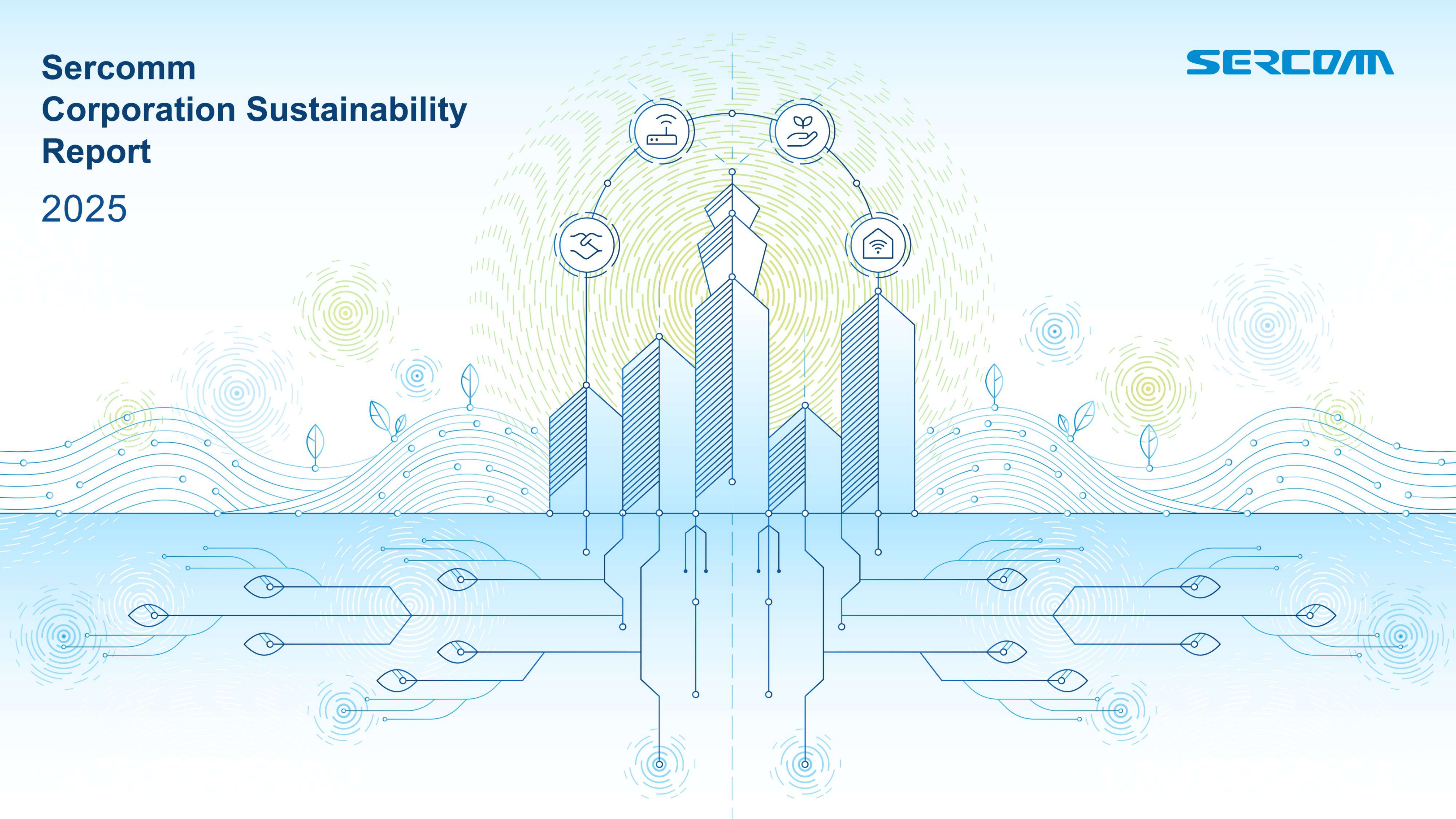


Sercomm
Corporation Sustainability
Report
2025





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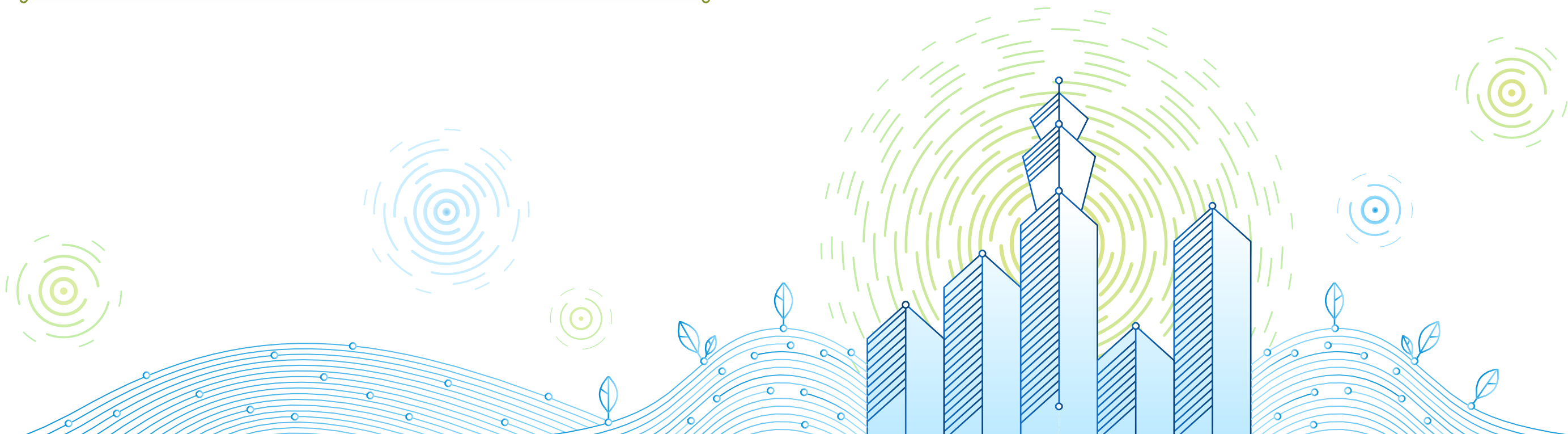
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Preface

About This Report

GRI: 2-1, 2-2, 2-3, 2-4, 2-5

Thank you for reading the 2025 Sustainability Report of Sercomm Corporation (Stock Code: 5388, hereinafter referred to as "Sercomm," "the Company," or "we"). This is Sercomm's 10th Sustainability Report. The Company has long maintained sound communication with all stakeholders based on the principles of transparency and integrity.

Since 2023, Sercomm has officially established the Sustainable Development Committee. In addition to promoting various sustainability initiatives, the Committee has designated one of its members to coordinate the disclosure matters of this report. This report is published after review by the Sustainable Development Committee and approval by the Board of Directors, with the aim of enabling stakeholders to gain a deeper understanding of Sercomm's efforts and achievements in sustainable development.

Reporting Boundary

The reporting boundary of this report is aligned with the Company's consolidated financial statements for financial and social information, covering operating sites in Taiwan and other regions worldwide. Environmental information primarily covers major manufacturing and R&D centers, including R&D and production sites in Taiwan, Suzhou, and the Philippines, namely the Chunan Manufacturing Center in Taiwan, the Suzhou Manufacturing Center in China, and the Philippines Manufacturing Center, hereinafter collectively referred to as the "Major Manufacturing Centers." Unless otherwise stated, monetary values are expressed in New Taiwan Dollars (NT\$), and exchange rates are based on the Company's financial statements.



2025 Annual Report



Restatements of Information

The restatements of information in this report primarily include corrections to certain typographical errors in the 2024 Sercomm Sustainability Report, published in August 2025, as well as retrospective revisions to data for the relevant years due to adjustments to the calculation methodologies for certain indicators. These revisions were made to improve the consistency and comparability of data across reporting years. The revisions did not change the reporting period, reporting boundary, or conclusions regarding material disclosures. For details, please refer to the appendix, "Errata and Restatements for the 2024 Sustainability Report."

