategies, specific action plans, and the achievement of the reduction targets.

Advantech established a Science Based Target (SBT) in 2021, proposing a goal of reducing the carbon intensity of Scope 1 and 2 by 60%, and a goal of reducing the carbon intensity of Scope 3 of products used by 49% by 2030, with 2019 as the base year. Advantech plans to apply to have SBTi Near-term goal updated in November 2025. Advantech has further enhanced the inspection boundaries of Scope 1, 2, and 3 for all Advantech subsidiaries and has them updated to meet the absolute target of 1.5°C.

Goals: Achieve SBT goals by 2030, RE100 by 2040, and net zero carbon emissions by 2050.

Strategy Path:

- Stage 1: 2019-2025. Advantech will continue to expand manufacturing capacity and increase energy usage, but will try to reduce carbon emissions through the promotion of energy-saving projects.
- Stage 2: 2026-2040. The use of renewable energy in main production sites will increase, and the overall carbon emissions will decrease year by year.
- Stage 3: 2041-2050. Initiate the greenhouse gas alternative solutions and obtain carbon rights.

The 2025 reduction strategy and action results are as follows:

- The renewable energy utilization rate reached 16.2% in 2025 by committing to the RE100 goal and actively promoting the use of renewable energy by RBUs worldwide.
- Launched the greenhouse gas inventory and verification plan for subsidiaries: Advantech completed the ISO 14064 greenhouse gas inventory and verification for the Head Office in Taiwan and the subsidiaries in Kunshan, Japan, Korea, and the Netherlands in 2025.
- Launched iEMS in Taiwan and Kunshan to collect electricity consumption of main operating locations.
- Taiwan and Kunshan operation sites completed with ISO 50001 certification.
- Launched carbon pricing project:
 1. Advantech launched the Internal Carbon Pricing (ICP) project in 2023, hoping to derive internal price by calculating and evaluating carbon emission costs, and incorporating them into the organization's cost-benefit evaluation mechanism in order to guide low-carbon investment, promote low-carbon production in all departments, thereby improving Advantech's carbon management efficiency and achieve SBT carbon reduction goals. The calculation and evaluation of the project will be initiated with the shadow price method prioritized, and will have price set at NT\$1,700-3,000 per ton by referring to carbon trading regulations and market prices in each country.
 2. Completed the formulation of the internal carbon price in 2024 to enhance carbon reduction investment decisions of business units. Advantech launched Stage 2 of carbon pricing planning and started the design of a carbon fee collection mechanism in 2024; also, held cross-department meetings with workshops for the finance, factory affairs, investment, emerging business opportunities, products, and R&D departments invited to discuss the carbon fee mechanism and trial plan.
 3. The Company further promoted the planning of an internal carbon pricing/carbon fee mechanism as a pilot program before formal implementation in 2025. Advantech held multiple discussions with senior management to plan and evaluate the system design, scope of application, and implementation methods. At the same time, Advantech reviewed relevant management processes and data to ensure the feasibility of the system implementation. In the future, the Company plans to launch a trial of the internal carbon fee mechanism in 2026, gradually incorporating carbon costs into operational and investment decisions so to enhance the Company's overall carbon reduction governance and low-carbon transformation effectiveness.
- The Company's overall greenhouse gas emissions per unit of revenue decreased by 20% in 2025 compared to 2024.

Note 1: It should be handled in accordance with the schedule specified in Article 10, Paragraph 2 of these Regulations.

Note 2: The base year should be the year in which the boundary review in the consolidated financial report completed. For example, according to the provisions of Article 10, Paragraph 2 of these Regulations, a company with a capital of more than NT\$10 billion should complete the audit of the 2024 consolidated financial report in 2025. Therefore, the base year is 2024. If the company has completed the audit of the consolidated financial report in advance, the earlier year may be used as the base year. In addition, the data for the base year may be calculated based on a single year or on the average of several years.

Note 3: Please refer to the best practice reference examples on the Corporate Governance Center website of Taiwan Stock Exchange for relevant disclosure in details.

- (7) The Practice of Ethical Corporate Management and Deviation from the “Ethical Corporate Management Best Practice Principles for TWSE/TPEX-listed Companies” and the root cause:

Evaluation Items	Implementation Status (Note)			Deviation From the “Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Company” and the Root Cause
	Yes	No	Abstract Explanation	
<p>1. Establishment of ethical corporate management policies and programs</p> <p>(1) Does the company have a Board-approved ethical corporate management policy and state in its regulations and external correspondence the ethical corporate management policy and practices, as well as the active commitment of the Board of Directors and management towards enforcement of such policy?</p> <p>(2) Does the company have mechanisms in place to assess the risk of unethical conduct, and perform regular analysis and assessment of business activities with a higher risk of unethical conduct within the scope of business? Does the company implement programs to prevent unethical conduct based on the above and ensure</p>	V		(1) The Company has established the Ethical Corporate Management Best Practice Principles, which has been published on the Company’s website and CSR website. The Ethical Corporate Management Best Practice Principles stipulate that directors, managers, employees, and mandataries of the Company or persons having substantial control over the Company shall implement the concept of ethical corporate management with the principle of good faith.	None
	V		(2) The Ethical Corporate Management Best Practice Principles have stipulated the preventive measures for business activities that are possibly at a higher risk of being involved in unethical conduct prescribed in Article 7, Paragraph 2 of the Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Company or within other business scopes.	

Evaluation Items	Implementation Status (Note)			Deviation From the “Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Company” and the Root Cause
	Yes	No	Abstract Explanation	
<p>the programs cover at least the matters described in Article 7, Paragraph 2 of the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies?</p> <p>(3) Does the company clearly provide the operating procedures, code of conduct, disciplinary actions, and appeal procedures in the programs against unethical conduct? Does the company enforce the programs above effectively and perform regular reviews and amendments?</p>	V		(3) The Ethical Corporate Management Best Practice Principles explicitly stipulate procedures and guidelines for preventing unethical conduct. The Whistleblowing Handling Guidelines have also been established for implementation.	
<p>2. Fulfill operations integrity policy</p> <p>(1) Does the company evaluate business partners’ ethical records and include ethics-related clauses in business contracts?</p>	V		(1) The Company expects and takes action to help trading partners recognize and comply with ethical corporate management. Depending on the circumstances, the provisions pertaining to ethical conduct will be prescribed in the contracts entered into with trading partners. If any unethical conduct is found during transactions, the Company may terminate the transactions or rescind the contracts. The Purchasing Department also has requirements for external	None

Evaluation Items	Implementation Status (Note)			Deviation From the “Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Company” and the Root Cause
	Yes	No	Abstract Explanation	
(2) Does the company have a unit responsible for ethical corporate management on a full-time basis under the Board of Directors, which reports the ethical corporate management policy and programs against unethical	V		<p>suppliers to comply with: Corresponding to Advantech’s supply chain management policy, the Purchasing Department unified the online form with the Supplier Management System (SRM) to publicize Advantech’s Ethical Corporate Management Best Practice Principles and sunshine procurement principles to suppliers, and at the same time put the letter of Ethical Corporate Management Best Practice Principles as one of the necessary documents in the procurement contract to ensure that suppliers understand and comply with Advantech’s incorruptibility clauses, eco design and manufacturing, international environmental declarations, and other related policies and regulations.</p> <p>The 2025 response status report is as follows:</p> <ol style="list-style-type: none"> 1. Advantech has a total of 2,157 qualified suppliers. The signing of the letter of “Ethical Corporate Management Best Practice Principles” is a must-sign document for becoming a qualified supplier, so the goal of signing is 100%. 2. Till now, there are 2,137 companies that have signed back through the SRM management system, with a response rate of 99%. <p>(2) Ethical Corporate Compliance</p> <ol style="list-style-type: none"> 1. The department responsible for promoting ethical corporate management: The IT, Human Resources, and Legal Departments jointly cooperate to conduct internal education and training for the Company’s employees and establish an effective system of professional ethics and compliance. <ul style="list-style-type: none"> ● IT Department: Establish a system for training on the code of conduct for ethics, including regular reminders for training 	

Evaluation Items	Implementation Status (Note)			Deviation From the “Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Company” and the Root Cause
	Yes	No	Abstract Explanation	
<p>conduct regularly (at least once a year) to the Board of Directors while overseeing such operations?</p> <p>(3) Does the company establish policies to prevent conflicts of interest and provide appropriate communication channels, and implement it?</p> <p>(4) Does the company have effective accounting and internal control systems in place to implement ethical corporate management? Does the internal audit unit follow</p>	<p>V</p> <p>V</p>		<p>and testing, etc.</p> <ul style="list-style-type: none"> ● Human Resources Department: A total of 266 new employees completed the education and training of physical courses. ● Legal Department: Responsible for compliance with laws and regulations, and responsible for operating online training courses with Ethical Corporate Management Best Practice Principles. In 2025, a total of 5,179 people around the world completed the training, with a completion rate of 95.4%. <p>2. Report Regularly: The implementation status of each unit is reported to the board of directors once a year, and under the supervision of the board of directors, it is ensured that the Company’s various operations comply with legal requirements and the Ethical Corporate Management Best Practice Principles; also, to prevent unethical conduct and supervise its implementation.</p> <p>(3) The Company’s “Guidelines for the Adoption of Codes of Conduct” for employees and the “Guidelines for the Adoption of Codes of Ethical Conduct” for the directors and managers include the clause of conflict-of-interest provision; also, appropriate reporting channels are provided in the Company’s whistleblower guidelines.</p> <p>(4) The Company has effective accounting and internal control systems in place to implement ethical corporate management, and the internal audit unit follows the results of unethical conduct risk assessments and devises audit plans to audit the systems accordingly to prevent unethical conduct.</p>	

Evaluation Items	Implementation Status (Note)			Deviation From the “Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Company” and the Root Cause
	Yes	No	Abstract Explanation	
<p>the results of unethical conduct risk assessments and devise audit plans to audit the systems accordingly to prevent unethical conduct, or hire outside accountants to perform the audits?</p> <p>(5) Does the company regularly hold internal and external educational training on operational integrity?</p>	V		(5) The Company has published regulations and policies on the website for all employees’ access. They are also included in the employee orientation and user manuals; in addition, the Company will organize a supplier online conference on a regular basis to facilitate communication and make known related regulations pertaining to ethical corporate management through the Supplier Relationship Management (SRM). The Legal Department shall hold online education on the concept of the Company’s integrity management once a year for all employees.	
<p>3. Operation of the integrity channel</p> <p>(1) Does the company establish both a reward/punishment system and an integrity hotline? Can the accused be reached by an appropriate person for follow-up?</p> <p>(2) Does the company have in place standard operating procedures for investigating accusation cases, as well as</p>	V V		(1) The Company has set up an email box and a whistleblowing mailbox to encourage employees, clients, and third-party suppliers to express their opinions and report unethical conduct. The audit unit takes charge of the whistleblowing mailbox and reports to the Board and the chairman. Depending on the circumstances, investigators will be appointed to investigate the cases reported. (2) The Company has established the Whistleblowing Handling Guidelines and related procedures, which stipulate that the identity of whistleblowers and contents reported shall be kept confidential and that investigators shall take proper care of	None

Evaluation Items	Implementation Status (Note)			Deviation From the “Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Company” and the Root Cause
	Yes	No	Abstract Explanation	
<p>follow-up actions and relevant post-investigation confidentiality mechanisms?</p> <p>(3) Does the company provide proper whistleblower protection?</p>	V		<p>information obtained during the investigation. The following cases were reported in 2025:</p> <ol style="list-style-type: none"> 1. A total of 4 cases were reported. 2. Investigations have been completed on 4 cases, and the management has completed corresponding handling. <p>(3) The Company has the “Advantech Whistleblower Report Processing Guideline” and related operating procedures stipulated. The identity of the whistleblower and the content of the reporting should be kept confidential and protected; also, the involving investigators should not disclose any information without authorization so to protect the whistleblowers from any unfair treatment, retaliation, or threat.</p>	
<p>4. Strengthening information disclosure</p> <p>(1) Does the company disclose its ethical corporate management policies and the results of its implementation on the company’s website and MOPS?</p>	V		<p>The Company has a website in Chinese and English and a CSR website established; also, the “Ethical Corporate Management Best Practice Principles” is published on the MOPS.</p>	None
<p>5. If the company has established the ethical corporate management policies based on the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies,” please describe any discrepancy between the policies and their implementation: Advantech has established the Code to require all employees, officers, and board members to comply with the Code and the other policies and procedures. There is no discrepancy between the Code, including its affiliate policies and procedures, and its implementation.</p>				
<p>6. Other important information that helps understand the implementation of the Company’s ethical corporate management policies (e.g., review and amend its policies). Request the suppliers and contractors (including the security company) through the Purchasing Department and General Affairs Department to sign the “Corporate Social Responsibility and Environmental Safety and Health Commitment” and through the Supplier Relationship Management (SRM) to implement the relevant education and training and advocacy.</p>				

Evaluation Items	Implementation Status (Note)			Deviation From the “Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Company” and the Root Cause
	Yes	No	Abstract Explanation	
7. The Company has the corporate governance best practice principle and the related inquiries established: The Company website has a corporate governance section designated for investors’ inquiries and downloading corporate governance-related regulations; also, it is published on the MOPS.				
8. Other important information that helps understand the corporate governance operation: None				

- (8) The Company has the corporate governance Best-Practice Principle and the related inquiries established: The Company website is with the corporate governance section designated for investor’s inquiring and downloading corporate governance-related regulations; also, it is published on the MOPS.
- (9) Other important information helpful in understanding the corporate governance operation: Amendments to the Company’s Articles of Incorporation must be approved not only by a resolution of the Board of Directors but also by a special resolution of the Shareholders’ Meeting. Such amendments must be explicitly listed in the notice of the Shareholders’ Meeting and the amendment registration must be completed within 15 days. The related procedures are in compliance with applicable legal and regulatory requirements.
- (10) The implementation of the internal control system:

Advantech Co., Ltd.
Statement of Internal Control System

Date: Feb 26, 2026

Based on the findings of a self-assessment, Advantech Co., Ltd. (Advantech) states the following with regard to its internal control system during the year 2025:

1. Advantech's Board of Directors and Management are responsible for establishing, implementing, and maintaining an adequate internal control system, and Advantech has established such a system. Our internal control system is designed to provide reasonable assurance over the effectiveness and efficiency of operations (including profitability, performance, and safeguarding of assets), reliability, timeliness, transparency of reporting, and compliance with applicable laws and regulations.
2. An internal control system has its inherent limitations. No matter how perfectly designed, an effective internal control system can only provide reasonable assurance of accomplishment the objectives mentioned above. Furthermore, the effectiveness of an internal control system may be subject to changes due to circumstances beyond control. Nevertheless, the internal control system of Advantech contains self-monitoring mechanisms, and Advantech takes immediate remedial actions in response to any identified deficiencies.
3. Advantech evaluates the design and operating effectiveness of its internal control system based on the criteria provided in the "Regulations Governing the Establishment of Internal Control Systems by Public Companies" (herein below, the "Regulations"). The criteria adopted by the Regulations identify five components of managerial internal control: (1) control environment, (2) risk assessment, (3) control activities, (4) information and communication, and (5) monitoring activities. Each component further contains several items. Please refer to the Regulations for details.
4. Advantech has evaluated the design and operating effectiveness of its internal control system according to the aforesaid criteria.
5. Based on the findings of the evaluation mentioned in the preceding paragraph, Advantech believes that, on December 31, 2025, it has maintained, in all material respects, an effective internal control system (that includes the supervision and management of subsidiaries), to provide reasonable assurance over operational effectiveness and efficiency, reliability, timeliness, transparency of reporting, and compliance with applicable laws and regulations.
6. This Statement will be an integral part of Advantech's Annual Report and Prospectus and will be made public. Any falsehood, concealment, or other illegality in the content made public will entail legal liability under Articles 20, 32, 171, and 174 of the Securities and Exchange Act.
7. This Statement has been passed by the Board of Directors in their meeting on February 26, 2026, with all of the nine attending directors all affirming the content of this Statement.

Advantech Co.,Ltd.

K.C. Liu
Chairman



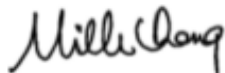
Eric Chen
Corporate President



Linda Tsai
Corporate President



Miller Chang
Corporate President



- (11) If a CPA is commissioned to review internal control system specifically, the review report should be disclosed: None
- (12) The Company and its internal staff being punished lawfully, the punishment given by the Company to the violators of internal control system, major nonconformity, and the improvement in the most recent year and up to the publication of the annual report: None
- (13) The material resolutions reached in the shareholders' meeting and board meeting in the most recent year and up to the publication of the annual report:

■ **Important resolutions reached by the Shareholders.**

The 2025 general shareholders' meeting was held at Advantech's Neihu Headquarters on May 29, 2025. The resolutions reached by the shareholders present at the meeting and the status of their implementation are as follows:

1. Report on the company's 2024 business report and financial statements.
Implementation status: The resolution was passed.
2. Report on the company's 2024 earnings distribution proposal.
Implementation status: The earnings distribution base date was scheduled for July 25, 2025, and the payment of cash dividends for an amount of NT\$8.4 per share was scheduled for August 8, 2025.
3. Report on the distribution of the company's 2024 Board of Directors' remunerations.
4. Report on the distribution of the company's 2024 employees' remunerations.
5. Report on the company's making of endorsements/guarantees in 2024;
6. Approved on the Amendment of the Company's Articles of Incorporation.
7. Approved on Amendment of the Company's Procedures for Acquisition and Disposal of Assets.

■ **Important resolutions reached by the board of directors.**

The summary of important resolutions reached by the company's board of directors in 2025 and as of the publication date of the annual report is as follows:

1. Board of directors meeting on February 27, 2025:

- Approved the company's 2025 operating budget and operating plan.
- Approved the company's 2024 business report, standalone financial statements, and consolidated financial statements.
- Approved the company's 2024 earnings distribution plan.
- Approved the company's 2025 regular shareholders meeting related matters.
- Approved the mandate of certified public accounts of PwC Taiwan and assessment of their independence and suitability for the year of 2025.
- Approved the company's 2024 distribution of director remuneration.
- Approved the company's 2024 distribution of employee remuneration.
- Approved the company's 2024 managerial officer's benefit packages (year-end, performance, and employee remuneration) and salary adjustment proposal.
- Approved the company's 2020 employee stock warrants executed in the 4th quarter with new shares issued for the common stock shares subscribed.
- Approved the amendments to the company's "Advantech code of conduct" and "Salary and wage cycle internal control system."
- Approved capital injection into the company's subsidiary, Advantech Corporate Investment Ltd., Cayman.
- Approved capital injection into the company's subsidiary, Advantech Investment Co., Ltd.
- Approved for intercompany loans within Aures to be converted from debt to additional paid-in capital (capital reserve).
- Explanation regarding accounts receivable from the company's Beijing subsidiary overdue by more than 90 days.
- Approved the company's 2024 "Internal control statement" completed.
- Approved the company's 2025 project audit plan.
- Approved amendments to the company's "property, plant and equipment cycle internal control system."
- Approved amendments to the company's "internal control self-inspection procedures."
- Approved amendments to the company's "risk management procedures."
- Approved amendments to the company's "sustainability information management procedures."

2. Board of directors meeting on April 24, 2025:

- Approved the company's 1st quarter of 2025 consolidated financial statements.
- Approved the company's 2020 employee stock option executed in the 1st quarter with new shares issued for the common stock shares subscribed.
- Approved the change of corporate governance officer.

3. Board of directors meeting on July 31, 2025:

- Approved the company's 2nd quarter of 2025 consolidated financial statements.
- Approved the overall plan for the preparation and assurance of the company's 2024 sustainability report.
- Approved the provision of a short-term lending facility of USD 7 million to the company's subsidiary, Retail Technology Group (RTG).
- Approved the provision of a short-term lending facility of USD 5 million to the company's subsidiary, Aures FR.
- Approved the amendments to the company's human rights commitment policy.
- Approved the amendments to the company's sustainable raw materials policy.
- Approved the amendments to the company's "production cycle" internal control system.
- Approved the company's 2020 employee stock warrants executed in the 2nd quarter with new shares issued for the common stock shares subscribed.

4. Board of directors meeting on October 30, 2025:

- Approved the company's 3rd quarter of 2025 consolidated financial statements.
- Approved the disposal in the open market of a portion of the company's shareholding in AzureWave Technologies, Inc..
- Approved the application for foreign exchange and derivatives trading exposure limits with banks to meet operational requirements.
- Approved the company's 2026 audit plan.
- Approved the amendments to the organizational charter of the company's sustainability development committee.
- Approved the company's 2020 employee stock warrants executed in the 3rd quarter with new shares issued for the common stock shares subscribed.
- Approved the company's 2023 employee stock warrants executed in the 3rd quarter with new shares issued for the common stock shares subscribed.

5. Board of directors meeting on February 26, 2025:

- Approved the Company's 2026 annual budget and business plan
- Approved the Company's 2025 Annual Business Report, parent company only financial statements, and consolidated financial statements
- Approved the Company's 2025 earnings appropriation proposal
- Approved the proposal to distribute cash dividends from capital reserve
- Approved the proposal regarding the convening of the Company's 2026 Annual General Meeting of Shareholders
- Approved the proposal for the full re-election of the 16th term Board of Directors
- Approved the proposal for the nomination and review of candidates for the 16th term Board of Directors
- Approved the proposal to lift non-compete restrictions for newly elected directors and their representatives
- Approved the proposal for the issuance of restricted stock awards and the relevant issuance plan
- Approved the Company's 2025 distribution of directors' remuneration and employees' compensation
- Approved the Company's 2025 managerial bonuses (including year-end bonuses, performance bonuses, and employees' compensation)
- Approved the proposal for amendments to the Company's internal control system of the "Payroll Cycle"
- Approved the proposal to appoint the certifying CPAs of PricewaterhouseCoopers Taiwan for 2026 and to assess their independence and qualifications
- Approved the proposal regarding the preparation and verification mechanism of the Company's 2025 Sustainability Report and the implementation plan for IFRS Sustainability Disclosure Standards

- Approved the proposal for additional capital expenditure for the construction of a new office and factory building by the Company's Japanese subsidiary, Advantech Japan Corp. (AJP)
 - Approved the Company's 2026 internal audit plan
 - Approved the Company's 2025 Internal Control System Statement
 - Approved the proposal for the issuance of new shares upon the exercise of employee stock options (ESOPs) for the fourth quarter under the 2020 and 2023 plans
- (14) The contents of the board resolutions regarding which independent directors have voiced opposing or qualified opinions on the record or in writing in the most recent year or up to the publication of the annual report: None
- (15) The resignation or dismissal of the Company's Chairman, President, Accounting Officer, Finance Officer, Internal Audit Director, and R&D Director in the most recent year or up to the publication of the annual report: None

5. Information Regarding the Company's Audit Fee and Independence

■ Audit Fee

Monetary unit: NT\$ Thousand

CPA Firm	Name of CPA	Audit Period	Audit Fee	Non-audit Fees	Total	Remarks
PricewaterhouseCoopers Taiwan	Liang, Hua-Ling	2026/1/1 -2026/12/31	15,400	1,197	16,597	Non-audit fees: ESG and Tax service consultant fee
	Tsai, Pei Hua					

- If a new CPA Firm is commissioned to serve for an audit fee less than the year before, please disclose the audit fee amount before and after the CPA replacement arranged and the reason for doing so: None
- If the audit fee of current year is more than 15% less than the year before, please disclose the audit fee amount and ratio reduced and the root cause of the fee reduction: None
- Replacement of CPAs: According to Article 7, Subparagraph 7 of the Enforcement Rules of the Securities and Exchange Act, where the change of certifying accountants is due to an internal adjustment within the accounting firm, it does not constitute a matter having a material impact on shareholders' equity or the price of securities as stipulated under Article 36, Paragraph 3, Subparagraph 2 of the Securities and Exchange Act. For the current fiscal year, the Company has appointed CPA Hua-Ling Liang and CPA Pei-Hua Tsai of PricewaterhouseCoopers Taiwan to audit the financial statements. After evaluation, both CPAs meet the required standards of independence and professional competence without concern.

