

ADVANTECH

CODE OF CONDUCT

January 2022

Advantech Europe B.V.



Message from Advantech Leadership

ADVANTECH

Behaving ethically, both individually and collectively, has always been and will always be the key to our success as a business. As epitomized by the LITA tree Advantech's success is rooted in our commitment to corporate governance, social responsibility, and integrity. This "LITA spirit" is the core value of our company.

For our employees, that means everyone doing the right thing – every time, even when nobody is watching – and behaving towards our customers, partners, and stakeholders as we would hope they would behave towards us.

As a company, we expect all employees to act at all times with the utmost integrity and comply with all applicable laws, whether you are working at home, in one of our facilities, or at a customer's premises.

You should never compromise your own personal integrity or the company's reputation for the possibility of any short-term gain.

Furthermore, we expect all managers and leaders within our business to foster a culture where all our employees feel free to ask questions and raise concerns when they think something does not seem right.

To ensure that we always operate with the "LITA spirit" and everyone knows what is expected, we have created this Code of Conduct, which sets out clear, binding rules for all Advantech employees and managers.

Please do not hesitate to contact your line manager, next level of management, local HR, or our Legal Department if you have any questions about this Code of Conduct, or the rules or legal requirements that relate to your own responsibilities.

Yours sincerely,

Jash Bansidhar
Managing Director
Advantech Europe B.V.

Villis Yang
General Counsel
Advantech Corp. Ltd.



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Introduction



This is the Code of Conduct for Advantech Europe B.V. and its subsidiaries (collectively “Advantech”). Every Advantech employee must read and understand this Code of Conduct. In all business activities, Advantech expects you to act with the highest level of integrity and comply with all applicable laws and regulations. We strive to do the right thing wherever we operate.

What You Need to Know:

Basics of Our Code of Conduct

- Act with integrity/ Honesty is key
- Follow the law – always
- Comply with this code / Take responsibility / Ask yourself: Am I doing the right thing?
- Promptly report any concerns about compliance with law, Advantech policy, or this Code

The Code of Conduct applies to all Advantech employees, officers, directors, contractors, trainees, and interns. The Code of Conduct implements the requirements of the Business Conduct Policy of Advantech Corp. Ltd. (ACL), our parent company, and in the event of any conflict between them, this Policy shall prevail.

You can find additional information on the Code of Conduct (including FAQs, policies, guidelines, etc.) at [the AEU Legal SharePoint Site.](#)



1. Integrity and Behavior

Good judgment is important to operate successfully in business. This Code of Conduct is not a substitute for your good judgment and individual integrity and cannot cover every conceivable situation.

When faced with a challenging decision or a situation that does not feel quite right, you should use the four questions set forth below in the section entitled "What You Need to Know" to help guide your actions.

Remember: Always ask for guidance if you're not sure.

What You Need to Know:

If you have doubts, ask yourself these simple questions:

- Is it legal and ethical?
- Does it comply with our Code?
- Will it harm the company's reputation?
- How would this decision look to others either within Advantech or externally?



2. Fair Employment Practices

Advantech treats all employees fairly and with respect. We expect you to treat your colleagues and everyone with whom you work with respect. We base our employment decisions on job qualifications and merit, which include education, experience, skills, ability, performance, and growth values. We respect human rights everywhere we work and do business.

We strive to create a work environment free from sexual harassment or other harassment on the basis of any protected characteristic and free from bullying. We will comply with all laws pertaining to freedom of association, privacy, collective bargaining, immigration, working time, wages and hours, as well as laws prohibiting forced, compulsory and child labor, trafficking in persons and employment discrimination.

Key Employee Responsibilities:

- Treat all colleagues fairly and with respect.
- Focus on diversity and inclusion. Make us an employer of choice.
- Follow our internal employment policies and guidance; if you are in doubt, contact HR for answers.
- Remember that we absolutely prohibit taking adverse action against an employee because he/she has raised a concern about a violation of policy or law.



3. Environment, Health & Safety

Advantech strictly complies with all environmental, health, and safety (EHS) laws that apply to our operations. We develop and follow safe work procedures to ensure workplace safety and prevent injuries. We have an appropriate management system and policies for EHS and promote EHS awareness amongst our employees and suppliers.

In the warehouse, on the assembly floor, or in the offices, you must behave in an appropriate and safe manner and understand and comply with all Advantech EHS policies that apply to you, including any specific policies that apply to your building area, site, position, or operation.

