

Sercomm Corporation

Ethical Corporate Management Best Practice Principles

Article 1 Formulation Purpose and Scope of Application

In order to strengthen the corporate culture and sound development of the Company's ethical corporate management, these principles are hereby formulated with reference to the "Ethical Corporate Management Best Practice Principles of TWSE/TPEX Listed Companies".

The scope of application of these principles covers the subsidiaries of the Company, corporations with a cumulative direct or indirect contribution of more than 50% of their funds, and other institutions or legal entities with substantial control capabilities, and other group enterprises and organizations (hereinafter referred to as the 'Group Enterprises and Organizations').

Article 2 Prohibition from Unethical Conduct

When engaging in commercial activities, directors (henceforth including independent directors), supervisors, managers, employees, and mandataries the Company or persons having substantial control over such companies ("substantial controllers") shall not directly or indirectly offer, promise to offer, request or accept any improper benefits, nor commit unethical acts including breach of ethics, illegal acts, or breach of fiduciary duty ("unethical conduct") for purposes of acquiring or maintaining benefits.

Parties referred to in the preceding paragraph include civil servants, political candidates, political parties or members of political parties, state-run or private-owned businesses or institutions, and their directors, supervisors, managers, employees or substantial controllers or other stakeholders.

Article 3 Benefits

"Benefits" shall refer to any valuable things, including money, endowments, commissions, positions, services, preferential treatment or rebates of any type or in any name. Benefits received or given occasionally in accordance with accepted social customs and that do not adversely affect specific rights and obligations shall be excluded.

Article 4 Legal Compliance

The Company shall comply with the Company Act, Securities and Exchange Act, Business Entity Accounting Act, Political Donations Act, Anti-Corruption

Statute, Government Procurement Act, Act on Recusal of Public Servants Due to Conflicts of Interest, TWSE/TPEX listing rules, or other laws or regulations regarding commercial activities, as the underlying basic premise to facilitate ethical corporate management.

Article 5 Policy

The Company shall abide by the operational philosophies of honesty, transparency and responsibility, base policies on the principle of good faith and obtain approval from the board of directors, and establish good corporate governance and risk control and management mechanism so as to create an operational environment for sustainable development.

Article 6 Prevention Plan

In accordance with the business philosophy and policies mentioned in the preceding article, the Company shall formulate a clear and detailed plan to prevent unethical conduct (hereinafter referred to as the "Prevention Plan"), including the operating procedures, behavioral guidelines, and education and training. The Prevention Plan formulated by the Company shall comply with relevant laws and regulations of the Republic of China.

Article 7 Scope of the Prevention Plan

The Company shall establish an evaluation mechanism for the risk of unethical conduct, conduct regular analyses and evaluations, and formulate a prevention plan for business activities with high risks of unethical conduct within its business scope, regularly reviewing the appropriateness and effectiveness of the Prevention Plan.

The Prevention Plan formulated by the Company shall include preventive measures for the following behaviors:

1. Offering and taking of bribes.
2. Provision of illegal political capital contributions.
3. Improper charitable donations or sponsorships.
4. Offering or taking of unreasonable gifts, hospitality, or other improper benefits.
5. Infringement of business secrets, trademark rights, patent rights, copyrights, and other intellectual property rights.
6. Engaging in unfair competition.
7. Products and services that directly or indirectly harm the rights and interests, health, and safety of consumers or other stakeholders during

research and development, procurement, manufacturing, supply, or sales.

Article 8 Commitment and Execution

The Company requires the directors and senior management to provide a statement of compliance with the policy for ethical corporate management, and requires employees to comply with the policy for ethical corporate management as a condition of employment.

The Company shall explicitly state the policy for ethical corporate management, as well as the commitment of the Board of Directors and the senior management to actively implement the policy for ethical corporate management in its regulations, external documents, and website, and ensure the execution of the policy in its internal management and external business activities.

The Company shall prepare and properly preserve documentary information regarding the policies, statements, commitments, and execution of ethical corporate management in the first and second paragraphs.

Article 9 Conducting Business Activities with Integrity

Before conducting business transactions, the Company shall take into account legality and the record of unethical conduct of its agents, suppliers, customers, or other business transaction parties, to avoid engaging in transactions with those with records of unethical conduct.

Article 10 Prohibition from Offering and Taking Bribes

In the conduct of business, directors, managers, employees, appointees, or substantial controllers of the Company are prohibited from directly or indirectly offering, promising, demanding, or accepting any form of improper benefits. This includes kickbacks, commissions, facilitation payments, or providing or receiving improper benefits through other means to or from clients, agents, contractors, suppliers, public officials, or other stakeholders.

Article 11 Prohibition from Providing Illegal Political Contributions

The directors, managers, employees, appointees, or substantial controllers of the Company, when making direct or indirect contributions to political parties or individuals involved in political activities, must comply with the Political Donations Act and the Company's internal operating procedures.

Such contributions should not be used to seek commercial benefits or trading advantages.

Article 12 Prohibition from Improper Charitable Donations or Sponsorships

The directors, managers, employees, appointees, or substantial controllers of the Company should comply with relevant laws and internal operating procedures when making charitable donations or sponsorships. They must not use these actions as a disguise for bribery.

Article 13 Prohibition from Unreasonable Gifts, Services, Hospitality, or other Improper Benefits

The directors, managers, employees, appointees, or substantial controllers of the Company are prohibited from directly or indirectly offering or accepting any unreasonable gifts, hospitality, or other improper benefits with the intent to establish business relationships or influence commercial transactions.