6. The Company's Chairman, President, and Finance or Accounting Officer have held a position in the independent auditing firm or its affiliates over the past year: No

7. Changes in the shares held and pledged by directors, supervisors, managers, and major shareholders holding over 10% of outstanding shares in the most recent year and up to the publication of the annual report:

(1) Changes in equity:

Title	Name	2025		As of March 31 of the current year	
		Increase (decrease) of shareholding	Increase (decrease) of shares pledged	Increase (decrease) of shareholding	Increase (decrease) of shares pledged
Director	K.C. Liu			(1,000,000)	
Director	Advantech Foundation				
Representative	Chaney Ho				
Director	K and M Investment Co., Ltd.	157,000			
Representative	Wesley.Liu	15,000		9,384	
Director	AIDC Investment Corp.			432,000	
Representative	Tony Liu	12,000			
Director	Jeff Chen				
Director	Ji-Ren Lee				
Independent director	Ming-Hui Chang				
Independent director	Benson Liu				
Independent director	Chan-Jane Lin				
President	Eric Chen	(54,000)		62,140	
President	Miller Chang	69,100		15,960	
President	Linda Tsai	(1,000)		61,720	
Corporate governance officer	Grace Liao			4,032	
Accounting Officer	Mandy Lin				
Major shareholder	Asus Computer Co., Ltd.				

(2) The counterparty of the equity transfer is a related party: None

(3) The counterparty of the equity pledge is a related party: None

8. The Top-10 shareholders who are the spouses or relatives within second-degree to each other:

March 31, 2026
Unit: Shares; %

Name (note 1)	Current Shareholding		Spouse's/minor's Shareholding (note 2)		Shareholding by Nominee Arrangement		Name and Relationship Between the Company's Top Ten Shareholders, or Spouses or Relatives Within Two Degrees (note 3)		Remark
	Shares	(%)	Shares	(%)	Shares	(%)	Title	Relations	
ASUSTEK COMPUTER Inc. Representative: Jonney Shih	113,483,106	13.07%	0	0	0	0	None	None	None
	0	0	0	0	0	0	None	None	None
K and M Investment Co., Ltd. Representative: K.C. Liu	100,651,794	11.59%	0	0	0	0	AIDC Investment Corp.	Spouse of the Chairman	None
	26,993,951	3.11%	5,701,052	0.66%	0	0	Advantech Foundation	K.C. Liu, Chairman	
AIDC Investment Corp. Representative: Mary Chang	99,746,136	11.49%	0	0	0	0	K and M Investment Co., Ltd	Spouse of the Chairman	None
	5,701,052	0.66%	26,993,951	3.11%	0	0	Advantech Foundation	K.C. Liu, Chairman	
K.C. Liu	26,993,951	3.11%	5,701,052	0.66%	0	0	K and M Investment Co., Ltd.	K.C. Liu, Chairman	None
							AIDC Investment Corp.	Spouse of the Chairman	
							Advantech Foundation	K.C. Liu, Chairman	
HSBC Bank (Taiwan) Limited, as Custodian for Visionary Partners Fund L.P. Investment Account	25,371,157	2.92%	0	0	0	0	None	None	None
Advantech Foundation Representative: K.C. Liu	24,543,548	2.83%	0	0	0	0	K and M Investment Co., Ltd.	K.C. Liu, Chairman	None
	26,993,951	3.11%	5,701,052	0.66%	0	0	AIDC Investment Corp.	Spouse of the Chairman	None
Tran-Fei Development Co., Ltd	21,059,028	2.43%	0	0	0	0	None	None	None
Yong-Shun Zhuang	19,365,594	2.23%	0	0	0	0	None	None	None
Chunghwa Post Co., Ltd.	13,308,772	1.53%	0	0	0	0	None	None	None
New Labor Pension Fund	12,324,182	1.42%	0	0	0	0	None	None	None

Note1: Illustrate the name of the Top-10 shareholders; also, illustrate separately the name of the institutional shareholder and its representative.

Note2: The shareholding ratio is calculated by referring to the shares held by the Principal, the Principal's spouses and underage children, or by nominee agreement.

Note3: Disclose the relationship among shareholders referred to above, including the juristic person and natural person.

9. **The shares of the invested company held by the Company, the Company's directors, supervisors, managers, and companies controlled directly or indirectly, and the aggregated overall shareholding ratio:**

Unit: Shares; %

Item	Affiliated Enterprises	Abbreviation	Ownership by the Company		Direct or Indirect Ownership by Directors/Supervisors/Managers		Total Ownership	
			Shares	(%)	Shares	(%)	Shares	(%)
1	Advantech Automation Corporation B.V.	AAC NL	11,126,887	100	--	--	11,126,887	100
2	Advantech Automation Corp. (HK) Limited	AAC(HK)	15,230,001	100	--	--	15,230,001	100
3	Advantech Corporation	ANA	--	--	10,952,616	100	10,952,616	100
4	Advantech Technology Limited	AIE	--	--	500,000	100	500,000	100
5	Advantech CZech, s.r.o.	ACZ	--	--	--	100	--	100
6	Beijing Yan Hua Xing Ye Electronic Science & Technology Co., Ltd.	ACN	--	--	--	100	--	100
7	Shanghai Advantech Intelligent Services Co., Ltd.	ACI CN	--	--	--	100	--	100
8	Xi'an Advantech Software Ltd.	AXA	--	--	--	100	--	100
9	Advantech Corporate Investment Ltd.	ACI KY	160,000,000	100	--	--	160,000,000	100
10	Advantech Technology FZCO	ADB	50	100	--	--	50	100
11	Advantech Europe Holding B.V.	AEUH	12,075	100	--	--	12,075	100
12	Advantech Europe B.V.	AEU	--	--	32,315,215	100	32,315,215	100
13	Advantech Poland Sp z.o.o.	APL	--	--	7,030	100	7,030	100
14	Advantech Co., Singapore Pte, Ltd.	ASG	1,450,000	100	--	--	1,450,000	100
15	PT. Advantech International	AID	30	1	2,970	99	3,000	100
16	Advantech Corporation (Thailand) Co., Ltd.	ATH	510,000	49.51	520,000	50.49	1,030,000	100
17	Advantech Technology Co.,Ltd.	ATC	33,850,000	100	--	--	33,850,000	100
18	HK Advantech Technology Co.,Ltd.	ATC(HK)	--	--	57,890,679	100	57,890,679	100
19	Advantech Technology (China) Company Ltd.	AKMC	--	--	--	100	--	100
20	Advantech Brasil Ltda.	ABR	15,920,821	100	--	--	15,920,821	100
21	Advantech Australia Pty Ltd.	AAU	500,204	100	--	--	500,204	100
22	ADVANTECH IOT ISRAEL LTD.	AIL	100	100	--	--	100	100
23	Advantech Industrial Computing India Private Limited	AIN	4,999,999	99.99	1	0.01	5,000,000	100
24	Advantech Japan Co.,Ltd.	AJP	1,200	100	--	--	1,200	100
25	Advantech KR Co., Ltd.	AKR	600,000	100	--	--	600,000	100
26	Advantech Electronics, S.A.P.I.DE C.V.	AMX	16,150,003	96.9	16,667	0.1	16,166,670	97
27	Advantech Co., Malaysia Sdn. Bhd.	AMY	2,000,000	100	--	--	2,000,000	100
28	Advantech Turkey Teknoloji A.S.	ATR	462,535	100	--	--	462,535	100

Item	Affiliated Enterprises	Abbreviation	Ownership by the Company		Direct or Indirect Ownership by Directors/Supervisors/Managers		Total Ownership	
			Shares	(%)	Shares	(%)	Shares	(%)
29	Advantech Vietnam Technology Company Limited	AVN	81,000	60	--	--	81,000	60
30	Advantech Corporate Investment	ACI	447,000,000	100	--	--	447,000,000	100
31	Cermate Technologies Inc.	Cermate Taiwan	1,327,500	45	1,622,500	55	2,950,000	100
32	LandMark Co., Ltd.	LandMark	--	--	972,284	100	972,284	100
33	Shenzhen Cermate Technologies Inc.	Cermate Shenzhen	--	--	--	90	--	90
34	Advantech Intelligent Services Co., Ltd.	AiCs	1,000,000	100	--	--	1,000,000	100
35	Advanixs Corporation	Advanixs	10,000,000	100	--	--	10,000,000	100
36	Huan Yan Water Solution Co., Ltd.	Huan Yan	270,000	90	--	--	270,000	90
37	Advantech Raiser India Private Limited	ARI	--	--	1,237,500	55	1,237,500	55
38	Yan Xu Green Electricity Co., Ltd.	Yan Xu	--	--	8,332,500	82.50	8,332,500	82.50
39	Cermate Software Inc.	CSI	--	--	--	100	--	100
40	BitFlow, Inc.	ABO	--	--	210,000	100	210,000	100
41	Expotech Co., Ltd.	Expotech	--	--	6,000,000	58.87	6,000,000	58.87
42	Aures Technologies Ltd.	Aures	4,738,256	100	--	--	4,738,256	100
43	AURES TECHNOLOGIES GmbH	Aures UK	--	--	5,000	100	5,000	100
44	A.G.H. US HOLDING COMPANY, INC.	Aures DE	--	--	22,500	90	22,500	90
45	J2 SYSTEMS TECHNOLOGY Limited	Aures AGH	--	--	1,000	100	1,000	100
46	Retail Technology Group Inc.	Aures J2SYSTEMS	--	--	42,229	100	42,229	100
47	Aures Technologies Inc.	Aures RTG	--	--	500	100	500	100
48	AURES Technologies Pty Ltd.	Aures US	--	--	10,000	100	10,000	100
49	Aures Technologies Ltd.	Aures AU	--	--	10	100	10	100
50	Adveco Technology Co., Ltd.	Adveco	--	--	--	53.98	--	53.98
51	Adveco Management Consulting Co.,Ltd.	Adveco Management	--	--	--	60	--	60
52	Adveco Management Consulting No.1 (Limited partnership)	Adveco Management No.1	--	--	--	59.94	--	59.94
53	Adveco Management Consulting No. 2 (Limited partnership)	Adveco Management No. 2	--	--	--	59.94	--	59.94
54	Shanghai Fuhua Huichuang Intelligent Information Technology Co.,Ltd.	Fuhua Huichuang	--	--	--	50	--	50

III. Capital Overview

1. Capital and shares

(1) Sources of capital

Unit: Thousand shares; NT\$ Thousand

Month / year	Par Value (NT\$)	Authorized capital		Paid-in capital		Remark			
		Shares	Amount	Shares	Amount	Source of capital	Capital Increased by Assets Other than Cash	Others	
07.1997	10	100,000	1,000,000	47,500	475,000	Capitalization by cash	171,000	None	Note 1
						Capitalization by earnings	114,000		
06.1998	10	100,000	1,000,000	80,750	807,500	Capitalization by cash	95,000	None	Note 2
						Capitalization by earnings	237,500		
06.1999	10	200,000	2,000,000	130,700	1,307,000	Capitalization by earnings	499,500	None	Note 3
05.2000	10	298,000	2,980,000	174,500	1,745,000	Capitalization by earnings	438,000	None	Note 4
08.2001	10	298,000	2,980,000	233,200	2,332,000	Capitalization by earnings	587,000	None	Note 5
12.2001	10	298,000	2,980,000	233,429	2,334,294	Conversion of convertible bond	2,294	None	
02.2002	10	298,000	2,980,000	233,486	2,334,865	Conversion of convertible bond	571	None	
06.2002	10	500,000	5,000,000	285,513	2,855,130	Capitalization by earnings	520,135	None	Note 6
						Conversion of convertible bond	130		
12.2002	10	500,000	5,000,000	285,529	2,855,292	Conversion of convertible bond	162	None	
02.2003	10	500,000	5,000,000	286,242	2,862,423	Conversion of convertible bond	7,131	None	
04.2003	10	500,000	5,000,000	292,846	2,928,462	Capitalization	66,039	Note 9	Note 7
06.2003	10	500,000	5,000,000	341,304	3,413,039	Capitalization by earnings	484,577	None	Note 8
03.2004	10	500,000	5,000,000	337,728	3,377,279	Cancellation of Treasury Stock	(38,620)	None	
						Conversion of convertible bond	2,860		
06.2004	10	500,000	5,000,000	362,862	3,628,617	Capitalization by earnings	223,864	None	Note 10
						Conversion of convertible bond	27,474		
09.2004	10	500,000	5,000,000	369,230	3,692,299	Conversion of convertible bond	63,682	None	
12.2004	10	500,000	5,000,000	374,296	3,742,812	Conversion of convertible bond	50,513	None	
03.2005	10	500,000	5,000,000	374,767	3,747,672	Conversion of convertible bond	4,860	None	
06.2005	10	500,000	5,000,000	401,683	4,016,833	Capitalization by earnings	237,384	None	Note 11
						Conversion of convertible bond	31,777		
09.2005	10	500,000	5,000,000	403,889	4,038,893	Conversion of convertible bond	22,060	None	
12.2005	10	500,000	5,000,000	448,783	4,487,826	Exchange of shares	448,933	None	Note 12
01.2006	10	500,000	5,000,000	448,900	4,489,003	Conversion of convertible bond	477	None	
						Conversion of stock option	700		
04.2006	10	500,000	5,000,000	448,960	4,489,603	Conversion of stock option	600	None	
07.2006	10	500,000	5,000,000	463,180	4,631,795	Capitalization by earnings	139,792	None	Note 13
						Conversion of convertible bond	2,100		
						Conversion of stock option	300		
09.2006	10	500,000	5,000,000	463,365	4,633,645	Conversion of stock option	1,850	None	

Month / year	Par Value (NT\$)	Authorized capital		Paid-in capital		Remark			
		Shares	Amount	Shares	Amount	Source of capital	Capital Increased by Assets Other than Cash	Others	
12.2006	10	500,000	5,000,000	463,630	4,636,295	Conversion of stock option	2,650	None	
03.2007	10	500,000	5,000,000	463,665	4,636,645	Conversion of stock option	350	None	
07.2007	10	600,000	6,000,000	490,847	4,908,470	Capitalization by earnings	271,825	None	Note 14
09.2007	10	600,000	6,000,000	491,227	4,912,270	Conversion of stock option	3,800	None	
12.2007	10	600,000	6,000,000	491,577	4,915,770	Conversion of stock option	3,500	None	
04.2008	10	600,000	6,000,000	491,877	4,918,770	Conversion of stock option	3,000	None	
07.2008	10	600,000	6,000,000	481,877	4,818,770	Cancellation of Treasury Stock	(100,000)	None	Note 15
07.2008	10	600,000	6,000,000	481,962	4,819,620	Conversion of stock option	850	None	
08.2008	10	600,000	6,000,000	511,330	5,113,308	Capitalization by earnings	293,688	None	Note 16
10.2008	10	600,000	6,000,000	511,346	5,113,458	Conversion of stock option	150	None	
04.2009	10	600,000	6,000,000	511,366	5,113,658	Conversion of stock option	200	None	
07.2009	10	600,000	6,000,000	511,386	5,113,858	Conversion of stock option	200	None	
08.2009	10	600,000	6,000,000	516,009	5,160,087	Capitalization by earnings	46,229	None	Note 17
10.2009	10	600,000	6,000,000	516,134	5,161,337	Conversion of stock option	1,250	None	
11.2010	10	600,000	6,000,000	501,634	5,016,337	Cancellation of Treasury Stock	(145,000)	None	Note 18
08.2011	10	600,000	6,000,000	551,797	5,517,971	Capitalization by paid-in capital	501,634	None	Note 19
01.2012	10	600,000	6,000,000	552,996	5,529,961	Conversion of stock option	11,990	None	Note 20
04.2012	10	600,000	6,000,000	553,832	5,538,321	Conversion of stock option	8,360	None	Note 21
10.2012	10	600,000	6,000,000	560,893	5,608,937	Conversion of stock option	70,616	None	Note 22
01.2013	10	600,000	6,000,000	563,997	5,639,970	Conversion of stock option	31,033	None	Note 23
05.2013	10	600,000	6,000,000	565,205	5,652,058	Conversion of stock option	12,080	None	Note 24
08.2013	10	600,000	6,000,000	565,627	5,656,271	Conversion of stock option	4,220	None	Note 25
10.2013	10	600,000	6,000,000	566,924	5,669,248	Conversion of stock option	12,978	None	Note 26
02.2014	10	600,000	6,000,000	569,400	5,694,000	Conversion of stock option	24,752	None	Note 27
05.2014	10	600,000	6,000,000	571,451	5,714,511	Conversion of stock option	20,511	None	Note 28
07.2014	10	600,000	6,000,000	571,762	5,717,621	Conversion of stock option	3,110	None	Note 29
09.2014	10	800,000	8,000,000	628,702	6,287,021	Capitalization by earnings	569,400	None	Note 30
11.2014	10	800,000	8,000,000	630,103	6,301,031	Conversion of stock option	14,010	None	Note 31
02.2015	10	800,000	8,000,000	631,209	6,312,091	Conversion of stock option	11,060	None	Note 32
04.2015	10	800,000	8,000,000	631,518	6,315,186	Conversion of stock option	3,095	None	Note 33

Month / year	Par Value (NT\$)	Authorized capital		Paid-in capital		Remark			
		Shares	Amount	Shares	Amount	Source of capital	Capital Increased by Assets Other than Cash	Others	
06.2015	10	800,000	8,000,000	631,853	6,318,531	Conversion of stock option	3,345	None	Note 34
10.2016	10	800,000	8,000,000	632,609	6,326,091	Conversion of stock option	7,560	None	Note 35
01.2017	10	800,000	8,000,000	633,074	6,330,741	Conversion of stock option	4,650	None	Note 36
04.2017	10	800,000	8,000,000	633,254	6,332,541	Conversion of stock option	1,800	None	Note 37
07.2017	10	800,000	8,000,000	696,611	6,966,115	Capitalization by earnings	633,574	None	Note 38
11.2017	10	800,000	8,000,000	697,032	6,970,325	Conversion of stock option	4,210	None	Note 39
03.2018	10	800,000	8,000,000	697,282	6,972,825	Conversion of stock option	2,500	None	Note 40
05.2018	10	800,000	8,000,000	697,457	6,974,575	Conversion of stock option	1,750	None	Note 41
08.2018	10	800,000	8,000,000	697,544	6,975,445	Conversion of stock option	870	None	Note 42
11.2018	10	800,000	8,000,000	698,227	6,982,275	Conversion of stock option	6,830	None	Note 43
03.2019	10	800,000	8,000,000	698,695	6,986,955	Conversion of stock option	4,680	None	Note 44
05.2019	10	800,000	8,000,000	699,075	6,990,755	Conversion of stock option	3,800	None	Note 45
08.2019	10	800,000	8,000,000	699,140	6,991,405	Conversion of stock option	650	None	Note 46
11.2019	10	800,000	8,000,000	699,923	6,999,230	Conversion of stock option	7,825	None	Note 47
04.2020	10	800,000	8,000,000	700,410	7,004,100	Conversion of stock option	4,870	None	Note 48
05.2020	10	800,000	8,000,000	700,870	7,008,700	Conversion of stock option	4,600	None	Note 49
08.2020	10	1,000,000	10,000,000	771,350	7,713,500	Conversion of stock option	4,390	None	Note 50
						Capitalization by earnings	700,410		
11.2020	10	1,000,000	10,000,000	771,945	7,719,455	Conversion of stock option	5,955	None	Note 51
03.2021	10	1,000,000	10,000,000	772,254	7,722,545	Conversion of stock option	3,090	None	Note 52
05.2021	10	1,000,000	10,000,000	772,640	7,726,405	Conversion of stock option	3,860	None	Note 53
08.2021	10	1,000,000	10,000,000	772,729	7,727,295	Conversion of stock option	890	None	Note 54
11.2021	10	1,000,000	10,000,000	773,822	7,738,228	Conversion of stock option	10,933	None	Note 55
03.2022	10	1,000,000	10,000,000	774,463	7,744,638	Conversion of stock option	6,410	None	Note 56
06.2022	10	1,000,000	10,000,000	775,837	7,758,374	Conversion of stock option	13,736	None	Note 57
08.2022	10	1,000,000	10,000,000	776,366	7,763,662	Conversion of stock option	5,288	None	Note 58
11.2022	10	1,000,000	10,000,000	777,843	7,778,434	Conversion of stock option	14,772	None	Note 59