Key Employee Responsibilities:

- Understand and comply with all the EHS policies that apply to you or that apply to your site, position, or operation.
- Make health and safety a priority in your workplace and life.
- Present ideas or recommendations for improving health and safety in our working conditions to your manager.
- Be familiar with procedures for an emergency at your site (e.g., safe exit and evacuation procedures).

4. Information Security & Privacy



Key Employee Responsibilities:

- Protect your passwords; use complex passwords.
- Never download, access or install software that you are not authorized or licensed to use or download on our systems.
- Never download or store our information on unauthorized equipment or networks.
- Use Advantech accounts, not personal accounts, for business communication and storing our data.
- If you become aware of a possible cyberattack, data breach, or other malicious behavior on our systems or assets, immediately inform the IT Help Desk.
- If you become aware of a possible data loss or breach involving personal data, immediately inform the Advantech Data Protection Officer.
- Act with caution with emails from unknown sources. Do not open suspicious attachments or links.
- Fully comply with all Advantech IT Security-related policies.

Advantech has implemented various measures to protect our networks, systems, devices and information. It is our policy to use information only for legitimate purposes and to maintain appropriate access controls and security measures. All Advantech employees must comply with our information security policies designed to safeguard our networks, systems, devices, and information.

Advantech also respects individual privacy rights and is committed to collecting, handling and protecting personal information responsibly, and in compliance with applicable privacy and information security laws. Any incidents related to a breach or loss of sensitive data (e.g., personal data or company confidential information) must be promptly reported.

Every Advantech employee has a responsibility to safeguard confidential Company information — it is the key to our competitive advantage. All confidential Company information, such as trade and business secrets, organizational charts, product information, customer confidential information, etc., has to remain confidential. Advantech employees may not disclose such confidential company information to any unauthorized persons.



5. Conflicts of interest

You have a duty to ensure that nothing interferes with your ability to make business decisions in the best interest of Advantech. This means that nothing you do should interfere, or appear to interfere, with your responsibility for unbiased decision-making on behalf of Advantech. You have a duty to disclose if you have personal or financial activities that may interfere, or have the potential of interfering, with your duties and obligations toward Advantech.

Key Employee Responsibilities:

- If you are unsure whether you have either an actual or apparent conflict of interest, the best course of action is to disclose it to your manager and HR team so it can be resolved in a fair and transparent manner.
- Whenever possible, avoid situations where you would be placed in a conflict between your personal interests and those of the Company.
- Avoid performing outside work during business hours or using business resources or confidential information.
- Avoid hiring, supervising or promoting family members or others with whom you have a close personal relationship.

Any additional activities that may interfere in your job may require permission beforehand.

Do not let relationships with relatives, friends, family or close acquaintances interfere with your business decisions on behalf of Advantech. For example, you should avoid hiring or managing, on either a direct or indirect reporting line, persons who are connected to you through family bonds or other close relationships. If such relationships occur, you must inform your manager and HR.

