

Business Ethics Implementation

Assessment Item	Implementation Status		Non-implementation and its reason(s)
	Y	N	
<p>1. Establishment of Corporate Conduct and Ethics Policy and Implementation Measures</p> <p>(1) Does the Company have bylaws and publicly available documents addressing its corporate conduct and ethics policy and measures, and the commitment regarding implementation of such policy from the Board of Directors and the management team?</p>	V		None
<p>(2) Whether the Company has established an assessment mechanism for the risk of unethical conduct; regularly analyzes and evaluates within a business context, the business activities with a higher risk of unethical conduct; has formulated a program to prevent unethical conduct with a scope no less than the activities prescribed in paragraph 2, Article 7 of the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies?</p>	V		None
<p>(3) Whether the Company has established relevant policies that are duly enforced to prevent unethical conduct, provided implementation procedures, guidelines, consequences of violation and complaint procedures, and periodically reviews and revises such policies?</p>	V		None

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			Explanation
			reporting system. With regard to any conduct that may violate business ethics, severe disciplinary measures shall be implemented, including termination of employment or business dealings and relationships, legal actions shall be taken in due course.
2. Ethic Management Practice			
(1) Whether the Company has assessed the ethics records of whom it has business relationship with and includes business conduct and ethics related clauses in the business contracts?	V		<p>Regarding the selection of new suppliers, in addition to the quality, cost, delivery and service covered by general evaluation, suppliers should also comply with Sercomm's specifications for green products. Along with the general procurement agreement and non-disclosure agreement, suppliers should also sign the following documents and pass the audit on green products in order to become qualified suppliers.</p> <ul style="list-style-type: none"> • Product Quality Guarantee Agreement: Govern quality standards required of the suppliers • Letter of undertaking for corporate social responsibility: The undertaking of labor interests and rights, health and safety, environmental protection, ethics, management systems, and social impact. • Supplier's EICC letter of undertaking: Requirements for business ethics and integrity
(2) Whether the Company has set up a unit which is dedicated to promoting the Company's ethical standards and regularly (at least once a year) reports directly to the Board of Directors on its ethical corporate management policy and relevant matters, and program to prevent unethical conduct and monitor its implementation?	V		<p>To ensure the implementation of integrity management, the Company has designated personnel from the Human Resources, Risk Management, and Audit departments to oversee the development of integrity management policies and prevention plans, as well as education and promotion initiatives, complaint channels, and integrity risk assessments. Relevant documents undergo review and approval by competent decision-makers in accordance with their decision-making authority, and the execution status is regularly reported to the Board of Directors. The report for the year 2024 was submitted on March 5, 2024.</p>
(3) Whether the Company has established policies to prevent conflict of interests, provide appropriate communication and complaint channels and implement such policies properly?	V		<p>Sercomm has implemented various policies to prevent conflicts of interest, including the "Ethical Corporate Management Best Practice Principles", "Code of Ethics", "Procedures for Ethical Management and Guidelines for Conduct", "Internal Material Information Handling Procedures", and "Regulations for the Management of the Whistle-blowing System", and provide reporting channels to ensure effective implementation.</p>
(4) To implement relevant policies on ethical conducts, does the Company establish effective accounting and internal control systems that are audited by internal auditors or CPAs periodically?	V		<p>The Company adheres to legal requirements and regularly updates its internal control system. Each department is obligated to conduct an annual self-assessment of the system's effectiveness to ensure that its design and implementation are efficient. The Audit Office has included high-risk operations in the annual audit plan based on the assessment of unethical behavior. The annual audit includes all items required by laws and regulations, and the internal audit status, as well as improvement measures for deficiencies, are reported to the Audit Committee and the Board of Directors on a quarterly basis.</p> <p>The Company's accounting system is established in compliance with legal requirements. Certified public accountants (CPAs) conduct quarterly audits or reviews</p>

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			of the consolidated financial statements, issuing reports and reporting the results to the Audit Committee each quarter. Report of the audits or review results are also presented to the Board of Directors on an annual basis.	
(5) Does the Company provide internal and external ethical conduct training programs on a regular basis?	V		The Company regularly conducts E-Learning courses on topics such as ethical conduct and integrity management, which are designed to train all employees and ensure successful completion of the associated assessments.	None
3. Implementation of Complaint Procedures				
(1) Does the Company establish specific complaint and reward procedures, set up conveniently accessible complaint channels, and designate responsible individuals to handle the complaint received?	V		To implement the ethical conducts and integrity management guidelines, the “Regulations for the Management of the Whistle-blowing System” were established on July 18, 2023, with an independent channel set up for the reporting of illegal activities and violations of human rights, code of conduct, or integrity management guidelines. The channel is managed by dedicated personnel and is available to employees, suppliers, customers, and other external stakeholders; the reporting process follows relevant regional procedures, and a designated email address for reporting complaints is provided, all of which is disclosed on the Company’s website.	None
(2) Does the Company establish standard operation procedures for investigating the complaints received and ensuring such complaints are handled in a confidential manner?	V		The Company has implemented the “Regulations for the Management of the Whistle-blowing System”, which outline the standard operating procedures for addressing reported issues, covering various aspects, such as reporting channels, processing protocols, protection against whistle-blower probes, confidentiality, incentives, as well as promotion and training programs.	None
(3) Does the Company adopt proper measures to prevent a complainant from retaliation for his/her filing a complaint?	V		In accordance with the “Regulations for the Management of the Whistle-blowing System”, the Company shall take appropriate measures to protect whistle-blowers.	None
4. Information Disclosure				
Does the Company disclose its guidelines on business ethics as well as information about implementation of such guidelines on its website and Market Observation Post System (“MOPS”)?	V		The Company has detailed its adherence to the “Ethical Corporate Management Best Practice Principles” on its website’s Corporate Governance section and MOPS, and the effectiveness of these practices is also reported in its annual report.	None