Month / year	Par Value (NT\$)	Authorized capital		Paid-in capital		Remark			
		Shares	Amount	Shares	Amount	Source of capital		Capital Increased by Assets Other than Cash	Others
03.2023	10	1,000,000	10,000,000	777,976	7,779,769	Conversion of stock option	1,335	None	Note 60
05.2023	10	1,000,000	10,000,000	778,487	7,784,871	Conversion of stock option	5,102	None	Note 61
07.2023	10	1,000,000	10,000,000	856,284	8,562,848	Conversion of stock option	777,977	None	Note 62
08.2023	10	1,000,000	10,000,000	856,731	8,567,315	Conversion of stock option	4,467	None	Note 63
11.2023	10	1,000,000	10,000,000	857,779	8,577,794	Conversion of stock option	10,479	None	Note 64
03.2024	10	1,000,000	10,000,000	858,449	8,584,493	Conversion of stock option	6,699	None	Note 65
05.2024	10	1,000,000	10,000,000	860,447	8,604,475	Conversion of stock option	19,982	None	Note 66
09.2024	10	1,000,000	10,000,000	863,168	8,631,680	Conversion of stock option	27,205	None	Note 67
11.2024	10	1,000,000	10,000,000	863,432	8,634,322	Conversion of stock option	2,642	None	Note 68
03.2025	10	1,000,000	10,000,000	863,589	8,635,894	Conversion of stock option	1,572	None	Note 69
05.2025	10	1,000,000	10,000,000	864,167	8,641,671	Conversion of stock option	5,777	None	Note 70
09.2025	10	1,000,000	10,000,000	864,374	8,643,744	Conversion of stock option	2,073	None	Note 71
11.2025	10	1,000,000	10,000,000	865,190	8,651,898	Conversion of stock option	8,153	None	Note 72
03.2026	10	1,000,000	10,000,000	865,830	8,658,302	Conversion of stock option	6,405	None	Note 73

- Note 1: (86) Tai.Chai.Chen (I) No. 42710 Letter dated May 28, 1997
Note 2: (87) Tai.Chai.Chen (I) No. 47165 Letter dated May 29, 1998
Note 3: (88) Tai.Chai.Chen (I) No. 44698 Letter dated May 17, 1999
Note 4: (89) Tai.Chai.Chen (I) No. 42068 Letter dated May 16, 2000
Note 5: (90) Tai.Chai.Chen (I) No. 131759 Letter dated May 22, 2001
Note 6: Tai.Chai.Chen.I.Tzi No. 0910131630 Letter dated June 11, 2002
Note 7: Tai.Chai.Chen.I.Tzi No. 0920111609 Letter dated April 16, 2003
Note 8: Tai.Chai.Chen.I.Tzi No. 0920128945 Letter dated June 30, 2003
Note 9: Issued new stock shares to exchange for the common stock shares of AXIOMTEK.
Note 10: Tai.Chai.Chen.I.Tzi No. 0930126256 Letter dated June 14, 2004
Note 11: FSC.S.I.Tzi No. 0940124309 Letter dated June 17, 2005
Note 12: FSC.S.I.Tzi No. 0940006036 Letter dated December 22, 2005
Note 13: FSC.S.I.Tzi No. 0950130113 Letter dated July 12, 2006
Note 14: FSC.S.I.Tzi No. 0960035881 Letter dated July 13, 2007
Note 15: MOEA.So.Sun.Tzi No. 09701161800 Letter dated July 4, 2008
Note 16: FSC.S.I.Tzi No. 0970034562 Letter dated July 10, 2008
Note 17: FSC.S.Far.Tzi No. 0980027007 Letter dated June 3, 2009
Note 18: MOEA.So.Sun.Tzi No. 09901265490 Letter dated November 26, 2010
Note 19: MOEA.So.Sun.Tzi No. 10001174140 Letter dated August 1, 2011
Note 20: MOEA.So.Sun.Tzi No. 10101008150 Letter dated January 13, 2012
Note 21: MOEA.So.Sun.Tzi No. 10101074290 Letter dated April 27, 2012
Note 22: MOEA.So.Sun.Tzi No. 10101215000 Letter dated October 17, 2012
Note 23: MOEA.So.Sun.Tzi No. 10201009210 Letter dated January 15, 2013
Note 24: MOEA.So.Sun.Tzi No. 10201077320 Letter dated May 1, 2013

Note 25: MOEA.So.Sun.Tzi No. 10201153720 Letter dated August 1, 2013
 Note 26: MOEA.So.Sun.Tzi No. 10201219700 Letter dated October 29, 2013
 Note 27: MOEA.So.Sun.Tzi No. 10301021080 Letter dated February 11, 2014
 Note 28: MOEA.So.Sun.Tzi No. 10301077560 Letter dated May 1, 2014
 Note 29: MOEA.So.Sun.Tzi No. 10301150080 Letter dated July 28, 2014
 Note 30: MOEA.So.Sun.Tzi No. 10301198730 Letter dated September 23, 2014
 Note 31: MOEA.So.Sun.Tzi No. 10301225080 Letter dated November 3, 2014
 Note 32: MOEA.So.Sun.Tzi No. 10401013670 Letter dated February 4, 2015
 Note 33: MOEA.So.Sun.Tzi No. 10401076830 Letter dated April 27, 2015
 Note 34: MOEA.So.Sun.Tzi No. 10401159550 Letter dated July 29, 2015
 Note 35: MOEA.So.Sun.Tzi No. 10501245810 Letter dated October 18, 2016
 Note 36: MOEA.So.Sun.Tzi No. 10601005570 Letter dated January 16, 2017
 Note 37: MOEA.So.Sun.Tzi No. 10601046990 Letter dated April 12, 2017
 Note 38: MOEA.So.Sun.Tzi No. 10601104750 Letter dated July 21, 2017
 Note 39: MOEA.So.Sun.Tzi No. 10601155330 Letter dated November 15, 2017
 Note 40: MOEA.So.Sun.Tzi No. 10701027200 Letter dated March 22, 2018
 Note 41: MOEA.So.Sun.Tzi No. 10701051810 Letter dated May 22, 2018
 Note 42: MOEA.So.Sun.Tzi No. 10701100250 Letter dated August 13, 2018
 Note 43: MOEA.So.Sun.Tzi No. 10701140180 Letter dated November 21, 2018
 Note 44: MOEA.So.Sun.Tzi No. 10801031320 Letter dated March 28, 2019
 Note 45: MOEA.So.Sun.Tzi No. 10801057110 Letter dated May 20, 2019
 Note 46: MOEA.So.Sun.Tzi No. 10801113420 Letter dated August 28, 2019
 Note 47: MOEA.So.Sun.Tzi No. 10801164360 Letter dated November 19, 2019
 Note 48: MOEA.So.Sun.Tzi No. 10901046780 Letter dated April 8, 2020
 Note 49: MOEA.So.Sun.Tzi No. 10901075090 Letter dated May 11, 2020
 Note 50: MOEA.So.Sun.Tzi No. 10901155470 Letter dated August 17, 2020
 Note 51: MOEA.So.Sun.Tzi No. 10901046780 Letter dated November 23, 2020
 Note 52: MOEA.So.Sun.Tzi No. 11001044890 Letter dated March 24, 2021
 Note 53: MOEA.So.Sun.Tzi No. 11001085980 Letter dated May 20, 2021
 Note 54: MOEA.So.Sun.Tzi No. 11001148320 Letter dated August 31, 2021
 Note 55: MOEA.So.Sun.Tzi No. 11001208470 Letter dated November 11, 2021
 Note 56: MOEA.So.Sun.Tzi No. 11101042110 Letter dated March 16, 2022
 Note 57: MOEA.So.Sun.Tzi No. 11001208470 Letter dated June 02, 2022
 Note 58: MOEA.So.Sun.Tzi No. 11101156460 Letter dated August 29, 2022
 Note 59: MOEA.So.Sun.Tzi No. 11101261540 Letter dated November 10, 2022
 Note 61: MOEA.So.Sun.Tzi No. 11230083560 Letter dated May 25, 2023
 Note 62: MOEA.So.Sun.Tzi No. 11230137990 Letter dated July 26, 2023
 Note 63: MOEA.So.Sun.Tzi No. 11230159070 Letter dated August 21, 2023
 Note 64: MOEA.So.Sun.Tzi No. 11230218870 Letter dated November 27, 2023
 Note 65: MOEA.So.Sun.Tzi No. 11330040790 Letter dated March 25, 2024
 Note 66: MOEA.So.Sun.Tzi No. 11330048310 Letter dated May 21, 2024
 Note 67: MOEA.So.Sun.Tzi No. 11330146610 Letter dated September 03, 2024
 Note 68: MOEA.So.Sun.Tzi No. 11330203370 Letter dated November 20, 2024
 Note 69: MOEA.So.Sun.Tzi No. 11430035210 Letter dated March 17, 2025
 Note 70: MOEA.So.Sun.Tzi No. 11430066520 Letter dated May 23, 2025
 Note 71: MOEA.So.Sun.Tzi No. 11430133350 Letter dated September 15, 2025
 Note 72: MOEA.So.Sun.Tzi No. 11430182180 Letter dated November 21, 2025
 Note 73: MOEA.So.Sun.Tzi No. 11530034410 Letter dated March 17, 2026

■ Source of Share Capital

Share Type	Authorized capital			Remarks
	Issued Shares	Un-issued shares	Total	
Order common stock	868,254,487	131,745,513	1,000,000,000	Authorized capital stock, of which, 50,000 thousand shares are reserved for exercising stock options.

Note: It is the number of shares of the listed stock as of March.31.2026.

Information of shelf registration: NA

■ Shareholder structure:

March 31, 2026. (Ex-transfer date)

Structure of Shareholder QTY	Government Institutions	Financial Institutions	Other Juristic Person	Natural Person	Foreign Institution & Foreigners	Total
Number of persons	1	56	218	33,817	1,019	35,111
Shareholding	8	43,543,004	419,167,442	122,575,533	282,968,500	868,254,487
Shareholding ratio	0.00%	5.02%	48.27%	14.12%	32.59%	100%

(2) List of major shareholders:

March 31, 2026 Unit: Shares

Name of major shareholders	Shares	Shareholding	Shareholding ratio
ASUSTEK COMPUTER Inc.		113,483,106	13.07%
K and M Investment Co., Ltd.		100,651,794	11.59%
AIDC Investment Co., Ltd.		99,746,136	11.49%
K.C. Liu		26,993,951	3.11%
HSBC Bank (Taiwan) Limited, as Custodian for Visionary Partners Fund L.P. Investment Account		25,371,157	2.92%
Advantech Foundation		24,543,548	2.83%
Tran-Fei Development Co., Ltd		21,059,028	2.43%
Yong-Shun Zhuang		19,365,594	2.23%
Chunghwa Post Co., Ltd		13,308,772	1.53%
New Labor Pension Fund		12,324,182	1.42%

(3) Dividend Policy and Execution Status:

- i. Advantech's existing rules concerning dividend policy are as follows:
The Company's dividend policy is governed by its Articles of Incorporation. In determining dividend distributions, the Board of Directors considers the Company's operating performance, funding requirements, capital expenditure plans, overall internal and external economic conditions, and shareholders' interests. Cash dividends shall not be less than 20% of the total annual dividend distribution.

Advantech has long remained focused on its core business and maintains a sound financial structure. Beginning with the 2026 dividend distribution year, the Company will implement a structural optimization of its dividend policy to further align business performance with shareholder returns. The Company will discontinue its past practice of issuing stock dividends every three years and formally adopt an all-cash dividend model. The recurring cash payout ratio will be increased from the previous 70–75% to 70–80% starting from the 2026 distribution year. In addition, a time-limited special cash dividend will be introduced. For three consecutive distribution years from 2026 to 2028,

the Company will distribute an additional cash dividend of NT\$2 per share annually from capital reserve. The total additional distribution is expected to exceed NT\$5.2 billion.

On February 26, 2026, the Board of Directors approved the proposed appropriation of earnings for 2025, including a cash dividend distribution of NT\$7,965,638,254 equivalent to NT\$9.2 per share. In addition, the Company plans to distribute NT\$1,731,660,490 from capital reserve (share premium in excess of par value), equivalent to NT\$2.0 per share in cash dividends. The above proposal is subject to approval at the Annual General Meeting scheduled for May 29, 2026, after which it will be implemented in accordance with applicable regulations.

ii. Any expected major changes in the dividend policy: None

(4) The impact of the distribution of stock dividend as proposed in this Shareholders Meeting on the Company's operation performance and earnings per share:

The distribution of stock dividend was not proposed in the 2026 shareholders' meeting; also the Company is not required to publish the 2025 financial forecast in accordance with the provisions; therefore, no need to disclose the annual forecast information.

(5) Employee Compensation and Remuneration to Directors and Supervisors:

i. Corporate Charter -Article 20:

If the Company records a profit for the year, no less than 5% of such profit shall be allocated as employee compensation, as resolved by the Board of Directors, and may be distributed in the form of cash or shares. Eligible recipients include employees of the Company and its subsidiaries who meet certain criteria. The Company may also allocate no more than 1% of such profit as directors' compensation, subject to resolution by the Board of Directors. The distribution of employee and directors' compensation shall be reported to the shareholders' meeting. However, if the Company has accumulated losses, an amount shall first be reserved to offset such losses before making the aforementioned allocations. On February 26, 2026, the Board of Directors approved the recognition of employee cash compensation for 2025, which was accrued based on a certain percentage of the Company's profit for the year. Directors' compensation was accrued based on the estimated amount to be distributed. Any difference between the accrued and actual amounts shall be accounted for as a change in accounting estimate and adjusted in the year of distribution.

ii. The estimation base for the distribution of employee Compensation and remuneration to directors and supervisor, the calculation base of the outstanding shares for the distribution of stock dividend, and the accounting process for the differences between the actual amount distributed and the estimated amount:

For the earnings distribution resolved in the shareholders' meeting, if the amount of the employee Compensation and remuneration to directors and supervisors is changed, the amount of difference should be handled in accordance with changes in accounting estimates and booked in the profit and loss of the following year without affecting the financial report that had already been acknowledged.

iii. Information about the proposed distribution of employee bonus as approved by the Board of Director:

(i) On February 26, 2026, according to the revised charter based on the resolution, the company will disburse annual profit sharing:

A. Employee Remuneration : NT\$710,000,000

B. Remuneration to directors and supervisors : NT\$24,350,000

C. The amounts of employee compensation and directors' remuneration resolved by the Board of Directors are consistent with the amounts accrued as expenses for the respective fiscal year, with no differences.

(ii) The ratio of the proposed distribution of employee stock dividend payments to the total amount of the net income and employee bonus on the proprietary or individual financial statements: NA

- iv. The distribution of the 2024 earnings as employee bonus and remuneration to directors and supervisors:
- (i) The distribution of the annual employee bonus and remuneration to directors and supervisors is as follows:
- A. Employees Cash dividend: NT\$620,000,000
- B. Remuneration to directors and supervisors: NT\$22,850,000
- (ii) If the amount referred to above differs from the employee bonus and remuneration to directors and supervisors recognized, please state the number of differences, causes of differences, and the treatment scenarios: None

(6) Situations of the Company's buy back stocks: None

2. Corporate bond: N/A

3. Preferred Stock issued: N/A

4. Global Depositary Receipts : N/A

5. Employee Stock Options

(1) The Company's outstanding employee stock options and its impact on shareholders' equity up to the publication of the annual report:

March 31, 2026

Types of employee stock option certificate	2020 Employ stock option	2023 Employ stock option
The effective date of declaration	July 23, 2020	July 19, 2023
Issuing date	July 31, 2020	September 20, 2023
The number of units issued	7,500 units (note 1)	8,000,000 units (note 2)
Ratio of the number of shares available for subscription to the total number of shares issued	0.87%	0.93%
Duration of subscription	7/31/2022 ~ 7/30/2026	9/20/2025~9/19/2029
Method of performance	Issuance of new shares	Issuance of new shares
Restrictive subscription period and ratio (%)	40% of the granted stock option certificate is exercisable after 2 years, 60% after 3 years, 80% after 4 years, and 100% after 5 years	40% of the granted stock option certificate is exercisable after 2 years, 60% after 3 years, 80% after 4 years, and 100% after 5 years
Number of shares subscribed	4,292,290	436,050
Amount of shares subscribed	738,705,274	82,849,500
Number of shares yet to be subscribed	3,207,710	7,563,950
Subscription price per share for the unsubscribed shares	160.80	190.00
Ratio of the unsubscribed shares to the total number of shares issued (%)	0.37%	0.87%
Impact on shareholders' equity	The granted employee stock option certificates after 2 years shall be exercised in accordance with the conditioned subscription period and ratio; also, the number of shares to be subscribed is 0.87% of the number of shares issued, which will not have significant impact on shareholders' equity.	The granted employee stock option certificates after 2 years shall be exercised in accordance with the conditioned subscription period and ratio; also, the number of shares to be subscribed is 0.93% of the number of shares issued, which will not have significant impact on shareholders' equity.
<p>■ Note 1: Each unit of stock warrant is exercisable for 1,000 shares.</p> <p>■ Note 2: Each unit of stock warrant is exercisable for 1 share.</p>		

(1) Name of the managers with employee stock option certificates obtained, the top-10 employees with stock option certificates obtained, the respective acquisition and subscription:

March 31, 2026

Units: Except for stock subscription price in NTD, NTS Thousand

	Title	Name		Number of Shares Acquired	Ratio of subscribed shares to total number of shares issued	Subscribed				Unsubscribed			
						Price of shares subscribed	Number of shares subscribed	Price of shares subscribed	Number of shares subscribed	Price of shares subscribed	Number of shares subscribed	Price of shares subscribed	Number of shares subscribed
Manager	President	Eric Chen	2020 employee stock option certificate	540,000	0.063	184,560	164.9	28,693	0.021	355,440	164.9	58,612	0.041
	President	Miller Chang											
	President	Linda Tsai											
	Corporate governance officer	Grace Liao											
	Accounting Officer	Mandy Lin											
	Corporate governance officer (Note2)	Imani Chen											
	President	Eric Chen	2023 employee stock option certificate	452,000	0.0523	0	194.8	0	0	452,000	194.8	88,050	0.0523
	President	Miller Chang											
	President	Linda Tsai											
	Corporate governance officer	Grace Liao											
	Corporate governance officer	Imani Chen											
	Accounting Officer	Mandy Lin											
	Top-10 employee (note 1)		2020 employee stock option certificate	230,000	0.027	101,000	164.9	17,042	0.012	129,000	164.9	21,272	0.015
			2023 employee stock option certificate	150,000	0.017	0	194.8	0	0	150,000	194.8	29,220	0.017

Note 1: Based on the company's salary confidentiality policy, individual names and positions are not disclosed.

Note 2: Former Corporate Governance Officer, Senior Manager Grace Liao, took a leave of absence without pay. As of October 26, 2024, Manager Imani Chen has been appointed as the acting Corporate Governance Officer.

6. New Restricted Employee Shares: NA

7. Status of new Shares Issuance in Connection with Mergers and Acquisitions: NA

8. Financing Plans and Implementation : NA

IV. Operational Highlights

1. Business Content

(1) Business Scope

- I. Major business operation of the Company:
 - (i) The design, assembly, combination, production, and trade of computer testing equipment and automated test systems;
 - (ii) The processing, manufacturing, and importing/exporting (except for the restricted items) of computers, electronics, and electrical components and devices;
 - (iii) The design, contracting, installation, and maintenance of computers and electronic control automation systems;
 - (iv) Computer software design;
 - (v) Handling the agency, quotes, bidding, and sales of the products referred to above on behalf of the domestic and foreign manufacturers;
 - (vi) The assembly, manufacturing, trade, and importing/exporting business of the wired and wireless communications equipment;
- II. Major products and business ratio of the Company:

Unit: NT\$ Thousand

Major product	Ratio	2025	
		Sales Amount	%
Embedded boards and Chassis		26,228,036	37
Industrial computer and industrial control		36,614,402	52
After-sales service and others		8,039,924	11
Total		70,882,362	100

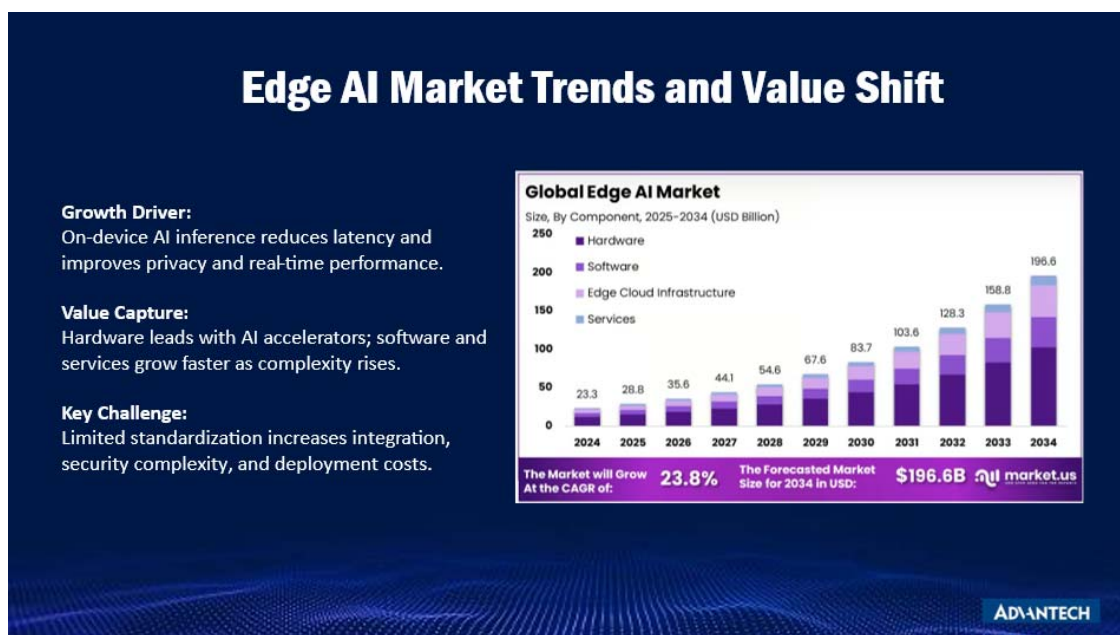
- III. The Company's currently offered products: Embedded board and case, industrial computer, and others.
- IV. New product development plan of the Company:
 - (i) Wireless IoT gateway and sensing devices
 - (ii) Edge AI computing platforms
 - (iii) Industrial connectivity and network security appliances
 - (iv) Industrial video platforms and solutions
 - (v) Industrial PaaS for industrial applications
 - (vi) WISE-STACK, a centralized private cloud and edge cloud
 - (vii) Solution suites for Industry 4.0 and intelligent factory
 - (viii) Solution suites for energy and environment
 - (ix) Solution suites for intelligent retail
 - (x) Solution suites for intelligent hospital and telehealth

(2) Industry Summary

I. Industry status and development

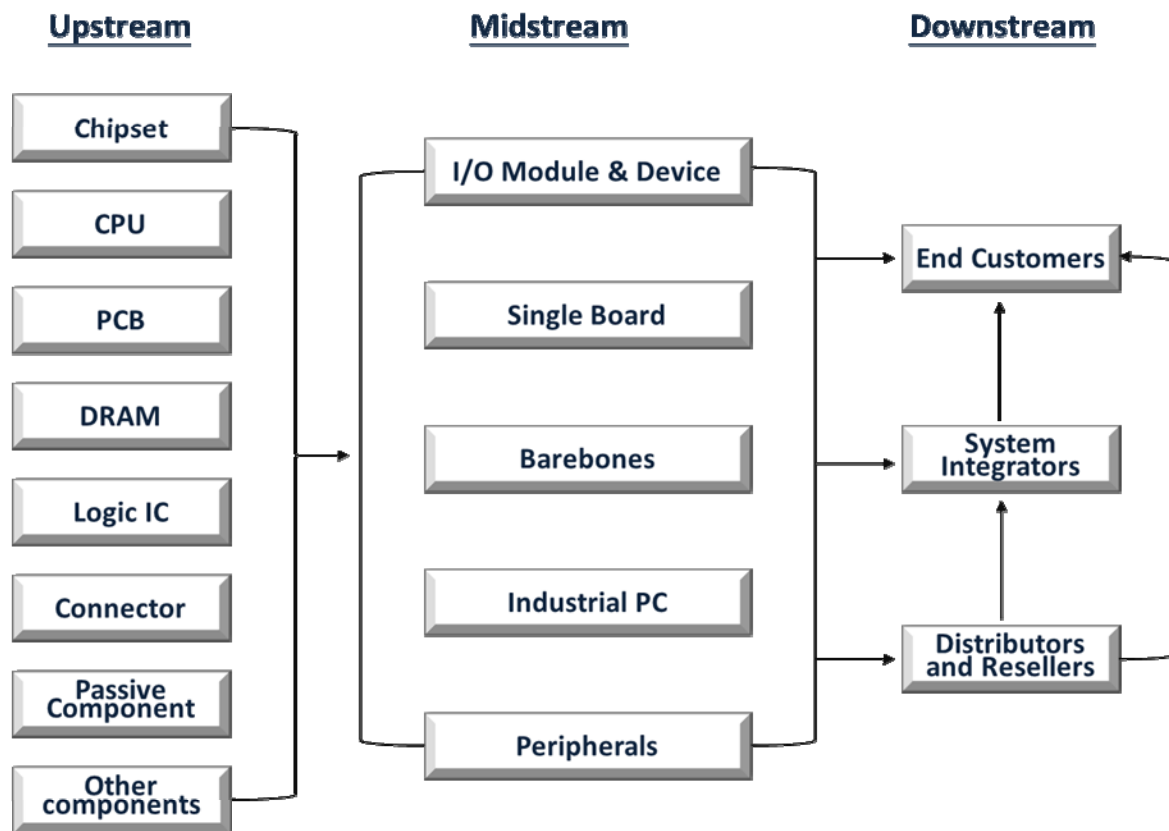
Industrial PCs (IPCs) were originally designed for industrial automation control, monitoring, and data acquisition. However, with the development of the Internet of Things (IoT) and embedded computing technologies, IPCs have gradually transformed into foundational infrastructure supporting various sectors such as manufacturing, healthcare, transportation, and smart cities. The role of IPCs has also evolved from simple device control to integrating AI and IoT—referred to as AIoT—enabling real-time analytics, predictive maintenance, and intelligent decision-making, thus driving industrial upgrades and transformation.