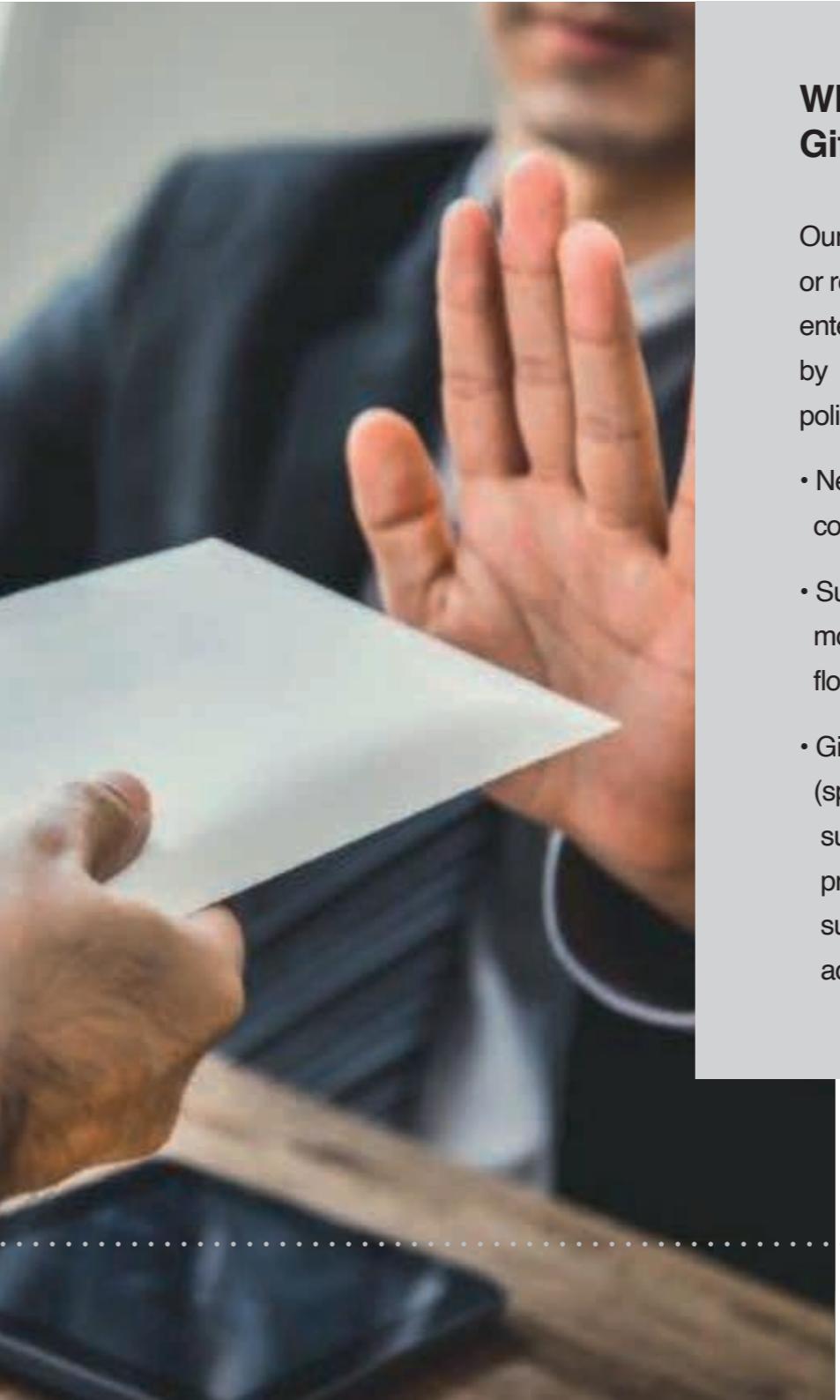
Misusing Advantech resources or influence is prohibited. Even when nothing wrong is intended, the perception of a conflict of interest may have negative effects. For example, do not use confidential company information or intellectual property for personal gain.

6. Improper Payments

Advantech prohibits bribery in all business dealings, in every country, with both governments and the private sector. No employee should ask for, promise to pay, offer or receive, anything of value for any unlawful, corrupt or improper purpose, or for facilitating a routine government service or action, in any form under any circumstances, including kickbacks, gifts, services, or bribes.

Key Employee Responsibilities:

- Understand that bribery or improper payments can take many forms, including gifts, entertainment or hospitality, payments made through third parties, or donations to organizations affiliated with government officials.
- Offer gifts, entertainment and hospitality only in accordance with, and consistent with, both our and our customer's internal policies and local law.



What You Need to Know: Gifts & Entertainment

Our internal policies do not allow you to give to, or receive from, customers or suppliers, any gifts, trips, entertainment or similar, unless approved by management in accordance with our internal policies. Examples:

- Never give, or accept, gifts in the form of cash, coupons or gift cards.
- Subject to management approval, accept only modest gifts (max EUR 40) for yourself, such as flowers, pens, bottle of wine, holiday gift baskets.
- Give or accept restaurant visits or other entertainment (sporting event, theater, etc.) with customers, suppliers or other business relations, including prospects, only when attended by that customer or supplier and when in line with reasonable, generally accepted dining and entertainment standards.

7. International Trade Compliance



Key Employee Responsibilities:

- Follow all business procedures relating to the export of goods, software or technology.
- Do not cooperate with any party that seeks to directly or indirectly send goods or data to a prohibited country or party.
- Be alert for suspicious transactions and red flags involving unclear or incomplete information from customers or third parties about the end use, delivery locations, or delivery dates.
- Report to our trade compliance officer any inaccurate descriptions, valuations or classifications of goods or data, and any payments to a customs broker that exceed the invoice or are for unidentified or ambiguously described services.