Reporting Standards and Guidelines

This report has been prepared in accordance with the GRI Standards (GRI Universal Standards 2021) published by the Global Reporting Initiative (GRI), the Sustainability Accounting Standards Board (SASB) Standards for the Hardware industry, the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), as well as the Taiwan Stock Exchange's Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies, and the requirements for "Sustainability Disclosure Indicators for the Communications and Internet Industry" and "Climate-related Information for TWSE Listed Companies" set out in the relevant appendices. The report also refers to the United Nations Sustainable Development Goals (SDGs) for disclosure and alignment.

In addition, Sercomm continues to monitor and progressively align with the IFRS Sustainability Disclosure Standards, including General Requirements for Disclosure of Sustainability-related Financial Information (IFRS S1) and Climate-related Disclosures (IFRS S2). The Company has begun assessing and implementing the relevant disclosure framework, and will continue to strengthen its ability to integrate sustainability information with financial information disclosures, thereby enhancing information transparency and decision usefulness.



GRI

GRI Universal Standards 2021



SASB

Sustainability Accounting Standards Board (SASB) Standards for the Hardware industry



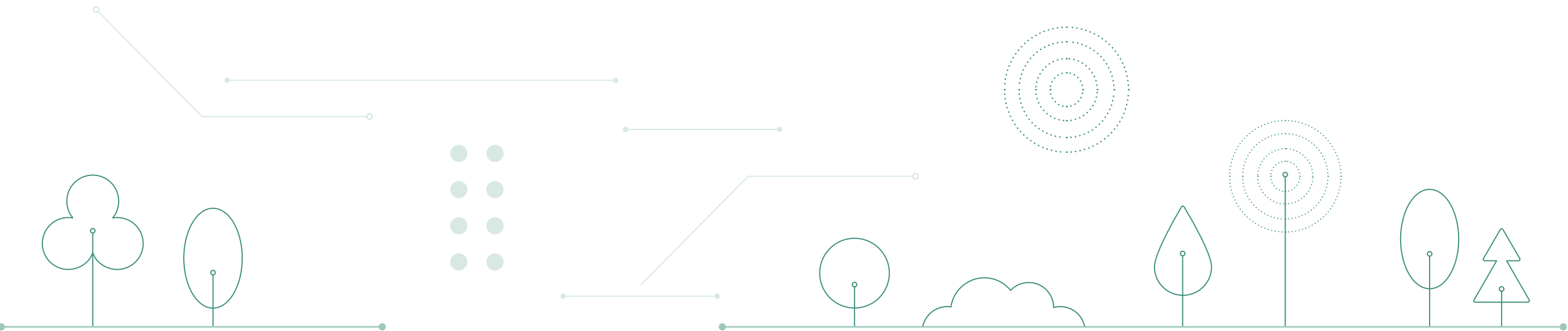
TCFD

Task Force on Climate-related Financial Disclosures



SDGs

United Nations Sustainable Development Goals