At present, the industry is entering the era of Industrial Edge Computing. According to Market.US, the global Edge AI market is projected to grow from USD 28.8 billion in 2025 to USD 196.6 billion by 2034, representing a CAGR of approximately 23.8%. Edge AI enables AI inference and analytics to be processed directly on edge devices, offering low latency, enhanced data privacy, and real-time responsiveness, making it particularly suitable for mission-critical industrial applications. Edge hardware continues to dominate the market, driven by the adoption of AI accelerators and on-device inference, while software and services are experiencing faster growth as deployment complexity and integration needs increase. However, the lack of standardization remains a challenge, increasing integration costs and slowing large-scale adoption [See Figure A]. Building on its strong IPC foundation, Advantech has progressively developed intelligent edge computing platforms, including WISE-IoT and the WISE-Edge cloud-edge collaborative platform, enabling enterprises to deploy AI solutions more efficiently and accelerate the adoption of intelligent computing across industrial applications.



Sources : 2025 Market.US Report

II. The supply chain in upstream, midstream and downstream
The supply chain of industrial PC and embedded systems



In recent years, artificial intelligence (AI) has rapidly evolved from cloud-based computing toward real-world industrial applications:

- The AI architecture has progressed across three key layers:
 - Cloud AI: Responsible for centralized model training, providing powerful computing capability and high-performance processing.
 - Edge AI: Focuses on low-latency execution and localized intelligence, enabling real-time decision-making.
 - Physical AI: Extends AI into the physical world, forming a closed-loop system of Perceive × Decide × Execute.
- The core operational logic of Physical AI is: Perceive × Decide × Execute.** This highlights that AI is no longer limited to data processing; it must possess integrated capabilities akin to **senses** (perceiving the environment), a **brain** (decision making), and **limbs** (executing tasks in the real world). This integrated capability also forms the key technological foundation driving industrial automation.
- Advantech positions itself as an enabler of Edge AI, helping integrate AI technologies into diverse industry applications. The following sectors have already collaborated with customers to develop AI-powered smart solutions:**
 - Logistics & Warehousing: Autonomous Mobile Robots (AMR) with environmental perception capabilities.
 - Smart Manufacturing: Highly autonomous production lines.
 - Logistics Management: Coordinated scheduling of large fleets or equipment.
 - Energy Infrastructure: Anomaly detection and early warning systems.

- Healthcare: Enhancing human–AI collaboration and operational efficiency.

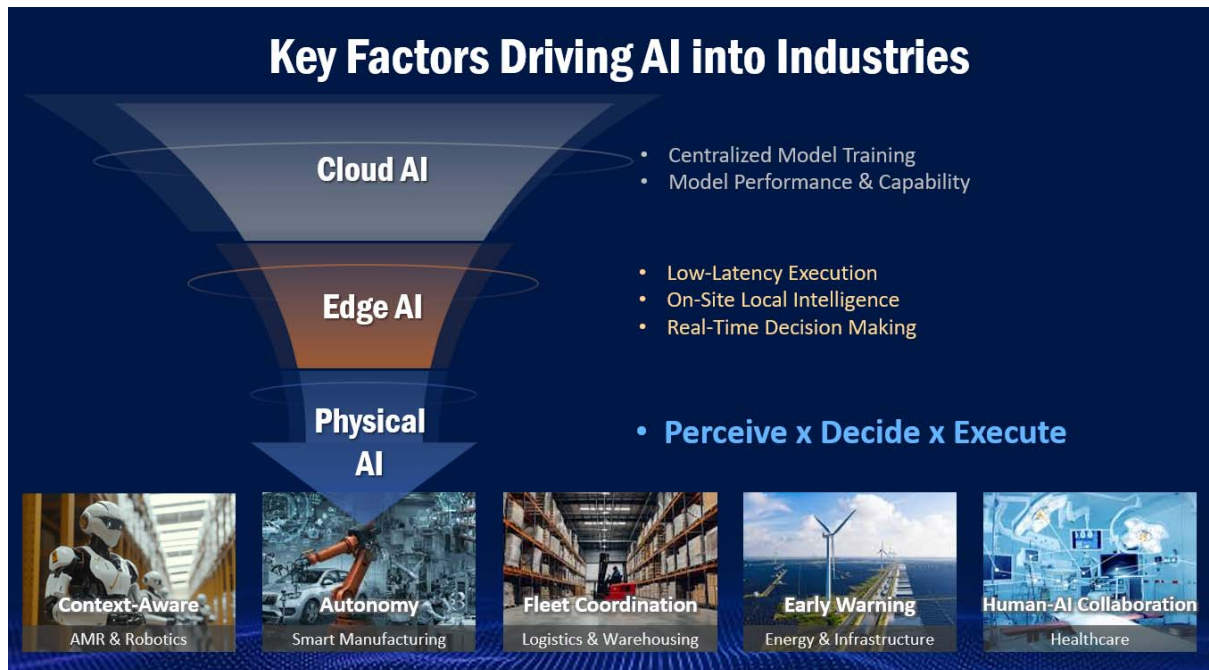


Figure: Physical AI integrates perception, decision-making, and execution, forming the key technological foundation that drives diverse industrial applications.

III. The industry development

Advantech has been deeply rooted in the AIoT + Edge Computing field for the long term. The next stage of the corporate strategic framework will be composed of three key dimensions: Platform, Orchestration, and Sector:

Advantech Strategic Framework, Leading AIoT Sector Driven Orchestration

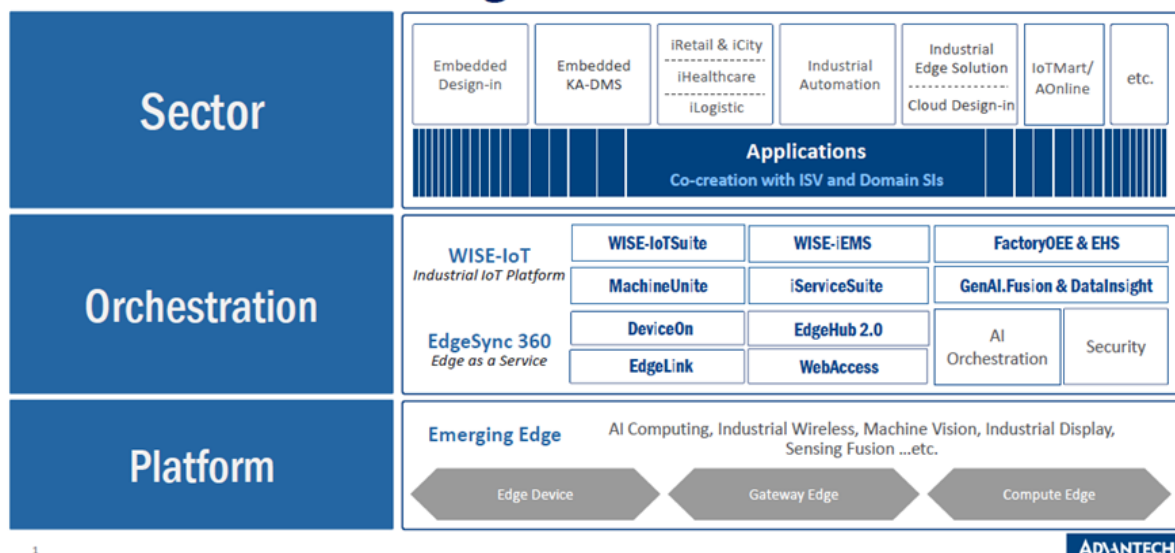


Figure: Advantech’s long-term strategic framework

Looking ahead, Advantech will continue to drive growth through a three-tier strategic framework: Platform, Orchestration, and Sector. At the Platform level, Advantech will focus on product innovation and diversification. At the Orchestration level, the company integrates its mature WISE-IoT software platform with the newly launched EdgeSync

platform—comprising EdgeSync API and EdgeSync SDK—to deliver a comprehensive cloud-edge collaboration architecture. This enables partners and customers to quickly develop and scale AI applications, significantly reducing complexity and accelerating time-to-market. At the Sector level, Advantech will further deepen its engagement with vertical markets and industry applications, enhancing service quality for OEMs and system integrators.

Advantech is actively transforming into an industry ecosystem leader centered on AI Agents and software-defined solutions. This transformation follows a three-stage long-term evolution, transitioning from a pure hardware platform to an AI-driven ecosystem, where the resulting value co-creation demonstrates exponential growth:

[Stage 1] Intelligent Industrial Platform:

Focused on automation and embedded platforms, establishing global scale and service capabilities.

[Stage 2] Integrated Industry System:

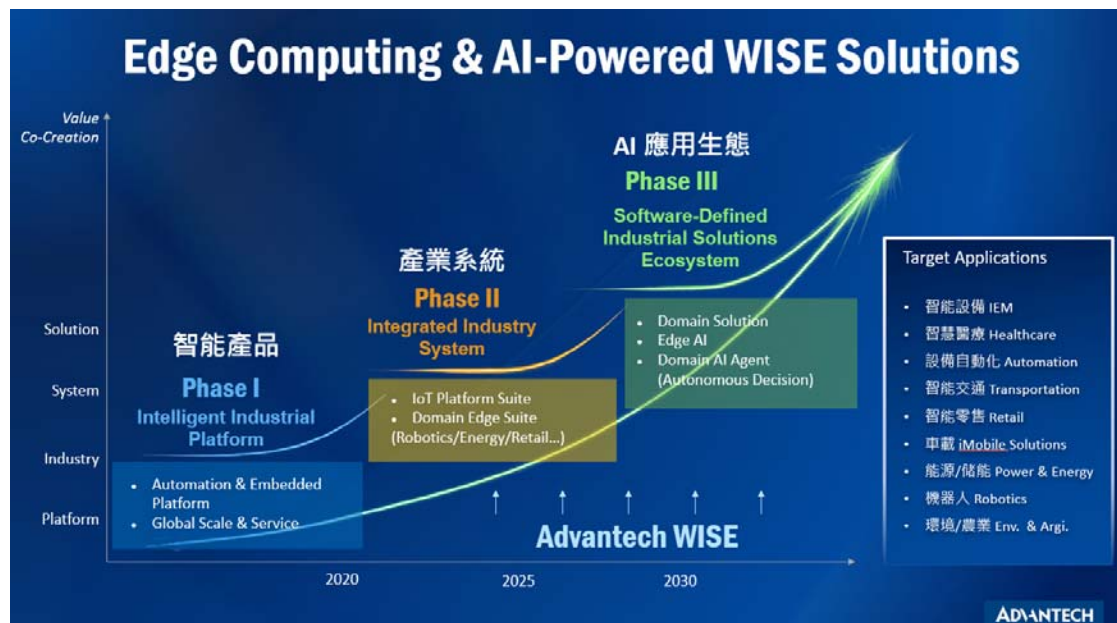
Integrates IoT platforms with domain edge suites (such as robotics, energy, and retail), moving toward a more system-oriented development.

[Stage 3] AI Application Ecosystem (Software-Defined Industrial Solutions Ecosystem):

Shifts the core toward software-defined industrial solutions, including **Edge AI** and **domain-specific AI agents (Domain AI Agents)** with autonomous decision-making capabilities.

Strategically, the company focuses on developing diversified target applications, including: Industrial and Manufacturing Applications: smart equipment, factory automation, and robotics; Smart City and Infrastructure Applications: smart healthcare, intelligent transportation, smart retail, and in-vehicle solutions.; Sustainability-Driven Applications: energy and energy storage, as well as environmental and agricultural solutions.

The next decade represents a golden era for the widespread adoption and in-depth application of AI, IoT, and Edge Computing across industries. Advantech will continue to leverage its sector-driven and intelligent orchestration strategies to stay ahead of market trends and fulfill its long-term corporate vision of “Enabling an Intelligent Planet.”



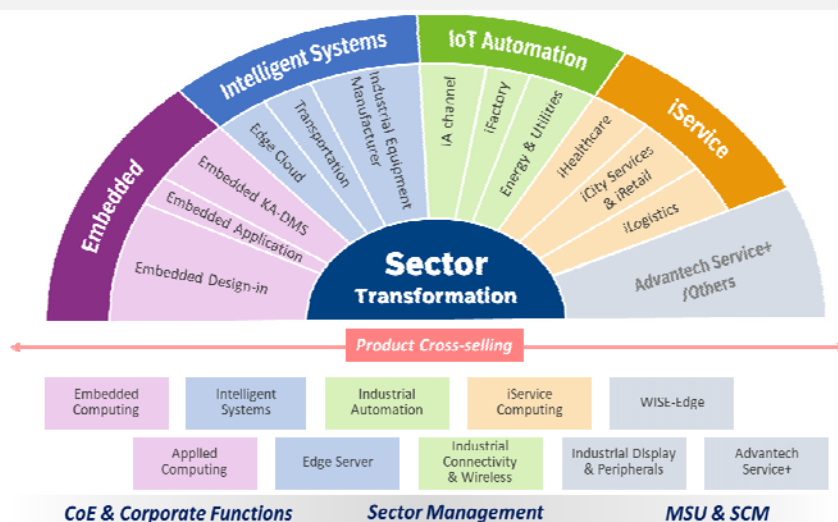
(3) Technology and Research & Development

- I. The R&D expense incurred in the most recent year and up to the publication of the annual report: Total R&D expense amounted to NT\$5,815,869 in 2025.
- II. Successfully developed technology or product:
The Company values the importance of R&D. In addition to dedicating massive manpower in product R&D in Taiwan, there are also R&D teams designated in the USA, Europe, and China to accelerate the product development speed and grasp the market development. The Company has more than six new products launched in every year and with 38 patents acquired domestically or internationally by the end of 2025.

(4) Long-term and short-term business development plan

- I. Short-term business development
 - **Diversified Operations to Manage Business Risks:** Advantech mitigates systemic risks associated with reliance on a single industry or country through a comprehensive industrial layout and a globally diversified sales network. By implementing a localized strategy and strengthening its global sales system under the Advantech brand, the company enhances its competitive differentiation. In recent years, Advantech has been progressing toward the goal of becoming a global enterprise. In addition to its key markets in China, Europe, and North America, it has also established direct subsidiaries in 27 countries, including Japan, South Korea, Vietnam, India, Malaysia, Italy, Australia, and New Zealand. In response to geopolitical risks, Advantech continues to strengthen its global manufacturing resilience. Its production centers include Linkou in Taiwan, Kunshan in China, and Fukuoka in Japan, with the recent addition of a new manufacturing site in Malaysia. Supported by a comprehensive global assembly network, Advantech is capable of flexibly meeting customer needs for global delivery and real-time marketing, thereby reducing uncertainties related to geopolitical risks.
 - **Anchoring the Sector-Driven Strategy to Power Future Growth:** Advantech is firmly committed to a Sector-Driven strategy, focusing on industry-specific markets. Future growth momentum will not only come from its core businesses but also from the parallel development of emerging application sectors, as well as strategic investments and mergers & acquisitions serving as diversified growth engines. Internally, Advantech is correspondingly strengthening and upgrading its core capabilities and talent development to embrace new models of corporate growth. The company's four major sectors include the Intelligent Systems Sector (iSystems), IoT Automation Sector (IAutomation), Intelligent Service Sector (iService), and Embedded Sector.

Advantech Business Structure of Sectors & BGs



On the investment front, Advantech completed the acquisition of Bitflow, a North American high-end image capture card company, in 2023, further enhancing its AI machine vision roadmap. In 2025, the company completed the equity acquisition of AURES Technologies SA, a renowned French POS and kiosk brand, which officially renamed ADVANTECH-AURES. This strategic move retains AURES' brand spirit and value proposition while integrating Advantech's deep industry expertise, aiming to establish global leadership in integrated solutions and services for the smart retail and hospitality markets, thereby strengthening Advantech's critical role in the smart city services domain.

II. Long-term business development

- Full Commitment to Edge AI Computing to Accelerate Digital Transformation Across All Industries:** With its extensive edge computing platform holding a strong market share in various sectors, the company is investing in the development of innovative products such as Edge AI acceleration modules, industry-specific Edge AI application systems, large language model training systems, and Edge AI servers. Advantech also offers a comprehensive AI software platform toolkit—Edge AI SDK—to help industrial customers evaluate AI platform performance and accelerate AI deployment at the edge device level across a wide range of industries. The edge computing platform already supports a wide array of mainstream AI chipsets and collaborates closely with leading chipmakers including Intel, AMD, Nvidia, Qualcomm, NXP, and MediaTek to co-develop and launch high-performance Edge AI computing platforms. These solutions are focused on emerging sectors such as 5G, networking, healthcare, transportation, automation equipment, and robotics. In addition, Advantech is increasing its investment in L11 rack system integration services, offering customers comprehensive assembly, integration, and testing for rack systems. Leveraging its global service locations, the company provides localized assembly and delivery, covering applications such as semiconductor front-end equipment, medical imaging, and video streaming, ultimately delivering end-to-end system solutions to customers.

- Advantech has established “Edge Computing & AI-Powered WISE Solutions” as its brand slogan for 2026–2027, demonstrating its commitment to deepening Edge Computing and AI-driven industrial solutions. To further strengthen the brand value of “Enabling the Future from the Edge,” the company plans to implement the following key strategies:
 - **Local Co-Creation, Global Connectivity:** Through localized co-creation marketing across regions and active participation in leading international exhibitions, Advantech aims to comprehensively enhance the brand credibility and global influence of its AI solutions.
 - **Hardware–Software Synergy, Ecosystem Empowerment:** Advantech will actively advance the WISE-IoT and the newly launched WEDA (WISE-Edge Developer Architecture) software platform, leveraging a containerized standard architecture to accelerate AI transformation across diverse industry applications.
 - **Establishing Industry Leadership:** Leveraging its strong hardware–software integration capabilities, Advantech aims to reinforce its position as a thought leader in the Edge AI domain and strengthen its industry influence, while continuing to consolidate its long-term leadership in the global edge computing market.



Figure: Advantech Brand Slogan “Edge Computing & AI-Powered WISE Solutions”

2. Market, Production, and Sales Review

(1) Market Analysis

I. Main product and main market:

Area	Unit: NT\$ Thousand	
	2025	%
Asia (including Taiwan)	29,003,229	41
America	22,617,208	32
Europe	13,964,113	20
Other	5,297,812	7
Total	70,882,362	100

II. Market share and competition landscape

- (i) Embedded board and IPC markets will benefit from rising demand in new application markets

Advantech has multiple sales channels. The Company produces and markets embedded board and IPC products through distributors, machine/equipment manufacturers, system and integrators, all of whom consolidate our devices through their own value-added development for sale to end users including manufacturers, public transportation systems, airports, and any field that requires computing capability to enhance their information collection and operating efficiency.

Given the variety of form factors, diversity of application markets, and ASP difference, the total market size of embedded systems is difficult to estimate, especially when embedded boards can be integrated into virtually any type of machine, equipment, or system. In addition, the M&As have made it even more difficult to precisely estimate our market share, given the limited disclosure after consolidation. For example, B&R Automation (a peer in Europe) was acquired by ABB in 2017; Kontron (another peer in Europe) was acquired by Ennoconn in 2017 as well. Radisys (a peer in the US) was acquired by Reliance and delisted in 2018.