Advantech will comply with applicable trade laws and regulations, including those relating to import and export controls, trade sanctions and customs procedures, and we expect our business partners to do the same. We have implemented controls to mitigate risks related to trade and export controls, including appropriate screening of transactions that might involve embargoed or sanctioned countries, processes to facilitate compliance with export control restrictions, and systems and training to ensure accurate declarations to trade authorities

8. Competition Law

What You Need to Know: Competition Law

- Any discussion, agreement or understanding (direct or indirect) with a competitor on price, on the allocation of products, markets, territories, customers, or bids, on restrictions in production or on collective boycotts is prohibited.
- Exchanging with, or signaling to, competitors any information on our intentions concerning future conduct regarding prices, quantities or other elements of competitive behavior is prohibited.
- You cannot obtain from, or share with, competitors commercially sensitive information, i.e., information that could influence commercial decisions (e.g., cost, margins, pricing data, future strategies, product plans).
- Exclusive arrangements or other restrictions on a customer's or channel partner's ability to resell in certain markets or to certain customers cannot be imposed without first consulting with the Legal team.
- You cannot agree with, or require, a customer to resell our products at a certain price.
- Violation of competition laws is a serious matter, and could result in criminal prosecution of you and our Company and grave reputational harm to yourself and our Company.

Every Advantech employee has a responsibility to comply with all applicable competition laws that protect fair competition and prohibit anti-competitive behavior. These laws prohibit agreements restricting competition between companies at either the same (i.e., competitors) or at different levels of the supply chain (e.g., manufacturer and its distributor) and may impose limits on the commercial behavior of companies that hold a dominant position in a market.



9. Intellectual Property

Advantech aggressively protects its intellectual property (IP) and enforces its rights against others who take or use Advantech IP without proper authorization. Advantech also respects valid IP rights and avoids unauthorized use of IP that belongs to other people or organizations.

Key Employee Responsibilities:

- Comply strictly with intellectual property licenses, obligations and term requirements. Ensure our Company complies with the obligations in such licenses, whether for a limited use or for commercialization.
- Seek legal review from Company legal counsel before externally publishing technical or company information that may contain intellectual property rights of our Company.

10. Books & Records



Key Employee Responsibilities:

- Ensure that all business transactions are fully and fairly recorded in accordance with our accounting principles, internal procedures and applicable laws.
- Do not sign any approval or other document without first verifying its accuracy and ensure that the underlying transaction serves a legitimate business purpose.
- Be aware that improper or fraudulent documentation or reporting is illegal and can expose you and the Company to civil and criminal penalties.
- Report transactions that seem suspicious.

Advantech accounting and reporting faithfully reflect the economic substance of our business activities, consistent with generally accepted accounting principles, standards, and regulations for accounting and financial reporting. We will prepare timely, accurate and complete financial information for use in reports to management and other stakeholders. We will ensure that management decisions are based on sound economic analysis based on complete facts with appropriate consideration of short- and long-term risks. We will comply with all Advantech policies, as well as applicable laws and regulations relating to the preservation or retention of documents and records.

11. Supplier Relationships



Key Employee Responsibilities:

- Report promptly to the Legal team any attempt to be pressured into using a specific supplier or a request to deviate from procedures when selecting or managing a supplier.
- Report promptly to the Legal team any human-rights violation or any sign and concern related to forced, slave and child labor.
- Be alert to suppliers that make unrealistic claims on pricing or delivery or suggest they can bypass or expedite government clearances (e.g., customs) regarding the goods or services they offer.
- Do not permit suppliers to offer anything of value to you (outside of what is allowed under our gifts & entertainment procedures) or your relatives in contemplation of potential favorable treatment of any kind.
- Remember: Kickbacks are illegal and in violation of our policies. Report any attempt at a kickback to the Legal team.
- Ensure that suppliers you manage or otherwise engage with take prompt and effective remedial actions regarding shortfalls identified in site visits, audits or other inspection.

We seek to work with suppliers who share our commitment to integrity and have agreed to our Supplier Code of Conduct. We follow procurement standards and procedures in qualifying, engaging and managing suppliers. We are committed to a transparent and competitive sourcing process and to deal fairly and responsibly with our suppliers.

12. Insider Trading & Stock Tipping



Key Employee Responsibilities:

- Be aware of our strict guidelines for the handling of non-public information, especially if it is material.
- If you are unsure whether you have material non-public information, contact the Legal team to discuss.
- If you believe there is a requirement to disclose material non-public information, obtain prior approval from and coordinate with the Legal team.

Advantech employees are prohibited from using or disclosing material non-public information about Advantech or other companies. Inside information is information you may learn in your job about Advantech or other companies that has not been made public. Using material inside information for your financial or other personal benefit, or sharing it with others, violates Advantech's insider trading policy and may violate the law. Inside information is material if a reasonable investor would consider it important in deciding to buy, hold or sell securities, or if publication would likely affect a company's stock price.