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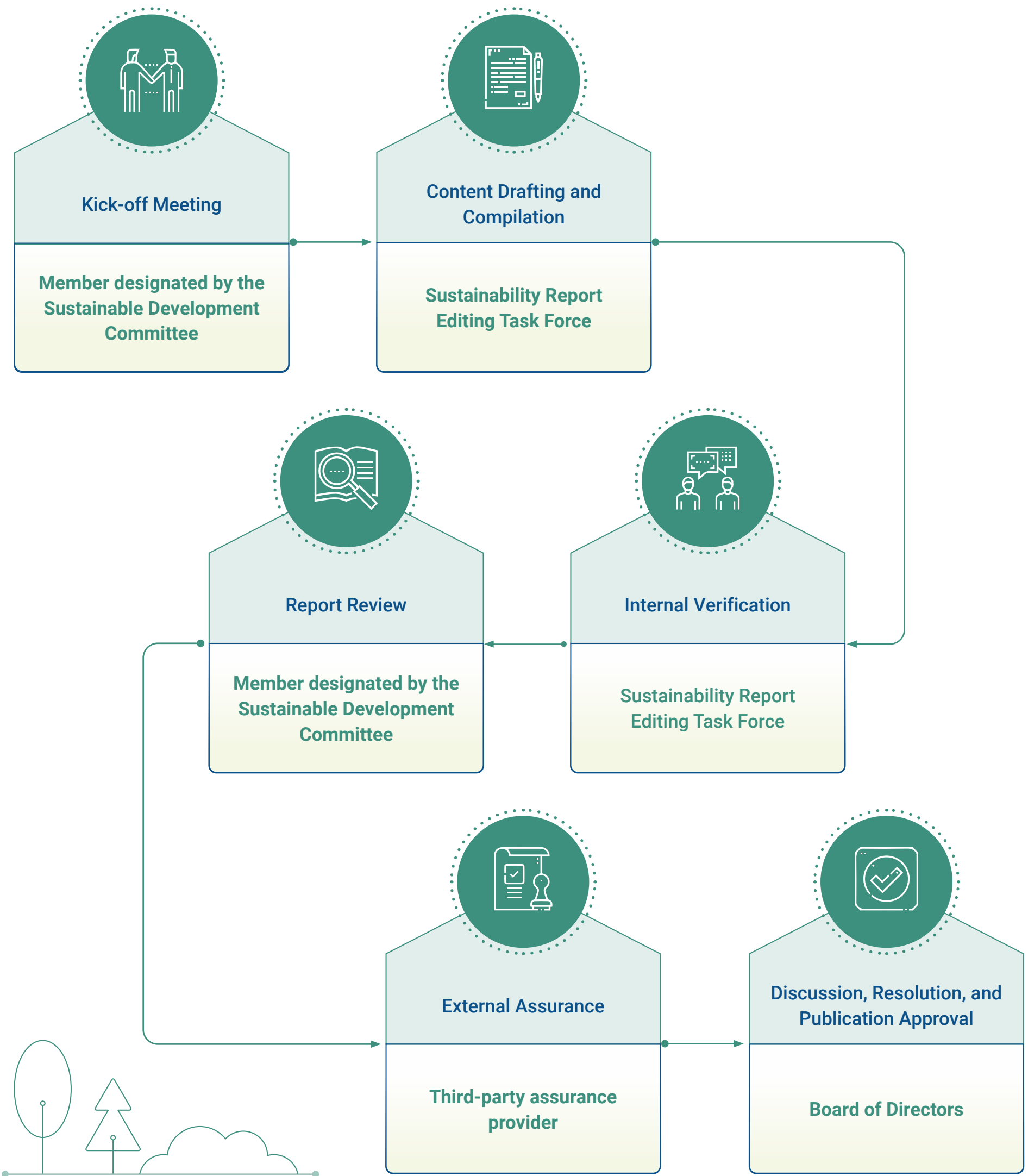
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∴ Compilation, Review, and Management Procedures

The content disclosed in this report is drafted and compiled by the Sustainability Report Editing Task Force and then reported to the Sustainable Development Committee. After review, the report is submitted to an external third-party organization for assurance. The final report is submitted to the Board of Directors for discussion and may only be published after approval by resolution.



∴ External Assurance and Verification

The financial information disclosed in this report is derived from the Company's consolidated financial statements, which have been audited by certified public accountants of PwC Taiwan. Greenhouse gas (GHG) emissions information has obtained third-party verification statements in accordance with ISO 14064-1. For the certification and verification status of environmental protection and safety management systems, please refer to the appendix.

This report has been independently assured by TÜV NORD, an independent third-party assurance provider, in accordance with the AA1000 Assurance Standard v3 (AA1000 AS v3), at a Type 1 Moderate Level of Assurance. The assurance confirms that the report has been prepared in accordance with the GRI Standards and aligns with the SASB Hardware industry metrics and activity metrics, the TCFD recommendations, and the eight sustainability disclosure indicators for the Communications and Internet Industry specified in the Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies.