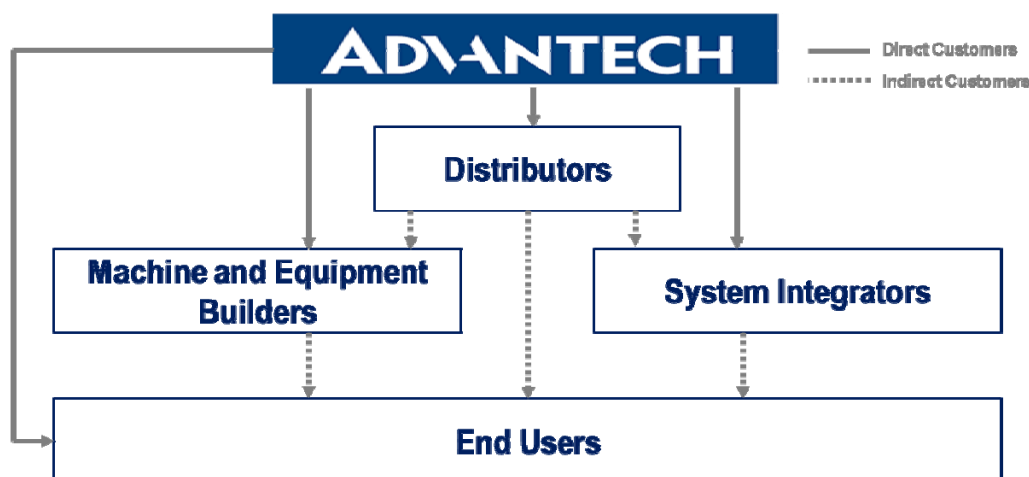


Figure : Advantech has multiple selling channels

With the development of computer technology and communication infrastructure, the application scope of embedded boards and industrial computers has gradually expanded beyond industrial applications to include sectors such as retail, logistics, buildings, hospitals, and other smart city applications. The market share for traditional industrial PC.

(ii) World Market share of Industrial PCs

According to the international research and investigation institute OMDIA, Advantech Co., Ltd. shows a stable and increasing share in the global industrial computer IPC market, as the leader in the industry with 41.5% market share globally by 2025. In response to ESG trends, energy transformation and the subsidiary policies offered by governments worldwide, the robust demand for infrastructure deployment particularly in Europe, North America and China will show double-digit growth in the next 3~5 years. Advantech focus on green energy, EV battery, charging station, energy storage equipment and services in its marketing strategy. Moving forward, Advantech will deepen its Sector-Driven industry market-driven strategy and Orchestration collaborative model, accelerating system integration and application implementation, aiming to maintain its leadership position in the industry.

World Market Share Industrial PCs



Figure: Advantech is the world's leading industrial computer factory, accounting for 41.5% of the global market in 2025.

(iii) Supply, demand, and product competition

As Large Language Model (LLM) technologies continue to mature, AI applications are rapidly expanding from centralized cloud data centers to edge endpoints. A new wave of industrial transformation across sectors such as healthcare, retail, and smart warehousing is gaining momentum. Since its founding, Advantech has remained deeply committed to edge computing, continuously strengthening its global footprint while enhancing operational and manufacturing capabilities. To capture this emerging AI wave, Advantech's four Strategic Business Groups (SBGs) are simultaneously expanding their Edge AI hardware and software portfolios. On the hardware side, collaborative development with leading global chip suppliers has already delivered tangible results. On the software side, in addition to further advancing the WISE-IoT platform, Advantech has launched the WEDA development architecture, leveraging an open architecture to unite industry partners and deliver precise edge software solutions tailored to vertical industries.

Throughout its development history, Advantech has successfully undergone two major transformations, propelling the company to become an international enterprise and enabling steady expansion through a matrix organizational structure. Moving forward, the company will continue to drive its next phase of growth through multiple engines, including its Sector-Driven strategy, strategic acquisitions, and emerging business initiatives. In addition, Advantech places strong emphasis on the future potential of Generative AI. Internally, the company has established an AI Orchestration Center, focusing on the adoption of external AI technologies, the development of AI use cases across different application domains, and the alignment of demand between AI technology teams and application units to ensure effective implementation. Advantech plans to focus on high-performance AI edge computing platforms to accelerate digital transformation across industries in 2025. In terms of product development, the company will prioritize the development of diverse Edge AI products and integrated software platforms, enabling industries to accelerate the deployment and application of AI at the edge device level.

Looking ahead, we expect AI-enabled hardware to account for more than 30% of total hardware sales by 2026. Advantech will thereby evolve from a global leading embedded computing hardware manufacturer into a global leader in Edge AI industrial application solutions. With the values cultivated over more than 40 years, Advantech will continue to create outstanding value for customers, employees, shareholders, and society.

(2) Explanation of Intellectual Property Rights on Annual Report


I. In the formulation of intellectual property rights management policies, goals, and systems related to Advantech's operating strategies :

In accordance with Advantech's unique business operation characteristics, that is, the production method of a small number of diverse products. To set a small amount of effective and well quality intellectual property per Advantech's policy and goals, and establish the following intellectual property rights system:

1. Formulate the patent management measures:

- A. In accordance with the patent management measures, establish a patent application and inquiry platform PLM / EPM Portal, and share patents on the PLM / EPM Portal platform with other colleagues in need such as R & D, Sales, PM and factory departments.
- B. The patent applications will be aligned with the company's future industry development direction, focusing on applying for invention patents. We encourage the application of invention patents and will report the status of patent applications from each R&D unit at the year-end board meeting.
- C. Establish an SOP for handling intellectual property disputes to handle various intellectual property disputes in the most efficient way.

2. Formulate the trademark management measures:

- A. Uniformly apply for trademarks  worldwide where major branch offices are located.
- B. In the event of any third party infringing on Advantech's trademark, the Legal Department of the Headquarter will assist the branches worldwide to safeguard Advantech's trademark's rights.
- C. In the "2025 Best Taiwan Global Brands" ranking, IPC leader Advantech (2395) advanced from fifth to fourth place, demonstrating outstanding performance, with a brand value of US\$896 million, representing a 5% year-over-year increase.

3. Copyright protection

According to Advantech's development strategy, the hardware will enter the stage of combining both software and hardware. Advantech will fully promote the WISE-PaaS platform. Software copyrights derived from the WISE-PaaS platform are protected through licensing contracts with users and software developers and/or software suppliers.

4. Protection of business secrets

Through the provisions in the employment contract and reminders during employee onboarding training, we ensure compliance with confidentiality requirements. We will also work with external firms to identify potential leakage points of trade secrets in the R&D process, establishing a classification system for confidential documents and implementing control measures to prevent such leaks. Additionally, Advantech plans to introduce file encryption protection software to encrypt files

on personal computers in the R&D department, ensuring that if files are stolen by hackers, the encrypted files cannot be accessed by them. This will help ensure that company data is not maliciously disclosed or sold publicly.

III. To establish and implement management systems for the acquisition, protection, maintenance, and use of intellectual property rights according to scale and type:

1. In accordance with the Patent Management Policy, the Company applies for, maintains, and manages patents, and, pursuant to the Trademark Management Policy, registers trademarks in major countries where its global subsidiaries operate. In the “2025 Best Taiwan Global Brands” ranking, Advantech (2395) advanced from fifth to fourth place, demonstrating outstanding performance, with a brand value of US\$896 million, representing a 5% year-over-year increase. Since 2018, Advantech has consistently ranked among the top five international brands in Taiwan for eight consecutive years, reflecting strong global competitiveness and long-term brand value, and earning high recognition and support from customers worldwide.
2. Establish an online patent application and inquiry platform (PLM/EPM Portal) to provide R&D, industry representatives, PMs, factories and colleagues in need to inquire about relevant patent status online. In addition to avoiding patent risks, it can further form patent barriers for competitors' products to enter.
3. In response to the development of Advantech products from hardware to both software and hardware, legal affairs have formulated various authorization contracts to protect software copyrights derived from products. Hope to enhance the competitiveness of hardware products through copyright protection.
4. Sign confidentiality agreements with employees and establish a classification system for document confidentiality levels. Advantech also implements multiple control measures for data protection, which can be broadly categorized from external to internal as follows: next-generation firewalls, application firewalls, malicious email gateways, domain controller permission management, privileged account management, system access control, Microsoft local administrator password solution, malicious link detection and blocking, endpoint malicious behavior detection and protection, two-factor authentication, vulnerability detection and remediation, critical data backup, regular updates, and blocking of malicious website lists.

IV. Determine and provide the resources needed to effectively implement and maintain the intellectual property rights management system:

All R & D units will allocate R & D expenses to pay for the patent application, maintenance of patents, and payment of bonuses to inventors to effectively implement and maintain the intellectual property rights management system. Pre-deducted R&D expenses are used to pay for the expenses incurred in various intellectual property disputes.

V. Observe the risks or opportunities of intellectual property rights management both inside and outside and take corresponding measures:

The externally appointed patent and trademark office will regularly monitor the patent and trademark applications related to Advantech, and provide relevant information to Advantech's

R&D personnel on the PLM / EPM Portal platform, in order to track the latest technology status of the industry and related intellectual property rights risks.

VI. Plan and implement a continuous improvement mechanism to ensure that the operation and effectiveness of the intellectual property management system meet Advantech's

expectations:

At the beginning of each quarter, Legal Department will report to the chairman all the implementation status of the previous quarter intellectual property rights, such as patent application and maintenance status, patent litigation status, trademark application and maintenance status, and copyright protection status for the further review.

(3) The Company's other products awarded in recent

Year	Awards
2025	<ul style="list-style-type: none"> • Advantech ranked No. 4 (with brand value USD 896 Million) in the Taiwan Top 20 Global Brands Award, with a 5 % growth in brand value. • Received the 4th place in the Large Enterprises Manufacturing Category of the "2025 Excellence in Corporate Social Responsibility" and the "Talent Sustainability Award" from Commonwealth Magazine, and also recognized for the first time with the Commonwealth Parenting Friendly Workplace Award. • Winner of the 34nd Taiwan Excellence Awards 2025 : TREK-50N - Rugged AI Computing Built for Autonomous Heavy Vehicles 、 AIR-420 - Edge AI Application Server 、 DS-011 - Ultra Slim and Low Power Edge-AI PC Box. • Ranked in the Top 5% in the 12th corporate Governance Evaluation by Taiwan Stock Exchange (TWSE). • The "WISE-IoT Andon AI-Powered Digital Solution" and "LEO-L50 Outdoor Asset Management Device," have won the prestigious 2025 iF Design Award. • Advantech's Edge AI Application Server and Ultra-Slim Battery-Free NFC ePaper Solution Honored with 2025 COMPUTEX Best Choice Awards. • Advantech continues to advance its ESG initiatives and has received international recognition with an EcoVadis Silver rating, reflecting strong performance in environmental practices, labor and human rights, business ethics, and sustainable procurement.
2024	<ul style="list-style-type: none"> • Advantech has been selected the Top 5 of "2024 Best Taiwan Global Brands" with a brand value of US\$851 million. This marks the seventh consecutive year that Advantech has ranked among top 5 of the "Best Taiwan Global Brands" since 2018. • Received the 4th place in the Large Enterprises Manufacturing Category of the "2024 Excellence in Corporate Social Responsibility" and the "Talent Sustainability Award" from Commonwealth Magazine. • Advantech self-developed " AIR-520 On-premise Large Language Model (LLM) Edge AI Server " and "IEC-61850-3 Certified Fanless Server ECU-479" have both been honored with the Silver Award at the 33rd Taiwan Excellence Awards. <p>Advantech's six products were selected for the Taiwan Excellence Awards, including:</p> <ol style="list-style-type: none"> 1. AIR-520 On-premise Large Language Model (LLM) Edge AI Server 2. IEC-61850-3 Certified Fanless Server ECU-479 3. Asset Tracking and Management System LEO-L50 4. Medical-Grade Expandable AI Workstation USM-300 5. Modular Train Digital Controller ITA-580 6. Ultra-Thin and Battery-Free NFC ePaper Solution EPD-303 <ul style="list-style-type: none"> • Advantech Wins a Place Among the World's Top 10% Benchmark Sustainable Companies of S&P Global Sustainability Yearbook. • Received the 1st Prize in the "Comprehensive Performance - Electronics and Technology Industry" category at the 20th ESG Enterprise Sustainability Awards from Global View • Ranked in the Top 5% in the 11th corporate Governance Evaluation by Taiwan Stock Exchange (TWSE). • Recognized by the U.S. financial media "Institutional Investor IIResearch" in the 2024 Asia Pacific (Ex-Japan) Executive Team Rankings for Best Investor Relations, Best IR, Best CEO, and Best CFO. • Selected among the "Top 100 Foreign Institutional Favorites" in the evaluation by the Taiwan Institute of Directors.
2023	<ul style="list-style-type: none"> • Advantech ranked No. 5 (with brand value USD 776 Million) in the Taiwan Top 20 Global Brands Award, with a 23% growth in brand value. • Received the "Electronics Technology Industry Group" Model Award in Corporate Social Responsibility (CSR) Excellence from Global View's CSR Awards. • Awarded the Silver Prize in the Taiwan Corporate Sustainability Awards (TCSA) for its corporate sustainability report. • Ranked in the Top 5% in the 10th Corporate Governance Evaluation by Taiwan Stock Exchange (TWSE). • The 30th Symbol of Taiwan Excellence Winner for EPD-230 Wireless Electronic Paper Solution for Smart Factories and the EI-52 Miniature High-Efficiency Edge Intelligence System, both of which are authorized to use the Taiwan Excellence logo. • Winner of the 32nd Taiwan Excellence Awards 2024: Compact Industrial Computer System IPC-320, Fanless Edge AI Inference Systems MIC-770 V3/ MIC-75GF10/ SKY-MXM-A2000, USC-365 POS Computer Smart Retail

Year	Awards
	Terminal. <ul style="list-style-type: none"> • Recognized by the U.S. financial media “Institutional Investor IIResearch” in the 2023 Asia Pacific (Ex-Japan) Executive Team Rankings for Best Investor Relations, Best IR, Best CEO, and Best CFO. • Selected among the “Top 100 Foreign Institutional Favorites” in the evaluation by the Taiwan Institute of Directors.
2022	<ul style="list-style-type: none"> • Advantech ranked No. 5 (with brand value USD 776 Million) in the Taiwan Top 20 Global Brands Award, with a 23% growth in brand value. • Received the "Electronics Technology Industry Group" Model Award in Corporate Social Responsibility (CSR) Excellence from Global View’s CSR Awards. • Awarded the Silver Prize in the Taiwan Corporate Sustainability Awards (TCSA) for its corporate sustainability report. • Ranked in the Top 5% in the 9th Corporate Governance Evaluation by Taiwan Stock Exchange (TWSE). • Selected for the Taiwan Sustainability Index, Taiwan Corporate Governance 100 Index, and Taiwan Stock Exchange and GreTai Securities Market Friendly Environment Index. • Received the Innovation for Wellbeing Award from the Taipei Overseas Chinese Business Association.

(4) Main Applications of major products and their manufacturing processes

I. Main applications of major products:

(i) Embedded Computing

Including Computer On Modules, Industrial Motherboards, Industrial Display Systems, Fanless Embedded computer, and Digital Signage Players. The main function is based on PC core control module with high performance applications and streamlined platforms design, so system integrators can reduce product development time.

(ii) Industry Automation

Advantech provides customers several standard solution ready packages and products, like Embedded Automation Computers, Human Machine Interfaces, Industrial Communication, Machine Automation, Remote I/O Modules and so on. Build stable automation operation with real-time monitoring solution.

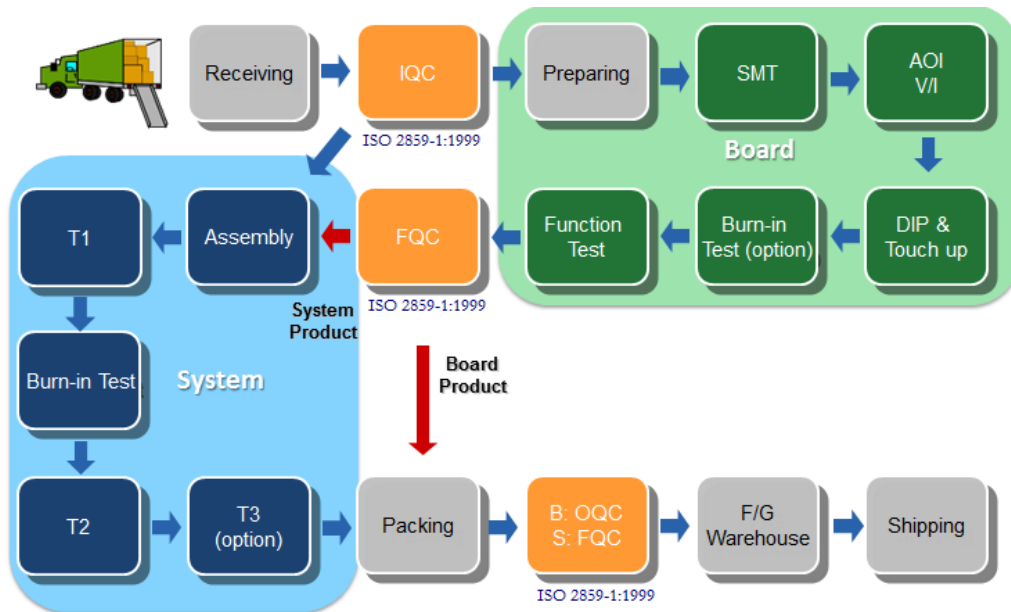
(iii) Intelligent System

As a leading provider in the industrial computing market, Advantech is committed to giving more value-added solution and services for the implement of IoT development, Data Acquisition (DAQ) & Communication, Industrial Servers & Storage, Intelligent Transportation Systems, Video Solution, modular IPC are included.

(iv) Intelligent Services

Advantech not only fulfills customer requirements, but also makes expansion more flexible for various applications. The product lines are well completed, such as Point-of-Care terminals, All-in-one Service Touch Computers, Industrial Mobile Computers, Medical Carts and POS system ...etc., are applied in each field of retail information delivery, healthcare environment and logistics management.

II. 5.2.2 The production process of main products:



Advantech Process Control Chart

(i) Board Level Production Flow

After the warehouse receives material from vendors, well-trained IQC personal will do the sampling inspection for the incoming material, only accepted material will be stored and follow the FIFO mechanism for materials preparation under work order requests. Advantech adopts the RoHS standard to perform lead-free solder printing for the SMT process, followed by 100% AOI and homemade AI AOI plus visual inspection for double quality check, followed by machine and manual insertion for the DIP process. Lastly, performing a full function test to ensure the quality is in accord with industrial standards. After packing, OFQC inspection will be performed before shipping worldwide.

(ii) System Level Production Flow

Similar to board products, only accepted material will be stored and follow the FIFO mechanism for materials preparation under work order requests. The well-trained operators will follow SOP to assemble the system product with homemade AI AOI and full function test to ensure the assembly quality. The Production Shop Floor Information System will monitor each unit should pass all the rigid tests above before moving to the packing process. FQC inspection will be performed before shipping worldwide.

(5) The Supply of Major Materials

Raw material	Availability
Integrated circuit <including chip>	Well
LCD	Well
Touch screen sensor <Glass>	Well
PCB	Well

Note: The raw material suppliers referred to above are reputable domestic and foreign manufacturers and have been doing business with the Company for years with a stable cooperative relationship held.

(6) The name, purchase (sale) amount, and ratio of the suppliers (customers) accounted for over 10% of the total purchase (sale) in one of the last two years, and the reason for the changes in purchase (sales):

I. List of Major Suppliers with over 10% of the total purchase in one of the last two years:

Unit: NT\$ Thousand

Items	2024				2025			
	Name	Amount	Percentage of the annual net purchase (%)	Relationship with the issuer	Name	Amount	Percentage of the annual net purchase (%)	Relationship with the issuer
1	Vendor A	4,244,214	14.6	None	Vendor A	5,004,225	14.2	None
2	Others	24,860,465	85.4		Others	30,184,141	85.8	
3	Total	29,104,679	100		Total	35,188,366	100	

Note 1: The names of suppliers accounting for more than 10% of total purchases in each of the two most recent fiscal years shall be disclosed, together with the respective purchase amounts and percentages. However, if contractual agreements prohibit disclosure of supplier names, or if the counterparty is an individual and not a related party, such suppliers may be identified by code instead.

II. List of Major Customers with over 10% of the total sales in one of the last two years:

Unit: NT\$ Thousand

Item	2024				2025			
	Name	Amount	Percentage of the annual net purchase (%)	Relationship with the issuer	Name	Amount	Percentage of the annual net purchase (%)	Relationship with the issuer
1	Others (Note)	59,786,293	100.00	None	Others (Note)	70,882,362	100.00	None
2	Net sales amount	59,786,293	100.00		Net sales amount	70,882,362	100.00	

Note: No single customer accounts for more than 10% of total sales revenue

3. Employee information

March 31, 2026

Year		2024	2025	As of March 31, 2026
No. of Employee	Direct staff	2,664	3,109	3,025
	Indirect staff	6,185	6,385	6,487
	Total	8,849	9,494	9,512
Average age		38.9	38.9	41.5
Average seniority		7.1	7.1	8.31
Academy Ratio	Ph.D	0.4	0.29	0.29
	Master	19.4	19.27	19.27
	College	45.9	44.04	44.04
	Senior High School	27.9	28.33	28.33
	Below Senior High School	6.5	8.06	8.06

4. Expenditures on Environment Pollution Control

(1) Total amount of losses or damages suffered due to environmental pollution in the most recent year and the current year up to the reporting date of the annual report: Advantech has not suffered any losses or been subject to any environmental penalties by environmental authorities due to an environmental pollution incident.

(2) Response measures, corrective actions, and material environmental capital expenditures
 Advantech is fully aware of the environmental impact of the product manufacturing processes. Advantech is committed to continuously deepening green operations and sustainable development and has implemented the ISO 14001 environmental management system since 1996 and the OHSAS 18001 (which was revised to ISO 45001 in 2020) occupational health and safety management system since 2005. Advantech takes practical actions to comply with relevant government environmental protection and occupational health and safety laws and regulations. Advantech is committed to reducing the overall environmental, health, and safety impact in activities such as greenhouse gas management, product design, use, and disposal; also, it aims to achieve the goals of environmental protection and corporate sustainability through the participation and commitment of employees as a whole.