Article 14 Prohibition from Infringement of Intellectual Property Rights

The directors, managers, employees, employees, or substantial controllers of the Company shall comply with intellectual property related regulations, internal operating procedures of the Company, and the contractual provisions; without the consent of the intellectual property owner, they shall not make use, leak, dispose of, damage, or otherwise infringe upon intellectual property rights.

Article 15 Prohibition from Engaging in Unfair Competition

The Company shall engage in business activities in compliance with relevant competition regulations, and shall not fix prices, manipulate bids, restrict production output and quotas, or share or divide the market by allocating customers, suppliers, operating areas or types of business, etc.

Article 16 Preventing Products or Services from Damage to Stakeholders

The directors, managers, employees, appointees, or substantial controllers of the Company should adhere to relevant laws and international standards during the research and development, procurement, manufacturing, provision, or sale of products and services. They must ensure the transparency and safety of product and service information, establish and publicize policies to protect the rights and interests of consumers or other

stakeholders, and implement these in operational activities. This is to prevent our products or services from directly or indirectly harming the rights, health, and safety of consumers or other stakeholders. When there is factual evidence to suggest that a product or service poses a risk to the safety and health of consumers or other stakeholders, the principal course of action should be to recall the batch of products or cease the service immediately.

Article 17 Organization and Responsibility

The directors, managers, employees, trustees, or significant controllers of the Company are expected to exercise due diligence and oversight to prevent unethical behavior. They should regularly assess the effectiveness of these measures and strive for continuous improvement to ensure the successful implementation of the Company's ethical management policy. In order to strengthen the integrity of its business operations, the Company shall establish an Audit Office to be responsible for formulating and supervising the implementation of policies and preventive measures related to ethical business practices. Furthermore, it shall report to the Board of Directors at least once a year.

Article 18 Compliance with Laws and Regulations in Business Operations

The directors, managers, employees, trustees or substantial controllers of the Company shall comply with laws and regulations and the Company's Prevention Plan when carrying out business.

Article 19 Avoidance of Conflicts of Interests among Directors and Managers

The Company shall develop policies for preventing conflicts of interest, and provide appropriate channels for directors, managers, and other stakeholders attending board meetings with or without voting rights to proactively explain whether they have any potential conflicts of interest with the Company. Detailed measures shall be in accordance with the Company's Code of Ethics

Directors, managers, and other stakeholders attending Company board meetings with or without voting rights shall be highly self-disciplined, state their opinions and answers regarding the proposals listed at the board meeting in which they or the legal persons they represent have a personal stake, and which may be harmful to the interests of the Company. They shall not participate in the discussion and voting, shall recuse themselves from

discussion and voting, and shall not exercise their voting rights on behalf of other directors. Directors shall also exercise self-discipline and provide mutual support to each other.

The directors, managers, employees, trustees, or substantial controllers of the Company shall not take advantage of their positions or influence in the Company to gain improper benefits for themselves, their spouses, parents, children, or any other persons.

Article 20 Operating Procedures and Code of Conduct

The Company has established operating procedures and a Code of Conduct in accordance with Article 6 of these principles, which specifically regulate the matters to which the directors, managers, employees, trustees, or substantial controllers shall pay attention when conducting business. The content of the operating procedures and Code of Conduct shall at least cover the following matters:

1. Criteria for recognizing the provision or acceptance of improper benefits.
2. Handling procedures for the provision of political contributions.
3. Handling procedures for and standards regarding amounts of legitimate charitable donations or sponsorships.
4. Regulations to avoid conflicts of interest related to duties, as well as procedures for declaration and handling.
5. Confidentiality regulations for confidential and commercially sensitive data obtained in the course of business.
6. Regulating and handling procedures for suppliers, customers, and transaction parties involved in unethical conduct.
7. Handling procedures for discovering violations of the Ethical Corporate Management Best Practice Principles.
8. Disciplinary action to be taken against violators.

Article 21 Education, Training, and Evaluation

The Company regularly conducts education and training for directors, managers, employees, employees, trustees and substantial controllers, and invites counterparties engaged in business activities with the Company to participate, helping them fully understand the Company's commitment, policies, and Prevention Plan regarding ethical corporate management, as well as the consequences of unethical conduct.

The Company shall incorporate the policy for ethical corporate management

into employee performance evaluations, and integrate it with human resources and incentive/disciplinary systems and policies.

Article 22 Mechanism for Reporting

The Company has established a specific reporting system, which includes:

1. Appropriate reporting channels for use by people internal and external to the Company.
2. A person or unit responsible for handling reports; however, if a report involves directors or senior executives, it shall be reported to an independent director or the head of the Audit Office. The Company shall also establish standard operating procedures for investigating the category to which the report pertains.
3. Measures to be taken with regard to the severity of the case after completing an investigation into the report; if necessary, the case shall be reported to the competent authority or transferred to judicial authorities for investigation.
4. Recording and preserving reports accepted, along with the investigation process, investigation results, and related documents.
5. Confidentiality of the identity of the reporter and content of the report, along with provision for anonymous reporting.
6. Measures to protect reporters from improper treatment due to their reports.
7. Rewards for reporters.

Article 23 Disclosure of Information

The Company shall disclose the implementation status of the Ethical Corporate Management Best Practice Principles on its website, in its annual report, and in its prospectus.

Article 24 Review and Revision of the Ethical Corporate Management Best Practice Principles

The Company shall consistently monitor the development of domestic and international business integrity standards and encourage directors, managers, and employees to provide suggestions for reviewing and improving the Company's Ethical Corporate Management Best Practice Principles to enhance the effectiveness of the Company's ethical corporate management.



Article 25 Implementation

These principles shall be implemented after being approved by the Board of Directors, and the same shall apply to any amendments.

These principles were established on May 11, 2023.