Please refer to the appendix of this report for the Independent Assurance Statement issued by TÜV NORD.

∴ Reporting Period and Frequency

The information disclosed in this report covers the period from January 1, 2025 to December 31, 2025. This report was published in August 2026 and is issued annually in both Chinese and English. To present the medium- and long-term performance and trends of certain action plans, some topics include content or data covering the period from 2022 to 2025.

∴ Contact Information

For questions, comments, or suggestions regarding this report, please contact:

- Contact Unit:** Sustainability Task Force, Sustainable Development Committee, Sercomm Corporation
- Address:** 8F, No. 3-1, YuanQu St. (Nankang Software Park) Taipei 115, Taiwan
- Tel:** +886-2-2655-3988 #2462
- E-mail:** esg@sercomm.com



Sercomm Official Website
<https://www.sercomm.com/en>



LinkedIn
<https://www.linkedin.com/company/sercomm/>





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Message from Management

Looking back at 2025, it was a challenging year for the networking industry. Exchange rate fluctuations, U.S. tariff policies, and rising component costs contributed to an uncertain operating environment. Nevertheless, Sercomm continued to invest in innovation and R&D, adopting prudent market strategies and delivering operating results that outperformed the industry average. As customer inventory adjustments neared completion, market demand began to recover, and next-generation broadband products were progressively shipped, supporting subsequent growth. In response to external changes, Sercomm strengthened its core technologies, advanced global expansion initiatives, reinforced market development strategies, and maintained disciplined risk management to enhance operational resilience.

In terms of operating performance, Sercomm recorded total consolidated revenue of NT\$54 billion in 2025, with a full-year gross margin of 15.7%. Operating profit amounted to NT\$1.6 billion, while net profit attributable to the parent company totaled NT\$1.2 billion. Based on a weighted average of approximately 298 million shares outstanding, consolidated earnings per share (EPS) for 2025 were NT\$4.04. Amid industry volatility, the Company continued to strengthen its financial structure and operational resilience to effectively navigate market changes.

In response to geopolitical developments and regional market shifts, Sercomm further advanced its globalization strategy. Through coordinated supply chain management, we integrated resources across five manufacturing centers in Taiwan, the Philippines, India, Mexico, and China, enhancing flexibility and competitiveness. The second production facility in the Philippines has been completed and commenced mass production, further securing capacity allocation and supply stability. In addition to expanding production capacity, Sercomm strengthened cross-site technical collaboration. To support rapid growth in North America, capacity at the Mexico facility will be further expanded. Building on our established presence in North America, Europe, and Asia-Pacific, we are also expanding into Southeast Asia, Latin America, and the Middle East to deepen customer relationships and enhance overall competitiveness.

Beyond core operations, Sercomm continues to advance its sustainability strategy, focusing on Environmental, Social, and Governance (ESG) initiatives. The Company steadily promotes low-carbon transformation and responsible corporate practices. Sercomm has consistently ranked within the top 6%–20% in the Corporate Governance Evaluation for listed companies. Since 2017, we have published annual sustainability reports and obtained third-party assurance for eight consecutive years. Recently, Sercomm was awarded the Platinum Medal, the highest distinction by EcoVadis, ranking among the top 1% of assessed companies worldwide—demonstrating our long-term commitment to sustainability and sound governance.