13. Working with Governments

Advantech operates with the highest ethical standards in conducting business with governments. We commit to comply with all contract terms and conditions, laws, and regulations applicable to us when working with governments. We must be truthful and accurate when dealing with governments. We maintain controls and procedures that target our government business activities specifically to ensure compliance in this highly regulated environment. When working with any government body, keep in mind that you are representing our company as a whole.

Key Employee Responsibilities:

- No gifts are to be given to or taken from government officials.
- Report any activity by government officials that is inappropriate.
- Do not falsify documents, hide information or make misrepresentations to government officials or agencies.



14. Political Activities

Advantech does not engage in lobbying or making payments to political parties, organizations or their representatives, unless duly authorized and approved by ACL. Where individuals wish to engage in political activities in the community, including standing for election to public office, they will be given the opportunity to do so where this is appropriate in the light of local circumstances. In all circumstances, individual employees shall make sure that their political activity does not harm the reputation of the company and shall not use Advantech's infrastructure or resources for such activities.

What You Need to Know: Political Activities

- As a company, Advantech activities are non-partisan; and solely in support of Advantech business goals.
- We comply with the law and ACL policies on lobbying.



15. Communications

Advantech communicates in a respectful, honest, transparent and professional manner. Our communications reflect our reputation and brand as a technology leader. Whether communicating internally or externally, regardless of the medium or channel, we protect Advantech's confidential data and provide complete and accurate information. Use all communication channels responsibly. Employees should ensure the content being communicated by them is business appropriate, non-confidential and constructive and remember that email and other forms of electronic and instant communication might be regarded as statements issued by Advantech and should be written with care and attention.

Key Employee Responsibilities:

- Familiarize yourself with Advantech's internal guidelines for communications, branding and social media. If you are not sure whether certain material is appropriate to communicate, ask Advantech Marketing.
- If you are contacted by a member of the news media about Advantech, always refer them to an authorized company spokesperson. It is important that we speak with one voice about the company.

16. What happens in case of a violation of the Code of Conduct?



Any breach of the Code of Conduct is taken seriously by Advantech. Individual employees who have breached the Code of Conduct and applicable laws could potentially be exposed to fines, penalties and criminal liability. Depending on the circumstances of a particular breach, the response from Advantech could include disciplinary actions up to and including termination of employment.

What You Need to Know: Code of Conduct Violations

The following conduct can result in disciplinary action:

- Violating the Code of Conduct, law, or Company policy or requesting that others do the same.
- Retaliating against another employee for reporting an integrity or compliance concern.
- Failing to promptly report a known or suspected violation of the Code of Conduct or law.
- Failing to fully and honestly cooperate in our internal investigations of possible Code of Conduct or law violations.



17. To whom can I ask questions or raise a concern?

Do you have a question about the Code of Conduct? Are you struggling with a concern about a possible violation of law or questions about our policies? Advantech offers several channels for raising concerns. You can choose to speak to someone directly about a potential integrity or compliance concern or put it in writing.

What You Need to Know: No Retaliation Policy

- No one may retaliate against another employee for raising integrity concerns or cooperating in an investigation.
- We protect good-faith concern raisers and follow up on their concerns in an appropriate and prompt manner.

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Employees, suppliers, third parties and customers may also raise concerns directly to ACL Internal Audit by email (audit.direct@advantech.com.tw) or by post to the following address:

Head of Internal Audit

Advantech Corp. Ltd
No. 1, Alley 20, Lane 26
Ruiguang Road
Neihu District
Taipei City
Taiwan

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All such concerns will be managed by ACL's audit supervisor.

Generally, your supervisor or manager will be in the best position to resolve your concern, but other resources to whom you may choose to raise your concerns include:

- Next level of management
- HR
- Works Council
- Legal

If your question or situation is related to your direct manager or colleague it is always possible to contact any of the above. Moreover, nothing in this policy prevents you from reporting potential violations of law to relevant government authorities.

Confidentiality is respected, and you may even choose to remain anonymous. However, if you identify yourself, we are able to follow up with you and provide feedback. Your identity and information will only be shared on a “need-to-know” basis. Any retaliation — whether direct or indirect — against employees who raise a concern is grounds for discipline up to and including dismissal.



18. Works Council Consultation; Employee Acknowledgment

Advantech has completed all required consultation with our works council in finalizing this Code of Conduct. Since Advantech's parent company, ACL, is a publicly traded company, we require that all employees acknowledge that they have read and understood our Code of Conduct. Employees also commit to comply with our Code and report any potential conflict of interest or suspected violations of law or the Code of Conduct.



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