In addition, Advantech upholds its core values of being a global citizen to conduct voluntary greenhouse gas inventory in accordance with ISO 14064-1:2018 and the Greenhouse Gas Protocol; also, complete third-party verification since 2019. In recent years, we have continuously managed greenhouse gas emissions based on annual inventory results, and have also made efforts in product design, material management, product energy efficiency improvement, and the use of renewable energy. Furthermore, all of our plants in Taiwan have achieved ISO 50001 certification since 2023, and in the same year, we joined the RE100 initiative in 2023, declaring our commitment to fully utilize renewable electricity by 2040.

(3) Environmentally friendly product design

Advantech's environmental philosophy is "pollution prevention," "using less energy and raw materials," "waste reduction," "cleaner production," etc., emphasizing reducing pollution by changing production processes, rather than simply addressing pollution issues with a terminal disposal process. In the process of promoting waste reduction, Advantech incorporates waste packaging material recycling, and strives to recycle and reuse packaging materials. A circular economy approach is promoted internally with multiple tin dross separators purchased to recycle and reuse waste tin dross in production lines. In addition, Advantech minimizes the use of raw materials and energy in product design and production technology selection; it also applies energy-saving designs to achieve circularity. Apply the ISO 14001 environmental management system and exercise the expected functions of "pollution prevention" and "life cycle assessment" to help Advantech increase profitability while improving environmental performance.

Climate change, environmentally related hazardous substances in products, and occupational health and safety and human rights have become important issues in corporate social responsibility in recent years. Advantech has these aspects listed as key concerns of the green supply chain management. Taking the management of environmentally related substances as an example, Advantech has revised its internal management standards for various environmental policies accordingly.

In addition to the aforementioned eco design specifications, all Advantech's products have been processed in accordance with the safety certification procedures during the design and development phase so to ensure their compliance with safety certification requirements.

Advantech complies with internationally issued environmental protection laws and regulations, 100% adhering to international eco product standards, implementing the life cycle assessment (LCA) from the effective use of natural resources to the prohibition of hazardous substances and the proper management of waste. Advantech's products are promoted as eco products from

the aspects of safety, energy conservation, and environmental protection.

(4) Environmental protection management

Advantech in the pursuit of the continuation of human life and the preservation of the Earth's green environment is committed to minimizing the overall environmental, health, and safety impact of its product design, use, and disposal activities, and is committed to complying with relevant regulations. Moreover, Advantech achieves environmental protection and sustainable corporate development through the participation and commitment of all employees. Advantech's environmental promotion procedures and actions are as follows:

■ Advantech's Environmental Promotion Procedures and Actions

Promotion Procedures	Certificate validity	Management Actions
Environmental protection-related management and operation regulations	-	<ul style="list-style-type: none"> • Pollution prevention and control • Environmental responsibility training, such as: water conservation, waste reduction, and resource recycling. • Environmental management system maintenance • Greenhouse gas management • Energy performance monitoring and improvement
Environmental Management System (ISO 14001)	2026/12/02	
Greenhouse gases (ISO 14064)	Issued on 2026-03-24. Annual inspection required. Validity unidentified.	
Energy Management (ISO 50001)	2029/03/19	

Advantech has established an environmental management system to better implement environmental protection planning and achieve effective resource use so to fulfill its commitment to green operations and sustainable development. We regularly review performance through the environmental management system and greenhouse gas inventory, and no environmental deficiencies or corrective actions were required in 2024. We have also established the Advantech Environmental Safety and Health Concept Framework through the "Environmental Safety and Health Committee" simultaneously, promoted green procurement, advocated energy conservation, and improved energy efficiency, with energy cost reduction listed as a key annual audit item, which including verification fees, Advantech's environmental investment in 2025 exceeded NT\$1,062,610 thousand, green procurement exceeded NT\$78,451,752 thousand, and renewable energy certificate purchases exceeded NT\$6,122,216 thousand, as shown in the table below.

■ Summary of Advantech's Environmental Investment Expenditures in 2025

Project	(NT\$ Thousands)
ISO 14001/ISO 45001 Environmental Safety and Health Management System Certification Fees and Pollution Source Monitoring Fees; ISO 14064 Certification Fees; ISO 50001 Energy Management System Certification Fees	1,062.610
Green procurement: Prioritize the procurement of products, raw materials, and office supplies with environmental protection labels such as energy saving, water saving, and carbon reduction.	78,451.752
Procurement of a renewable energy certificate	6,122.216

(5) Advantech's key environmental concerns are as follows:

(1) Use and management of water resources

There are distinct dry and rainy seasons in Taiwan, making water resources scarce. Inclement weather can lead to severe water shortages suffered by all industries. Advantech has reduced per capita water consumption in each factory through the use of water-saving faucets and toilets, as well as the promotion of water-saving measures. All of our factories are located in developed industrial parks or industrial zones in metropolitan areas, relying 100% on municipal water supply, without the use of groundwater or well water; therefore, our water consumption has no negative impact on surrounding water sources. Specific practices include:

1. Cooling tower monitoring and management
2. Cooling tower conductivity monitoring and management
3. Installing water-saving faucets
4. Smart water-saving irrigation
5. Monitoring and control of cooling water and chilled water systems in smart air conditioning systems.

(2) Waste Management and Circular Economy

Advantech is committed to implementing a zero-landfill waste policy and carrying out industrial waste reduction and recycling programs within its factories. Advantech has begun implementing the UL2799 zero-landfill waste management standard at its Taiwan plant since 2024, and at Kunshan plant since 2025. Currently, Advantech no longer uses any landfill methods to dispose of waste. Advantech also further optimizes waste management and reassesses the types and flow of its waste, and seek more opportunities for recycling and reducing the likelihood of waste directly ending up in incineration plants, thereby improving waste conversion rates. The self-assessed conversion rate for Advantech's major global operating locations and production plants was 81% (AASC, AESC, AJMC, and AKSC calculations only include industrial waste; some in-plant recycled waste is not included) in 2025, a 6% increase from 2024, indicating Advantech's continued investment and effectiveness in waste reduction and recycling management worldwide.

In terms of waste recycling and reduction, Advantech not only searches for manufacturers at the end-user level who can turn waste into recycled raw materials, but also collaborates with upstream suppliers, such as various packaging material suppliers for recycling and reuse, wooden pallets for reuse, and PCB design modifications to reduce e-scrap (e-waste). Waste is reduced through the reuse of solder dross within the factory. Advantech aims to minimize waste incineration, reduce environmental impact, and achieve the goal of sustainable resource recycling through a multi-party collaboration model involving Advantech's factories, suppliers, and waste management companies.

(3) Greenhouse gas management

Advantech is committed to reducing greenhouse gas emissions and effectively utilizing energy resources, striving to achieve its publicly committed carbon reduction targets in order to ensure the coexistence and mutual prosperity of environmental protection and corporate sustainability. Advantech, for the purpose of reducing operating costs, achieves its goals of reducing energy consumption and operating costs through the introduction of an energy management system (ISO 50001), implementation of an energy policy, target setting, and energy-saving projects. Mitigating energy impact: At the same time, Advantech is gradually achieving the RE100 target and promoting sustainable development by deploying renewable energy in various operating locations and combining the purchase of renewable energy certificates with direct procurement of green electricity from power suppliers.

In addition to conducting voluntary greenhouse gas inventory in Taiwan plants in accordance with ISO 14064-1:2018 and the Greenhouse Gas Protocol, Advantech has also had on-site verification conducted by third-party certification bodies since 2019. The organizational boundaries include the Ruiguang headquarters, the Yangguang Building, and Linkou Park. The scope of the inspections includes qualitative and quantitative inspections of Scope 1 (direct greenhouse gas emissions) and Scope 2 (energy indirect greenhouse gas emissions); also, the inspections of all items in Scope 3 (other indirect greenhouse gas emissions) have started since 2023. In addition to the plants in Taiwan and Kunshan Plant in China, Advantech has gradually implemented greenhouse gas inspections at all major overseas operating locations and manufacturing sites since 2024. Two new sites, AJMC (Japan) and AKSC (Korea), were added in 2024, and an AESC (Europe) site was added in 2025. Other major overseas operating locations and manufacturing sites will be gradually incorporated in the future.

Advantech has collaborated with clients on international carbon disclosure projects (CDP) since 2015. The CDP currently is the largest database for data related to climate change, with questionnaires sent annually out to survey companies regarding their responses to climate change and greenhouse gas emissions reductions, thereby assessing the risks and opportunities posed by climate change to these companies. Advantech bases on the regular annual CDP information disclosures to review potential risks in its operations and management in areas such as climate regulations, climate disasters, and other climate-related issues, and takes effective measures to reduce and eliminate these risks in order to meet the greenhouse gas management requirements of its international clients.

Electricity is the primary energy consumption of Advantech. Therefore, in order to reduce the environmental impact of products and production activities, Advantech has energy management policies established and implemented; also, has the ISO 50001 energy management system introduced in its main manufacturing plants to systematically manage energy audits, energy-saving solutions, and benefit analysis processes. At the same time, Advantech has established the intelligent smart energy management platform (iEMS), which can monitor energy consumption in real time, identify energy hotspots, and further optimize equipment operation so to improve power efficiency. Advantech has fulfilled its global RE100 commitment since 2023 with a global plan implemented. Advantech's energy management unit also holds regular energy project meetings to track progress and continuously improve energy efficiency and the use of renewable energy through inter-plant sharing and interaction.

Advantech Taiwan refers to Neihu headquarters and the Linkou Park. Building U at the Linkou Park has received the Gold-level Green Building Certification for new construction projects. Advantech, by transforming the Linkou Park into a pioneering smart building experimental field, concretely realizes two major smart building solutions, which are smart building energy management and smart scenario space management. Advantech has established a closely-linked smart building collaborative system through collaboration with industry partners related to smart buildings so to provide consultant-style sales services. For partners in the construction industry, the Linkou Park is an experimental field for collaborative research and development; for customers, the Linkou Park is an experience park for smart building solutions. Our customers can experience various smart building solutions developed through the collaborative system during their visiting Advantech's Linkou Park, including smart control rooms, smart parking, smart reception, smart meeting rooms, etc.

The main energy-saving solutions are as follows so to fully understand the current status of greenhouse gas and to ensure the effectiveness of emission reduction:

1. The Linkou Smart Park is composed of building energy management and human-based

energy conservation; the latter aims to make buildings smarter, including applications such as smart air conditioning, parking, and smart card access. Realize smart buildings and achieve effective energy conservation and avoid waste through intelligent management, including comprehensive sensing, reliable transmission, and intelligent operation, and cloud-based convenience for living experiences.

2. Smart power management, control the lights and projectors in the meeting room with one common button, such as presentation and discussion modes, preventing users from forgetting to turn off other power sources and causing unnecessary waste.
3. Switch to high-efficiency lighting fixtures. Currently, all regions are gradually replacing old light tubes with energy-saving light tubes, and all new Advantech buildings use energy-saving light tubes.
4. Replace in-person meetings with video conferencing whenever possible.
5. Prioritize the procurement of office equipment and electronic information products with energy-saving labels.
6. Set the indoor air conditioning temperature at 25°C.
7. Encourage employees to turn off lights when not in use.

(4) Advantech and Care for Nature

Advantech has begun focusing on biodiversity and forest conservation issues since 2022 and joined the Taiwan Nature Positive Initiative (TNPI) platform initiated by the Business Council for Sustainable Development, Taiwan. Take more proactive action on these issues so to enhance Advantech's corporate resilience; also, apply Advantech's IoT expertise to empower nature conservation. Advantech headquarters and overseas subsidiaries had conducted various activities related to biodiversity in 2025.

The Advantech Linkou Smart Park covers approximately 3.477 hectares of land and is located at an altitude of about 250 meters in the Linkou Industrial Park (Spatial Planning Act: Category I of Urban and Rural Development Areas), adjacent to the Shuikou Creek. The location of Linkou Park is crucial, situated within the core area of the Linkou Specific Area (Taoyuan section) as a "Wildlife Refuge Center" (Urban and Rural Development Area (I): Animal and Plant Refuge Buffer Corridor). Visible features include modern park buildings and some green landscaping, and collaboration with local government departments to adopt roadside trees around the Linkou Park. We carried out the biodiversity survey of the Advantech Linkou Park for the first time in 2025, covering plants and animals (including mammals, birds, butterflies, amphibians, reptiles, and insects) to assess biodiversity information and to plan future conservation directions. We will collaborate with government agencies to promote the vision of a conservation symbiotic community by referring to the governmental policies in the future.

In addition, Advantech's Linkou Park is committed to reducing negative environmental impacts and obtained the Green Building Certification (Gold Level) and Smart Building Certification (Qualified Level) from the Ministry of the Interior in 2025. Such an award not only affirms Linkou Park's hardware design but also manifests Advantech's leading strength in cultivating smart and green parks.

5. Labor-Employer Relation

- I. The Company's employee welfare measures, education, training, retirement system and its implementation, as well as the agreement between the employers and the employees, and the implementation of the employee's rights protection:

- (i) Employee welfare measures:

"People-centricity" is a core value of Advantech, while being a "Altruistic and Happy Enterprise" represents its corporate philosophy. "Work, Learning, and Love" serve as the driving forces behind employee growth. Through the "Advantech Beautiful Life –

ABLE Club,” in collaboration with the Employee Services and Welfare (ESW) function, the Advantech Foundation, and the Employee Welfare Committee, the Company encourages employees to pursue continuous learning, enrich their lives, and contribute to society beyond their daily work. Through a wide range of initiatives spanning sports, wellness, health, arts and culture, education, and social engagement, these programs foster interaction among employees, their families, and the broader community, thereby strengthening cohesion and promoting harmonious labor relations.

The Company believes that the employee will be able devote to work wholeheartedly and exercise their job strengths to create high quality products and promote the progress and prosperity of the whole enterprise only when their welfares and life security are protected.

■ The welfare measures directly handled by the Company:

1. Employee compensation
2. Labor insurance
3. National Health Insurance
4. Group insurance for employees
5. Annual health check-ups
6. Marriage, childbirth, childcare (ages 0–3), hospitalization, and bereavement subsidies / condolence payments
7. Emergency relief fund
8. Holiday and festive benefits (Dragon Boat Festival, Mid-Autumn Festival, birthdays)
9. Team-building allowance
10. Employee clubs and activities
11. Year-end party
12. Parental leave, family care leave, and Work from Anywhere policy
13. Employee stock ownership plan
14. Employee Assistance Programs (EAPs)
15. Learning and development programs (seminars and training courses)
16. Additional welfare programs organized by the Employee Welfare Committee, including travel, accommodation, massage services, cultural event packages, and sports tickets

(ii) Employee Training and Development

To cultivate talent and broaden employees’ global perspectives, Advantech has established a diversified and structured talent development framework centered around the “Advantech Academy.” Starting with on-the-job training, employees build professional capabilities through job-related assignments and hands-on experience. In parallel, the Company integrates in-person training with digital learning to create a learning ecosystem that operates across regions and time zones, providing employees with a continuous and accessible development environment. In addition to foundational and core competency training, Advantech invests in talent development programs such as Global APEX, High Level APEX, and Individual Development Plans (IDP). These initiatives are closely aligned with the Company’s business strategies, forming a global development platform that fosters continuous learning, accelerates talent growth, and enhances overall competitiveness.

The following section provides a brief overview of these learning programs.

(1) Structured Talent Development Framework: Four Academies

The Advantech Academy is structured into four academies—Management, Professional, General Education, and New Hire Academies—designed to address different career stages and competency needs, and to provide a consistent and scalable learning pathway.

- **Management Academy**
Programs are designed based on management levels and real-world scenarios, focusing on core leadership competencies such as goal and performance management, team leadership and talent development, cross-functional collaboration and influence, and organizational planning and staffing. The curriculum also incorporates workplace compliance and risk awareness topics (e.g., prevention of workplace misconduct), enabling managers to develop a consistent management approach and effectively lead teams, make talent decisions, and drive organizational governance.
- **Professional Academy**
Training programs are **aligned** with Advantech's core professional functions, covering areas such as AI, M&A, product management, sales, R&D, and marketing. Internal domain experts are engaged in needs assessment and content design, while learning topics and resource allocation are continuously updated in line with annual strategies and business priorities. This approach builds structured learning content across professional domains, helping employees strengthen expertise and practical skills to enhance overall competitiveness.

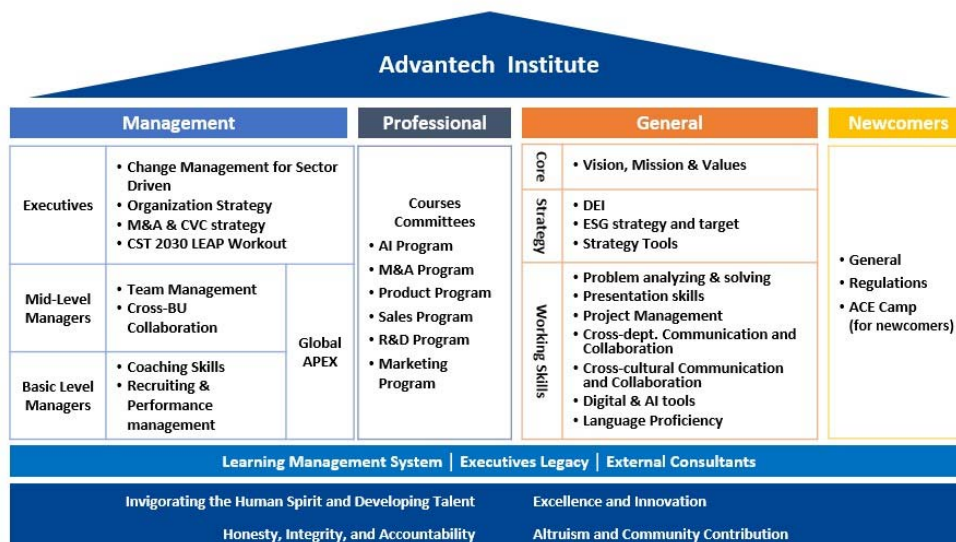
Domain AI Talent Development Program

In response to the Company's strategic direction and the accelerating adoption of AI, a tiered and practice-oriented capability-building framework has been established. This includes AI fundamentals courses (to build foundational knowledge), AI **certification** programs (to strengthen advanced tools and methodologies), and AI competitions (to promote cross-functional collaboration and real-world application). Together, these form an end-to-end learning pathway from foundational understanding to practical implementation, supporting digital transformation and business needs.

Key Achievements in 2025:

- **Structured learning pathway:** Established a progression from AI fundamentals to certification and hands-on competitions, enabling employees to advance from basic understanding to real-world application.
 - **Knowledge dissemination:** 259 participants in AI courses, fostering a shared cross-disciplinary foundation and common language.
 - **Capability validation:** 9 employees obtained AI certifications, strengthening measurable competencies in key tools and methodologies.
 - **Practical implementation:** 34 teams participated in AI competitions, resulting in 6 finalist cases, driving the application and knowledge sharing of AI across domains.
- **General Education Academy**
Focuses on reinforcing Advantech's vision and core values while supporting the execution of mid- to long-term strategic objectives. Training also covers essential soft skills such as cross-functional collaboration, communication, and language proficiency. In addition, topics such as diversity, equity, and inclusion (DEI) are incorporated to promote a respectful and inclusive workplace, supporting long-term organizational sustainability.

- New Hire Academy**
 Responsible for onboarding and integration support, helping new employees quickly understand organizational operations, workplace norms, and required knowledge and skills. This shortens the adaptation period and lays a solid foundation for future career development.



- (2) **Diverse and Self-Directed Learning Resources: Digital Learning (e-Learning)**
 Advantech has established the “Advantech Academy” online learning platform as a primary channel for sharing institutional knowledge, core values, and corporate culture, as well as communicating key company messages, activities, and professional knowledge and skills. The platform integrates learning resources based on the four academies and competency framework, incorporating both internal and external courses as well as recorded sessions, enabling employees to plan their learning independently according to job requirements and personal development goals, without limitations of time or location.

To enhance learning effectiveness, the platform continuously optimizes user experience and content governance mechanisms, promoting global knowledge sharing and resource integration.

Key features of the Advantech Academy online learning platform include:

- Structured content management and continuous updates**
 Courses are categorized under the four academies and competency framework, with regular reviews of annual strategic topics and mandatory training requirements to ensure ongoing updates of learning content.
- Resource integration and accessibility**
 The platform integrates internal training resources, licensed external content, and recorded live sessions. Search and tagging functions are provided, and user interface and experience are continuously optimized to improve accessibility and platform efficiency.

- **Support for new hires and managers**
Mandatory learning paths are provided for new hires, while managers are supported with course assignment and progress tracking tools, enabling visibility into individual and team learning progress and completion.
- **Knowledge retention and reuse**
Internal training sessions and expert knowledge sharing are recorded and uploaded, alongside technical forums and seminar replays, facilitating knowledge retention, reuse, and cross-regional sharing.

(3) Key Talent Development Programs: Global APEX and IDP

Global APEX Program

Talent is the key driver of corporate innovation and sustainable growth. Marking Advantech's 40th anniversary, the Company launched the "Advantech People of Excellence (APEX)" global talent development program in the fourth quarter of 2023. Driven regularly by headquarters, the program aims to deepen talent cultivation and strengthen succession planning for mid- to senior-level professionals.

Centered on the exchange and inheritance of Advantech's core competencies, APEX focuses on addressing real-world business challenges through proposal development and discussion. Through cross-business group and cross-functional learning, the program cultivates high-potential talent with integrated thinking and practical execution capabilities. In 2025, two global APEX programs were held, with a total of 64 high-potential participants from both domestic and international operations. The curriculum features senior executives, board members, and external experts and advisors as instructors, delivering thematic sessions and experience sharing. It also incorporates team interaction and cross-disciplinary engagement, enabling participants to build meaningful connections while deepening their expertise, thereby laying a solid foundation for future key roles and organizational succession.

IDP Program (Individual Development Plan)

Since launching the APEX global talent development program in 2023, Advantech has continued to cultivate and develop high-potential talent while strengthening succession. To further extend the program's impact, the Company has introduced the Individual Development Plan (IDP) as a follow-on development mechanism to APEX.

The IDP targets individuals who demonstrated strong performance or high potential in APEX. Based on their career aspirations and capability gaps, personalized development goals and action plans are defined. Through structured coaching and mentoring mechanisms, the program provides ongoing guidance and resource support, enabling employees to translate learning into real work scenarios and build the capabilities required for key roles. This initiative not only reinforces continuous talent development, but also fosters a coaching mindset among managers, supporting the establishment of a sustainable talent development culture. With standardized processes and tools, the IDP has become a cornerstone for cultivating Advantech's future leaders.