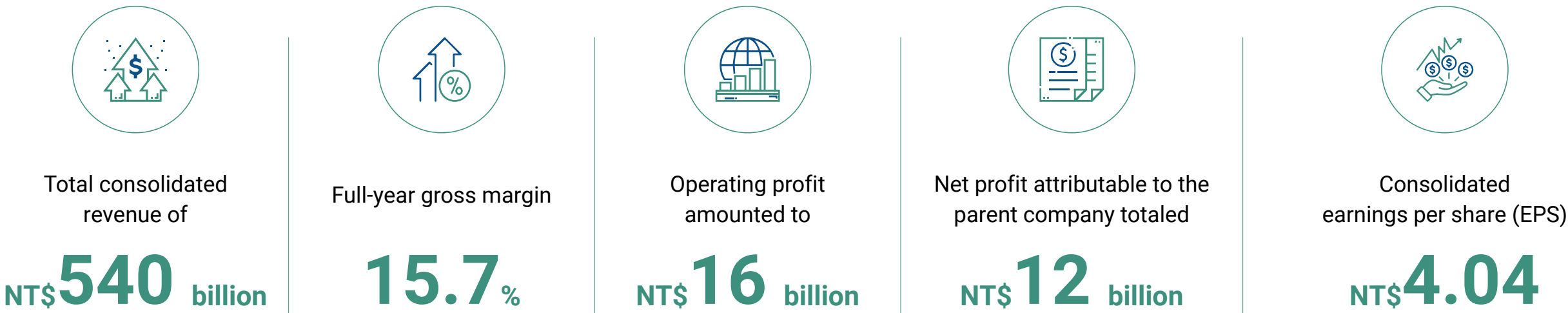
Looking ahead to 2026, the industry continues to present both opportunities and uncertainties, with geopolitical developments and component supply conditions remaining key variables. However, demand for next-generation broadband applications remains strong. Products including Wi-Fi 7, 5G FWA fixed wireless access equipment, enterprise networking devices, AI-powered IoT solutions, and distributed access products are expected to further contribute to revenue growth. Sercomm will continue to prioritize innovation and cost discipline, deepen collaboration with global telecommunications customers, and expand its market share. With innovation at its core and sustainability as its guiding principle, Sercomm remains committed to enhancing long-term value for shareholders, customers, and employees alike.



Sercomm Corporation
Chairman



Sercomm Corporation
President



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Sustainability Highlights



Environmental



Participated in CDP assessments and received scores of A- for Climate Change and B for Water Security; received the highest rating of A in the Supplier Engagement Assessment (SEA).



Scope 1 and Scope 2 (market-based) GHG emissions decreased by 30.73% compared with 2023.

↓ 30.73%



Scope 3 GHG emissions decreased by 17.60% compared with 2023.

↓ 17.60%



Social



Total global employee training hours reached

39,883.95 hours



with an average of

5.10 hours

training hours per employee.



The proportion of women in management positions reached

30.67%



The implementation rate of Group-wide human rights training increased to

72.12%

Recognized by FinanceAsia with the "Most Committed to DE&I" award.

Received the Gold Award for "Best Employer Brand on LinkedIn" in the 2025 LinkedIn Talent Awards Taiwan.

Gold Award



Governance

Ranked in the

top 6-20% in the 2025 (12th) Corporate Governance Evaluation.

Awarded the highest honor, the EcoVadis Platinum Medal

Chunan Manufacturing Center obtained RBA VAP Platinum Certification for the second consecutive year.

Board meeting attendance rate reached

100%

Signing rate of the Code of Ethical Conduct for new employees reached

100%

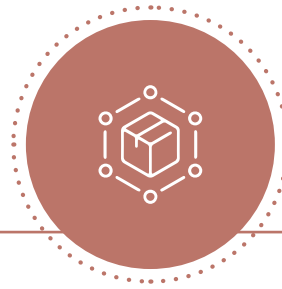
0 material violations

The implementation rate of Group-wide information security-related training increased to

72.56%

The 2024 Sustainability Report received the TCSA Silver Award for Sustainability Reporting and the Outstanding Performance Award for Comprehensive Sustainability Performance.

Recognized by FinanceAsia magazine for Best Managed Company – Technology, Best Managed Company – Small Cap, Most Committed to ESG, and Best Investor Relations and Best Use of Technology.



Products and Services



The power conversion efficiency of all router products exceeded

80%+



Revenue from qualified products that have obtained energy efficiency certifications accounted for

82.90% of total revenue.



Packaging volume reduction was completed for four major product models, increasing the loading efficiency of 40-foot containers to up to approximately

2.78 times the original level.



The five product models with the highest PCR material use incorporated approximately

554 metric tons of PCR materials in total.