(4) Average training hours of employees

Year of data: take 2025 as an example	Male	Female	Not Disclose	Total
Total hours of E-Learning training	276,065.1	129,900.2	567.9	406,533.3
Total number of employees (note)	5,098	3,883	63	9,044
Average hours of E-Learning training per employee	54.2	33.5	9.0	45.0
Data coverage	Across Advantech Headquarters (including HQ business units, corporate functions, and Advantech Taiwan), as well as China, Japan, South Korea, Europe, North America (excluded Aures), and other overseas regions, total training expenditure amounted to NT\$31,793,393, with an average training cost per employee of NT\$3,515.41. Total training hours (including both online and in-person programs) reached 406,533.3hours, with an average of 45 training hours per employee.			

Note: The total number of employees is presented in Full-Time Equivalent (FTE).

(iii) Status and implementation of the old and new retirement systems:

(1) With respect to the employee retirement system, the Company complies with the Labor Standards Act and the Labor Pension Act in accordance with applicable regulations. The retirement system under the Labor Standards Act comprises two schemes: the old system and the new system.

- Old system: Employees who have reported to duty since June 30, 2005, may choose between the old and new retirement system. In accordance with the provisions of the Labor Standards Law, Advantech provides a retirement plan for all formal employees. As stated in the retirement plan, a pension payment is paid in accordance with the average years of service and the average salary six months prior to retirement. The Company has a pension reserve appropriated monthly and has it handled by the Labor Pension Reserve Committee and then deposited in the name of the Committee with the Bank of Taiwan.
- New system: Employees who have reported to duty since July 1, 2005, are subject to the new system. Those who have reported to duty since before July 1, 2005, may also choose to apply the new system. The Company has an amount equivalent to 6% of the monthly wages and salaries appropriated to the pension account of each employee. Employees may also discretionally set aside an amount equivalent to 0%–6% of their monthly wages and salaries to the pension account and the appropriated amount will be deducted from the monthly paycheck of the respective employee.

(2) For 2025, the recognized amount of contributions under the old pension scheme was NT\$19,406,927, while the recognized amount under the new pension scheme was NT\$2,423,824. Details regarding pension benefits and standards are governed by the Company's pension management regulations.

- (3) **Employee Pension Plan:** The Company's retirement system is implemented in accordance with the Labor Standards Act (old pension scheme) and the Labor Pension Act (new pension scheme). Under the old pension scheme, employees may apply for retirement upon meeting any of the following conditions: having completed at least 15 years of service and reaching the age of 55; having completed at least 25 years of service; or having completed at least 10 years of service and reaching the age of 60. In addition, the Company may enforce mandatory retirement in accordance with applicable laws for employees who have reached the age of 65, or who are unable to perform their duties due to mental or physical disability (as defined under Grades 1 to 6 of disability in the Labor Insurance system). Under the new pension scheme, an individual account system is adopted. Employees may claim pension benefits upon reaching the age of 60. Those with at least 15 years of contribution service may choose to receive pension benefits either in monthly installments or as a lump sum, while those with less than 15 years of service shall receive a lump-sum payment. Contribution service years may be aggregated. Employees may continue working and making contributions after receiving pension benefits and may claim payments periodically in accordance with applicable regulations. The new scheme also provides that the Company may enforce mandatory retirement for employees who have reached the age of 65 or are unable to perform their duties. The determination of retirement age shall be based on official household registration records.
- (4) Seats for retirement-related workshops are reserved for employees aged 55 and above, with priority given to their participation when programs are designed to support pre-retirement planning.
- (iv) **Protection measures for employee benefits:**
The Company has the Labor Welfare Committee and Labor Pension Reserve Committee established lawfully to plan, appropriate, reserve, and apply the benefit funds and pension reserves, and matters regulated by relevant laws and regulations; and to implement the employee benefits and welfare system in accordance with related specifications.
- II. Labor/employer dispute loss incurred in the most recent year and up to the publication of the annual report; also, disclosing estimated current and future loss and its countermeasure: None.

6. Information Security Management

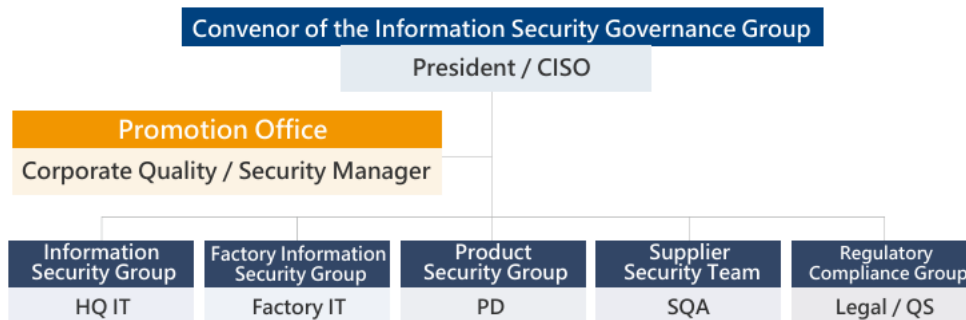
The company's information security risk management framework, information security policies, specific management plans, and the resources invested in information security management:

I. Information Security Policy and Governance

Advantech regards information security as a critical cornerstone of corporate governance and is committed to upholding the highest standards to safeguard business operations, product and service security, and customer data protection. To strengthen executive oversight and governance effectiveness, the Board of Directors oversees overall cybersecurity risks and major developments through the Risk Management Committee. In addition, the President personally serves as the Chief Information Security Officer (CISO), leading the company's global cybersecurity strategy and demonstrating the organization's highest-level commitment to information security.

With strong support from senior management, Advantech has established a cross-departmental Information Security Governance Task Force composed of IT, Quality Assurance, and Cybersecurity teams. This task force is responsible for key topics including information systems, physical environment protection, product security, supply chain security, and regulatory compliance. The task force holds quarterly meetings to review management performance, major cybersecurity issues, and strategic directions, and reports regularly to the Risk Management Committee. This ensures that cybersecurity governance becomes

an integral part of enterprise risk management and operational decision-making processes, enabling a top-down governance structure and oversight mechanism that enhances organizational resilience and sustainability maturity.



2.2.1 Information Security Governance Team Organizational Structure

To further strengthen the management of product-related cybersecurity issues, in October 2024, the company established a Cybersecurity Committee composed of representatives from R&D, IT Security, and Quality Assurance. Led by the head of the Quality Assurance department as the committee chair, the committee convenes regularly to discuss regulatory compliance for products, vulnerability handling, development processes, and related management topics.



2.2.2: Security Committee Organizational Structure

II. Information Security Management Strategy

The Company refers to the Cybersecurity Framework (CSF) 2.0 developed by the U.S. National Institute of Standards and Technology (NIST) in planning its cybersecurity development roadmap. The framework guides the necessary control measures across all stages of a potential cyberattack, including cybersecurity governance, and the measures required before an incident (Identify and Protect), during an incident (Detect and Respond), and after an incident (Recover).

In response to the U.S. Securities and Exchange Commission (SEC) rules on cybersecurity risk management, governance, and incident disclosure for listed companies, the Company conducts regular cybersecurity risk assessments, oversees the cybersecurity risks of third-party service providers, and has established incident response procedures and cyberattack recovery plans to ensure prompt action in the event of a cybersecurity incident.



Furthermore, Advantech actively participates in cybersecurity intelligence-sharing organizations, such as the Taiwan CISO Alliance and TWCERT/CC, to obtain real-time alerts, threat intelligence, and vulnerability information. This enables the Company to stay informed of external risks and take pre-emptive mitigation actions. At the same time, through continuous cybersecurity risk assessments, oversight of third-party supplier risks, regulatory compliance processes, and the product cybersecurity management mechanisms promoted by the Cybersecurity Committee, Advantech continues to enhance its overall cybersecurity governance maturity, strengthen operational resilience, and build a trustworthy global brand.

III. Specific Information Security Protection Measures

Category	Security Protection Measures
Network Protection Enhancement	<ul style="list-style-type: none"> • Update network firewalls and strengthen network segmentation • Implement privileged account management tools • Introduce Secure Access Service Edge (SASE) security architecture • Regularly review firewall rule appropriateness • Enhance domain server security protection • Deploy application firewalls to protect web applications • Implement multi-factor authentication to strengthen user identity verification • Deploy web filtering mechanisms
Endpoint Protection	<ul style="list-style-type: none"> • Deploy Endpoint Detection and Response (EDR) and antivirus tools • Monitor and analyze abnormal behavior
System Vulnerability Patching	<ul style="list-style-type: none"> • Regularly conduct system vulnerability scans • Implement tools to assist with system updates and vulnerability patching
Host Security Strengthening	<ul style="list-style-type: none"> • Build next-generation virtual machine systems • Implement host registry protection mechanisms
System Backup and Redundancy Mechanisms	<ul style="list-style-type: none"> • Backup critical information system data • Establish off-site system redundancy mechanisms and regularly conduct disaster recovery drills
Cybersecurity Risk Assessment	<ul style="list-style-type: none"> • Conduct annual cybersecurity risk assessments and improvements • Implement cybersecurity risk scoring tools • Incorporate cybersecurity risk assessments into vendor management
Personnel Cybersecurity Awareness	<ul style="list-style-type: none"> • Conduct cybersecurity awareness training • Conduct social engineering drills • Issue quarterly cybersecurity newsletters • Conduct cybersecurity competition events
Cybersecurity Management Standards	<ul style="list-style-type: none"> • Establish an information security management system based on ISO/IEC 27001 and undergo external verification • Implement product security development standards IEC 62443-4-1 and IEC 62443-4-2

IV. 2025 Cybersecurity Action Plans and Key Achievements

In 2025, Advantech centered its cybersecurity efforts on the core objectives of strengthening cybersecurity governance, enhancing operational resilience, and safeguarding stakeholder trust. Throughout the year, the Company advanced a comprehensive set of cybersecurity enhancement initiatives. The key focus areas and achievements in 2025 are summarized as follows:

Category	Key Highlights and Achievements
Cybersecurity Governance	<ul style="list-style-type: none"> • Hold regular quarterly meetings, with a total of four meetings held during the year. Establish a real-time reporting mechanism for major cybersecurity incidents to ensure that critical risks are escalated to the Risk Management Committee within 24 hours. • Conducted nine Cybersecurity Committee meetings during the year to drive product-related cybersecurity initiatives. • Completed ISO/IEC 27001:2022 transition audits for China, North America, and Europe. • Launched the Global KPI Dashboard. • Revised eight cybersecurity-related procedures and guidelines. • Allocated an annual cybersecurity budget of approximately NT\$14 million.
Risk Assessment and Security Testing	<ul style="list-style-type: none"> • Completed NIST CSF 2.0 Incident Response verification conducted by an external consulting firm. • Performed regular vulnerability scanning on servers (semi-annually for IT, quarterly for OT). • Outsourced website vulnerability scanning and BAS (Breach and Attack Simulation) testing. • Continued remediation of identified vulnerabilities and security weaknesses. • Regularly monitored and reported cybersecurity KPI measurement results. • Performed periodic data backup checks and data-center facility inspections.
Cloud / Network Security	<ul style="list-style-type: none"> • Achieved an annual average cybersecurity risk rating above 75 points. • Reached a Microsoft Secure Score above 70%. • Achieved Azure security score \geq 65%. • Completed WAF migration to strengthen external website protection. • Enabled 2FA for external employee portal login. • Achieved 100% deployment of Zero Trust NAC (Headquarters + Taiwan). • Implemented a network monitoring solution to enhance visibility and control of all connected devices. • Achieved an EDR monitoring coverage rate of 94.2%.
System Services & Network Resilience	<ul style="list-style-type: none"> • Completed dual-network architecture deployment for Kunshan and Taiwan sites. • Executed off-site backup and disaster recovery drills as planned.
Data Protection	<ul style="list-style-type: none"> • Implemented endpoint file-protection mechanisms for Finance, HR, R&D, and other key departments.
Product Security	<ul style="list-style-type: none"> • Advanced compliance programs for EN 18031, IEC 62443-4-2, and CRA requirements. • Processed eight externally reported product

Category	Key Highlights and Achievements
	vulnerabilities. <ul style="list-style-type: none"> Conducted two internal CRA compliance training sessions with a total of 316 participants.
Supply Chain Security	<ul style="list-style-type: none"> Continued supplier cybersecurity risk self-assessment activities. Completed online cybersecurity audits for 12 suppliers.
Education & Awareness	<ul style="list-style-type: none"> Conducted employee cybersecurity awareness courses, achieving a completion rate of 91.7%. Executed phishing-simulation tests with pass rates of 88.9% (HQ) and 90.9% (overseas subsidiaries). Distributed quarterly cybersecurity newsletters and issued ad-hoc security advisories.

(i) Information Security Management System (ISMS) Operations



Advantech completed the ISO/IEC 27001:2022 transition audits for its China, North America, and Europe operations in 2025

In parallel, the Company continued to promote consistency across its global sites to ensure that all operating units adhere to the requirements of the updated standard and effectively implement the corresponding cybersecurity controls.

Since obtaining the ISO/IEC 27001 Information Security Management System (ISMS) certification in 2019, Advantech has continued to enhance its cybersecurity management measures in accordance with international standards. Through ongoing internal and external audits, the Company ensures the validity of its certification and the maturity of its management system.

In 2024, Advantech successfully completed the ISO/IEC 27001:2022 transition audit for its headquarters' data center operations, backbone network, and the OT operations at the Linkou site. In alignment with the updated standard's control requirements, the Company implemented comprehensive improvements across strategic, managerial, technical, and personnel-awareness dimensions, thereby strengthening the depth and breadth of its organization-wide cybersecurity governance. ISO 27001 certification obtained in July 2019, valid through March 2028.

(ii) Cybersecurity Risk Assessment and Testing

In 2025, Advantech proactively strengthened its cybersecurity defense capabilities through Breach and Attack Simulation (BAS) exercises and website vulnerability scanning. These actions enabled the Company to continuously validate the effectiveness of its defenses and identify potential risks. The measures support the timely detection and remediation of system vulnerabilities, reducing the potential impact of cybersecurity incidents on operational stability, customer data protection, and stakeholder interests. This demonstrates Advantech's commitment to cybersecurity governance and sustainable risk management.

I. BAS Attack Simulation to Validate Defense Effectiveness

Advantech engaged external professional teams to conduct BAS (Breach and Attack Simulation) blue-team exercises, covering more than 1,400 attack scenarios across web applications and endpoints (including Active Directory lateral movement). These simulations were performed in a real-world environment to test the effectiveness of the WAF, EDR, and security monitoring systems, helping validate the maturity of the Company's detection, defense, and incident-response processes.

II. Website Vulnerability Scanning to Enhance Cloud and Application Security
Vulnerability scans were performed across 20 major websites, assessing risks related to SQL injection, XSS, cookie security attributes, TLS cipher suites, outdated components, and subresource integrity (SRI). All identified risks were accompanied by concrete remediation recommendations to strengthen the security resilience of cloud platforms, supply-chain systems, and internal and external application services.

(iii) Building a Highly Resilient and Highly Visible Cyber Defense Architecture

III. Strengthening Network Perimeter Defense: WAF Migration and Architecture Optimization

The Company has completed a full migration of its Web Application Firewall (WAF) and integrated major external-facing services into a new-generation cloud-based WAF platform. The upgraded platform improves traffic validation accuracy and enhances protection against common vulnerabilities such as SQL injection, XSS, and file-upload attacks. With standardized rules and faster incident reporting, the new WAF environment further reduces external exposure risks and improves website availability and overall security.

IV. Enhancing Identity Authentication: Implementing 2FA for External Employee Portal Login

To strengthen account security, the Company officially enabled two-factor authentication (2FA) for external login to the Employee Zone (EZ Portal) in 2025. Employees logging in externally must receive a one-time verification code via email to complete the second authentication step. This mechanism strengthens identity security while maintaining usability, effectively reducing risks of credential leakage or brute-force attacks.

V. Implementing Zero Trust Network Management: Achieving 100% NAC Deployment

Advantech continued to advance its Zero Trust-based Network Access Control (NAC) framework. By 2025, both headquarters and Taiwan sites achieved 100% NAC deployment. Through device validation, endpoint compliance checks, and risk-level management, only devices meeting security requirements are allowed to connect to the corporate network. Combined with automated firewall blocking mechanisms, devices lacking security agents, containing critical vulnerabilities, or failing baseline checks can be immediately isolated or denied connection, effectively reducing lateral-movement attacks and internal infection risks.




VI. Strengthening Network Visibility and Operational Stability: Centralized Network Monitoring Platform

To enhance network resilience, the Company completed the deployment of a centralized network monitoring solution that progressively incorporates all connected devices into its monitoring scope. Through real-time insights into traffic anomalies, device health, service availability, and critical alerts, IT teams can rapidly detect and resolve potential issues, significantly reducing the risk of network outages. This visibility-driven monitoring framework improves operational stability and fortifies the overall cybersecurity posture by enabling early detection and containment of emerging issues.

Through strengthened perimeter defenses, advancement of Zero Trust practices, enhanced identity authentication controls, and comprehensive network visibility, the Company has progressively built a more robust and resilient cybersecurity defense framework. Looking ahead, Advantech will continue to enhance protection

technologies, introduce additional automated detection tools, and further deepen its cybersecurity governance processes to ensure the availability, integrity, and confidentiality of information systems—supporting sustainable operations and global business growth.

(iv) Enhancing Employee Cybersecurity Awareness

	<p>In 2025, Advantech completed a total of 7,734 employee cybersecurity training participations and 3,867 training hours.</p> <p>To strengthen employees’ cybersecurity awareness, the Company has incorporated cybersecurity as a mandatory annual training requirement, offering e-Learning courses and online assessments. The training covers topics such as common cybersecurity risks and mitigation practices, Advantech’s cybersecurity policies and regulations, ransomware and phishing email prevention, software security controls, and cybersecurity incident reporting.</p>
	<p>The results of the phishing email simulation exercises showed improvement across both headquarters and overseas subsidiaries compared with the previous year, indicating heightened employee awareness of phishing attacks.</p> <ul style="list-style-type: none"> • A total of 15,927 simulated phishing emails were sent. • The pass rate for headquarters employees reached 88.9% (compared with 81.7% in 2024). • The pass rate for overseas subsidiaries reached 90.9% (compared with 77.4% in 2024). <p>To further strengthen employees’ vigilance and response capabilities, the Company conducted two rounds of phishing simulation tests (initial test and re-test) for both headquarters and overseas subsidiaries. These simulations mimicked real-world phishing attacks and were complemented with e-Learning modules and follow-up assessments to reinforce learning outcomes.</p>
	<p>In addition to the aforementioned cybersecurity training programs and social engineering simulation exercises, the Company distributed a quarterly cybersecurity newsletter to employees worldwide throughout 2025. The newsletter included important announcements, case studies, and key work highlights aimed at enhancing employees’ cybersecurity awareness.</p> <p>Furthermore, in 2025, the Company revised the Information Security Rewards and Penalties Policy to ensure fair and effective disciplinary actions for violations of cybersecurity policies and procedures, while also providing recognition and rewards to individuals who successfully prevent potential cybersecurity incidents. The policy also serves as a reminder to employees who may otherwise underestimate the importance of cybersecurity requirements, thereby reinforcing organization-wide awareness and preventing security incidents from occurring.</p>

VI. Product Cybersecurity

In 2025, Advantech continued to make solid progress in product cybersecurity compliance. The Company expanded its IEC 62443-4-2 certification roadmap beyond existing product lines to include platform-type products such as industrial PCs and servers, covering Advantech’s major product families. In partnership with several domestic and international certification laboratories—including BV and UL—the Company advanced IEC 62443-4-2 Verification of Conformity (VoC) projects to ensure

that platform products meet international security and consistency requirements. These developments also strengthen the foundation for system integrators pursuing IEC 62443-3-3 system-level certification, enhancing overall market competitiveness.

Regarding the Cyber Resilience Act (CRA), which completed legislation in late 2024 and is set for full enforcement in December 2027, the Company has initiated cross-departmental preparation efforts. The 2025 focus areas included regulatory interpretation, cross-functional collaboration models, technical documentation readiness, and mapping product lifecycle security requirements. Advantech also aligned its compliance strategy with draft CRA harmonized standards (prEN 40000-1-2 and prEN 40000-1-3) and the IEC 62443 framework. To enhance organizational readiness, the Company conducted two CRA fundamentals training sessions in 2025, delivering a total of 316 completions and 474 training hours.

Three-Phase Strategy to Ensure CRA Compliance for All EU-Market Products

Phase 1 — Implement IEC 62443-4-1 Secure Development Lifecycle Processes

By 2026, the Company will complete updates to procedural documents, coupled with strengthening SSDLC practices, internal controls, and development process digitalization to ensure traceable and stable security controls throughout the development cycle. Key initiatives include:

- Optimizing product vulnerability handling processes—receiving, assessing, and remediating vulnerabilities throughout the product lifecycle; additional details available on the Product Security Advisory webpage:
<https://www.advantech.com/en/security-advisory>
- Conducting supply-chain security assessments for critical software components, third-party packages, and hardware modules to reduce supply-chain-related risks.
- Implementing differentiated product security controls (Network / Embedded / Host / Software) based on product risk and application scenarios to ensure appropriate security design and protective capabilities.

Phase 2 — Advance IEC 62443-4-2 Certification and VoC Testing

Platform products, embedded devices, and software modules are assigned tailored certification pathways and testing processes, supported by BV, UL, and other partners to accelerate and standardize certification. Major product lines have introduced Secure Level 2 controls to enhance resilience against cyberattacks. These controls encompass seven fundamental security categories:

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

Phase 3 — Full CRA Compliance Upon Publication of Final Methods

Advantech completed the initial CRA readiness report in 2025 and consulted with European QA bodies. Upon release of the final conformity assessment methods (per EU Regulation 2024/2847 Annex VIII), the Company will systematically update product technical documentation, SBOMs, vulnerability reporting workflows, and maintenance processes. These enhancements will be fully integrated into existing product security governance and lifecycle management frameworks. Institutionalized security upkeep will further mitigate risks related to supply-chain vulnerabilities, compliance gaps, or regulatory changes and ensure all market-released products meet CRA CE-marking requirements.

Starting in 2025, Advantech implemented a Company-wide Security Advisory mechanism, enabling systematic disclosure of product vulnerabilities, remediation recommendations, and customer communication channels. By adhering to the principles of Proactive, Preventive, Responsible, and Reliable, the Company ensures that products remain secure and compliant throughout their lifecycle, enhancing customer transparency and trust.

VII. Cybersecurity Incidents

In 2025, the Company encountered a total of three cybersecurity incidents, none of which caused significant operational impact.

7. Important Contracts: None.

V. Review of Financial Conditions, Operating Results, and Risk Management

1. Financial Conditions:

Unit: NT\$ Thousand

Item	Year	2025	2024	Difference	
				Amount	%
Current assets		42,495,527	42,199,809	295,718	1%
Property, plant, and equipment		14,451,830	12,244,071	2,207,759	18%
Intangible assets		2,734,536	2,813,741	(79,205)	-3%
Other assets		16,035,631	14,484,329	1,551,302	11%
Total assets		75,717,524	71,741,950	3,975,574	6%
Current liabilities		16,517,343	15,569,474	947,869	6%
Noncurrent liabilities		4,150,916	4,375,614	(224,698)	-5%
Total liabilities		20,668,259	19,945,088	723,171	4%
Capital stock		8,658,303	8,635,894	22,409	0%
Additional paid-in capital		12,057,154	11,156,003	901,151	8%
Retained earnings		33,162,960	30,125,660	3,037,300	10%
Other equity		1,069,064	1,510,795	(441,731)	-29%
Non-controlling equity		101,784	368,510	(266,726)	-72%
Total equity		55,049,265	51,796,862	3,252,403	6%

Note: Key reasons for and impacts of significant changes (changes of over 20% compared to the prior period and exceeding NT\$10 million) in assets, liabilities, and equity over the most recent two fiscal years. If the impact is material, future response measures shall also be explained:

1. Other equity: The decrease was primarily attributable to the depreciation of the New Taiwan Dollar against the U.S. Dollar and the Euro, resulting in increased foreign exchange losses.
2. Non-controlling interests: The decrease was mainly due to the acquisition of AURES Technologies to 100% ownership in 2025, leading to a reduction in non-controlling interests.

2. Analysis of Financial Status

Unit: NT\$ Thousand

Item	Year	2025	2024	Increased or decreased amount	Ratio change (%)
Operating cost		42,684,758	35,410,406	7,274,352	21%
Gross profit		28,197,604	24,375,887	3,821,717	16%
Operating expense		16,630,630	15,326,118	1,304,512	9%
Operating profit		11,566,974	9,049,769	2,517,205	28%
Non-operating income and expense		1,122,638	1,924,759	(802,121)	-42%
Net income before tax		12,689,612	10,974,528	1,715,084	16%
Income tax expense		2,189,096	2,086,310	102,786	5%
Net income		10,500,516	8,888,218	1,612,298	18%
Annual other comprehensive profit and loss (Net)		(405,323)	697,714	(1,103,037)	-158%
Annual total comprehensive net income		10,095,193	9,585,932	509,261	5%

Item \ Year	2025	2024	Increased or decreased amount	Ratio change (%)
Net income attributable to the shareholder's equity of the parent company	10,592,508	9,005,037	1,587,471	18%
Total comprehensive profit and loss attributable to the shareholder's equity of the parent company	10,204,275	9,718,846	485,429	5%

Note: Key reasons for significant changes (changes of over 20% compared to the prior period and exceeding NT\$10 million) in operating revenue, operating income, and profit before tax over the most recent two fiscal years:

1. Increase in operating costs: In addition to the significant growth in operating revenue compared to the prior year, market prices for memory and CPUs surged starting from Q4 2025, resulting in higher inventory costs and cost of goods sold.
2. Increase in operating income: The increase was mainly attributable to substantial revenue growth in North America and Europe compared to the prior year.
3. Decrease in non-operating income and expenses:
 - (1) In 2024, the parent company recognized a gain on disposal of the Donghu facility amounting to NT\$353,632 thousand;
 - (2) The depreciation of the New Taiwan Dollar against the U.S. Dollar and the Euro led to increased foreign exchange losses.
4. Decrease in other comprehensive income: The decrease was primarily attributable to the depreciation of the New Taiwan Dollar against the U.S. Dollar and the Euro, resulting in increased foreign exchange losses.

3. Cash Flow

I. Liquidity Analysis within the last 2 years

Cash balance – beginning	Estimated annual net cash flow from operating activities	Estimated annual cash outflow	Cash balance (deficit) -	Contingency plans for insufficient cash	
				Investment plan	Financial Plan
13,617,045	9,902,694	(12,202,460)	11,317,279	--	--

Analysis of Changes in Cash Flows for the Current Year:

1. Net cash inflow from operating activities amounted to NT\$9,902,694 thousand: The Company recorded consolidated profit before tax of NT\$12,689,612 thousand for the current year. In addition to net changes in assets and liabilities, income tax paid during the year amounted to NT\$2,394,891 thousand in cash outflows.
2. Net cash outflow from investing and financing activities totaled NT\$2,364,563 thousand for the year: The Company continued to invest in construction projects for office buildings and facilities in the United States and Linkou. Cash outflows included NT\$2,823,514 thousand for the acquisition of property, plant and equipment, NT\$7,254,151 thousand for cash dividends paid, and NT\$1,546,533 thousand for investments in financial instruments.

II. Cash liquidity analysis for next year

Cash balance – beginning	Estimated annual net cash flow from operating activities	Estimated annual cash outflow	Cash balance (deficit) -	Contingency plans for insufficient cash	
				Investment plan	Financial Plan
11,317,279	11,670,135	(12,001,015)	10,986,399	--	--

Note: Explanation of changes:

1. Net cash inflow from operating activities amounted NT\$11,670,135 thousand, primarily attributable to the profitability in the year 2025.
2. The net cash outflow for the year totaled NT\$12,001,015, primarily due to the net impacts of cash dividend distributions, investments, and capital expenditures.

4. The impact of material capital expenditure on financial business in the most recent year:

Unit: NT\$/USD Thousand

Project	Actual or intended financing	Actual or intended completion date	Total funds needed	Actual or intended use of funds		
				2026	2027	2028
Plant purchase (construction) –Huaya section	Equity fund	2024~2027	3,560,000	756,910	1,703,060	34,000
Right-of-use assets-Land-ANA	Equity fund	2023~2034	USD52,474	USD1,582	USD1,613	USD1,646
Plant purchase (construction) –ANA	Equity fund	2023.12~2026.7	USD96,500	USD30,697	USD30,697	-
Plant purchase (construction) –AJP	Equity fund	2027~2028	JPY5,480,000	-	JPY2,740,000	JPY2,740,000

(I) Advantech Huaya/ANA/AJP plant construction: To ensure sufficient warehousing capacity and future production scalability.

(II) Reinvestment policy in the most recent year, the reasons for profit or loss resulted, its improvement plan, and next year's investment plan:

Advantech adopts reinvestment of equity method with all focusing on long-term strategic purposes; in 2025, the profits of Advantech reinvestment of equity method reached NT\$362,170 with a decrease of NT\$ 37,086 compared to the previous year. In the future, Advantech will hold the principle of long-term strategic investment and continue assessing carefully reinvestment plans

5. Risk analysis and evaluation:

I. Interest rates, exchange rates, and inflation, their impact on the Company's profit or loss, and future countermeasures:

The Company has sufficient proprietary capital and sound financial structure; therefore, is from the risk of increasing capital cost. The capital planning is based on a conservative and sound principle with the focus on the security and mobility; also, regularly evaluate money market rates and financial information.

(i) In terms of exchange rate, the Company has a clear foreign exchange policy stipulated; also, a strict control of the procedures is for hedging risk instead of adopting active operation to gain profits.

(ii) In terms of inflation, the main sales markets of the Company are without any sign of inflation in recent years, which has not significant impact on the Company's operations.

II. Engage in the policies of high-risk, highly-leveraged investments, loaning of funds, endorsements and guarantees, and derivative transactions, the reasons for profit or loss resulted, and the future countermeasures:

The Company has each investment project evaluated prudently and handled in accordance with the “Procedures for the Acquisition and Disposal of Assets” and the limits of authority without engaging in any high-risk and highly-leveraged investments.

- (iii) In terms of loaning of funds and making of endorsements/guarantees, it is mainly arranged for the subsidiaries and sub-subsidiaries of the Company; also, it is to be processed in accordance with the Company’s “Procedures for Loaning of Funds” and “Procedures for Making of Endorsements/Guarantees.”
- (iv) In terms of financial derivatives, the purpose is to hedge the exchange rate risks arising from business operation; also, it is to be processed in accordance with the Company’s “Procedures for the Trading of Financial Derivatives.”

III. Future R&D plans and the projected R&D investment:

- (i) As the industry moves into the era of edge intelligence, WISE plays a key role in driving the next wave of IoT applications. The Internet of Things (IoT) industry is rapidly entering a new phase of edge intelligence. With the convergence of edge computing, artificial intelligence (AI), and data-driven decision-making, enterprise digital transformation is shifting from centralized cloud processing toward real-time, on-site decision-making. Edge devices are evolving into intelligent nodes with analytics and decision-making capabilities, driving transformation across industries such as manufacturing, energy, transportation, healthcare, and retail.

(ii) Four Key R&D Focus Areas of WISE

- **Containerized Deployment and Cross-Platform Integration**
Focusing on containerization and microservices technologies, WISE supports flexible deployment across heterogeneous platforms, including various CPU, GPU, and NPU architectures as well as multiple operating systems. Through a cloud-edge collaborative architecture, it enables “develop once, deploy anywhere,” with unified operations and maintenance.
- **Enhancing Edge AI Inference and Enabling Digital Twins**
By integrating next-generation communication technologies and developing advanced multi-modal data transmission capabilities, WISE enables digital twin **applications**. Combined with real-time edge AI inference, it targets five key application markets to enhance real-time decision-making and operational efficiency.
- **Modularization of Vertical Solutions and Intelligent Development**
Leveraging deep domain expertise in smart manufacturing, energy, environment, **agriculture**, and smart cities, WISE develops key modules for vertical applications. By integrating generative AI, the platform enables the automated generation of deployable solutions based on Advantech’s core software modules.
- **Building an Open Platform and Co-Creation Ecosystem**
WISE is designed as a scalable and open architecture that integrates third-party software, AI models, and cloud platform partners. This fosters collaborative innovation and positions WISE as a standard platform for industrial edge intelligence.

- (iii) The projected R&D investment: 8% of the annual turnover.

IV. Impact of significant domestic and foreign policy and law changes on the Company's financial operations and related countermeasures:

There had not any significant changes in domestic and foreign policies and law that had a significant impact on the Company in the most recent year. In addition to irregularly collect and assess the impact of significant changes in domestic and foreign policies and law on the Company's finance and business operation, the Company will consult relevant professionals to take countermeasures in a timely manner.

V. The impact of changes in technology and industry on the Company's financial operations and the countermeasures:

As the industry continues to move into the era of industrial edge computing, the Edge AI market is projected by Market.us to grow from US\$28.8 billion in 2025 to US\$196.6 billion by 2034, representing a compound annual growth rate (CAGR) of approximately 23.8%. At the same time, customer demand is shifting from a technology-driven to an application-driven approach. Customers are increasingly prioritizing solutions with clear business value over traditional technology investments. This shift has significant implications for IoT platform providers, including Advantech:

- (i) A repositioning of platforms to clients
- (ii) The development or partnership with providers of applications enabled by the platform
- (iii) A challenge around data interoperability in which applications are designed around data models

(iv) A possible change in pricing models from stand-alone platform sales to app-led sales
 In the application-driven IoT market, ecosystems play a critical role. Unlike traditional one-to-one partnerships, Gartner defines an ecosystem as a complex, dynamic network formed through collaboration among diverse participants. Among various ecosystem models, those driven by applications and vertical industries have proven to be the most successful. The key lies in whether solution providers (vendors) can deliver a "whole product" by integrating various IoT modules and, more importantly, generate tangible business outcomes for customers.

Accordingly, in recent years, Advantech has been committed to building comprehensive ecosystems in key domains such as smart factories and smart cities through investments, external alliances, and co-creation initiatives. By integrating the capabilities of system integrators, solution providers, and professional consultants, the Company delivers domain-specific, end-to-end solutions to customers. On the product and technology front, Advantech has also established key IoT platform modules, business models, and development roadmaps through initiatives such as the Emerging Business Opportunity incubation process and industry-academia collaboration.

In recent years, global supply chain cyberattacks have occurred with increasing frequency. As Taiwan serves as a critical hub in the global technology supply chain, cybersecurity management across the supply chain has become a key area of focus. As a global leader in IoT and industrial computing, Advantech works with component and service suppliers across the world. To strengthen cybersecurity risk management, the Company has introduced a cybersecurity risk scoring tool, leveraging both proprietary and open data sources from cybersecurity vendors, as well as advanced machine learning algorithms and analytical techniques, to proactively assess and monitor its own cybersecurity risks from an external perspective. In addition, Advantech applies this cybersecurity risk scoring tool to supplier risk management, enabling visibility into partners' cybersecurity posture and facilitating timely identification and response to potential risks.

- VI. The Impact of Corporate Image on Crisis Management and Response Measures:
Corporate image is an intangible asset built through long-term operations and plays a critical role in shaping stakeholder trust, information interpretation, and response effectiveness during times of crisis. Advantech has consistently upheld principles of integrity, technological leadership, and sustainable value creation, thereby establishing a solid and positive corporate image. This foundation helps mitigate uncertainty and misinterpretation in potential risk events and enhances the effectiveness of crisis communication.
To further strengthen its corporate image and crisis preparedness, the Company regularly engages with domestic and international institutional investors and maintains proactive communication through investor conferences, technology forums, industry exchanges, and other communication channels. By transparently disclosing its business strategies, technology developments, and risk management practices, Advantech ensures information consistency and credibility. Internally, the Company has established cross-functional communication and review mechanisms to enable timely information alignment and prudent responses to crises or material issues, safeguarding corporate reputation, protecting stakeholder interests, and supporting long-term, sustainable growth.
- VII. The expected benefit of initiating acquisition, the possible risks, and the countermeasures:
The Company has acquired Aures Technologies S.A., a renowned POS and KIOSK brand company based in France. The public tender offer was successfully completed on April 14, 2025, resulting in Aures' delisting. Aures is a well-established brand in Europe and the United States, known for its strong product design capabilities and longstanding customer relationships. Its U.S. subsidiary, Retail Technology Group (RTG), is a service-oriented company with a strong presence in the nationwide foodservice and retail sectors.
This acquisition will significantly enhance the Company's strategic positioning in the Smart City and Smart Retail sectors. The anticipated synergies include: Mutual empowerment between Advantech's product engineering strength and Aures' design capabilities; Enhanced operational structure and resource integration driven by Advantech's management system; Collaborative global sales networks to unlock co-creation opportunities.
To address the challenges of cross-border management, cultural integration, and financial optimization, the Company has established a dedicated post-merger integration (PMI) team. A phased approach has been adopted to drive value creation through short-, mid-, and long-term strategic plans.
- VIII. Expected benefits of a plant expansion, possible risks, and countermeasures:
To address the increasingly complex global economy and tariff barriers in 2025, Advantech is expanding its capacity through a "Global Manufacturing Footprint" strategy, deeply integrating the benefits, risks, and countermeasures, deeply integrating the benefits, risks, and countermeasures, and then resampling of the same assumptions, and countermeasures. deployment of the Linkou Huaya Phase II plant in Taiwan, Nagata in Japan, and backup production in Malaysia. By establishing "Localized Manufacturing" and "Direct Shipment from HQ" models, Advantech can shorten logistics lead time. approach effectively counters the increasingly stringent trade protectionism under geopolitical shifts, helping to avoid sudden high tariffs. Beyond the regional manufacturing strategy, Advantech is also building the new SMT lines and the introduction of automated warehousing, aiming to enhance operational efficiency through automation while simultaneously expanding capacity.

In 2025, Advantech will also face global economic volatility and new trade barriers, such as supply chain disruptions caused by tariffs and geopolitics. Advantech will transform manufacture center into a defensive tool, implementing a BCP (Business Continuity Plan) for off-site backup to ensure rapid deployment of production lines across regions to maintain core supply in the event of trade sanctions or disasters. Furthermore, in response to carbon tariff challenges, Advantech has fully implemented energy and carbon management systems in its factories, combined with the promotion of digital product passports and green design, viewing ESG compliance as a key advantage for tax avoidance and premium pricing. With agent-driven intelligent scheduling and regional collaboration platforms, Advantech can flexibly allocate resources in a volatile economic environment, ensuring that its global supply chain maintains high operational strength and profitability even in the face of tariff fluctuations and economic downturns.

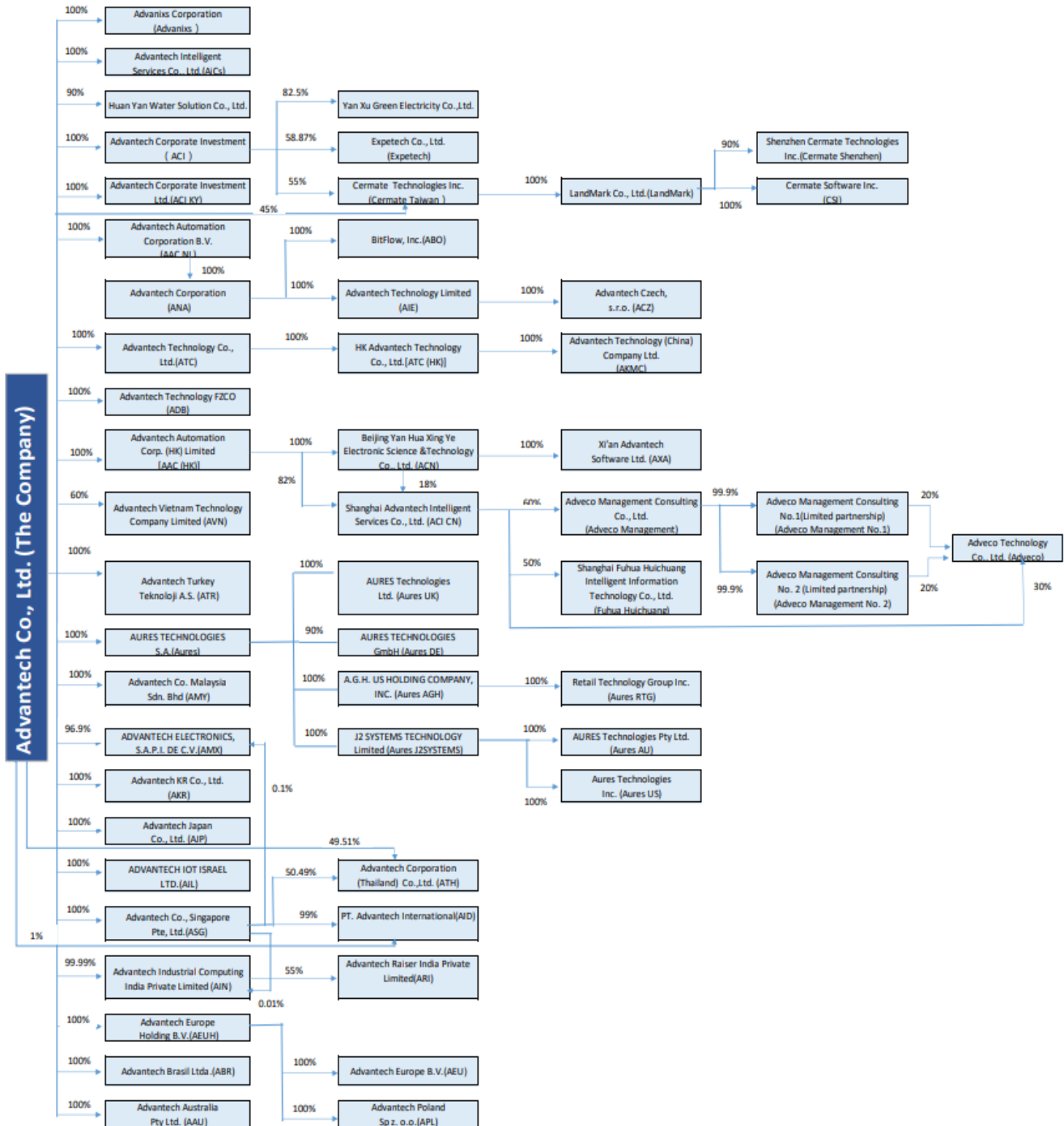
- IX. Risks faced by the centralized purchase or sales and the countermeasures:
The Company's main source of raw materials is from the well-known domestic and international manufacturers that have a good reputation and product quality; also, have maintained a stable relation of cooperation with the Company and provide a stable supply of raw materials. In terms of sales, the Company is a market leader in brand with a smooth sales channel I service; therefore, the Company is free of any risk from the centralized purchase and sale.
- X. The impact of the massive equity transfer or exchange by the directors, supervisors, or shareholders holding more than 10% shareholding on the Company, the risk, and the countermeasures: None
- XI. The impact of the changes in the ownership on the Company, the risk, and the countermeasures: None
- XII. For litigation or non-litigation events, the closed or in-pending material litigation, non-litigation, or administrative contentious events, which may have a significant impact on the shareholder's equity or security price, of the Company, the Company's directors, supervisors, President, responsible person, shareholders holding more than 10% shareholding, and the subsidiaries should be illustrated: None
- XIII. Other important risks and countermeasures: None.

7. Other Important matters: None.

VI. Special Disclosure

1. Affiliated company's information

I. Organization Chart of the Affiliated Companies: As of December 31, 2025, the investment relationships and shareholding ratios between the parent company and its subsidiaries are as follows:



- II. The companies included in the preparation of the consolidated financial statements of affiliated enterprises are the same as those required to be consolidated under International Financial Reporting Standard No. 10 (IFRS 10). Therefore, separate consolidated financial statements of affiliated enterprises are not prepared.
- III. The Company is not a subsidiary of any other company; hence, there is no need to prepare an affiliated company report.
- IV. For the year 2025, the Company has completed the filing of the “Advantech Affiliated Enterprises Forms” with the Market Observation Post System (MOPS) of the Taiwan Stock Exchange.
- V. For details, please refer to: MOPS → Advantech Co., Ltd. e-Documents → Affiliated Enterprises Forms Section (https://doc.twse.com.tw/pdf/202504_2395_A25_20260507_133342.pdf). The relevant filing information is deemed a part of this annual report.
- VI. The status of issuing private placement securities in the most recent year and up to the publication of the annual report: None
- VII. Acquisition or disposal of the Company’s stock shares by subsidiaries in the most recent year and up to the publication of the annual report: None
- VIII. Other necessary supplementary notes: None

VII. The occurrence of any events as stated in Section 3 Paragraph 2 in Article 36 of the Securities Exchange Act that had significant impact on shareholders' equity or securities prices in the most recent year and up to the publication of the annual report: None



ADVANTECH

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