The total number of patents granted

>283

- 1.1 Company Overview
- 1.2 Business Performance

Value Creation

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Management Approach



Target Readers

Investors / Financial Institutions, Customers, Government Agencies, Employees

Policy Commitments

The Company's financial performance serves as the foundation for sustainable development and remains one of the indicators of greatest concern to stakeholders. To achieve its sustainable development goals while promoting social inclusion and environmental sustainability, Sercomm is committed to establishing a high-performance corporate governance mechanism to steadily create economic value.

Material Topic	Management Approach and Evaluation Mechanism	2025 Management Implementation Results	Short-Term Goals	Medium- and Long-Term Goals
 Economic Performance	» The management team regularly convenes operational meetings to review performance. In addition, through internal budget control, capital expenditure review, operational risk assessment, and the financial reporting system to the Board of Directors, Sercomm ensures that its economic performance is aligned with the Company's long-term strategic objectives. » The Company continues to monitor international accounting standards and tax-related regulations, prepares financial reports that fairly present its financial position, and discloses material financial information.	» Approved the 2024 financial statements, business report, and 2025 business plan. » Approved the cash dividend distribution proposal for 2024 earnings.	2025 △ Stabilize revenue and gross margin performance, and maintain market share in telecommunications and broadband products. △ Optimize global capacity allocation and improve operational efficiency. △ Strengthen cost control and flexible manufacturing capabilities to respond to market uncertainties.	2026~2030 » Continue expanding into emerging markets and increase the revenue share of non-traditional markets. » Deepen partnerships with key customers and increase the proportion of high value-added products. » Continue investing in green design and innovative R&D capabilities to enhance operational resilience and technological leadership.

Note:

2025 Performance Status — "✓" Achieved; "△" Ongoing Progress.



1.1

Company Overview

GRI: 2-1, 2-2 SASB: TC-HW-000.B

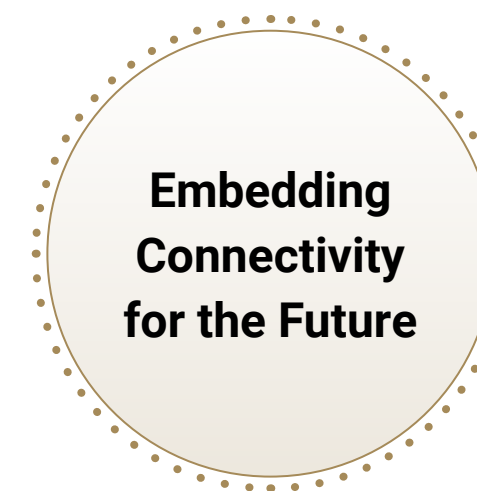
1.1.1 About Sercomm

Sercomm was originally established with a core focus on broadband network software development, complemented by hardware manufacturing services. As opportunities in digital convergence emerged, Sercomm boldly adjusted its operational strategy, successfully transforming from a brand-oriented OEM provider into a world-class leader in comprehensive telecommunications and broadband solutions. Through continuous innovation and proactive market expansion, the Company has integrated new broadband technologies into diverse real-life applications, created differentiated value, enhanced its competitiveness in blue ocean markets, and generated renewed corporate value.

Sercomm has been deeply engaged in the telecommunications market for many years and has established market leadership in a diverse range of core products, including Integrated Access Devices (IADs), carrier-grade networking equipment, FTTx optical fiber solutions, Cable DOCSIS equipment, Small Cell base stations, and smart IoT solutions. Its customer base includes leading telecommunications operators across Europe, North America, and emerging markets, securing Sercomm's status as a recognized global supplier.

In 2023, Sercomm unveiled a renewed corporate vision, mission, and core values, aiming to deliver timely solutions with strong execution, lead communications technology through fearless innovation, and build partner relationships through service excellence. These principles lay the foundation for enabling future lifestyles and industries that are smarter, more innovative, convenient, and secure.

Vision & Mission



Note: Brown represents the corporate vision, while blue represents the corporate mission.

Core Values



Execution

Deliver strong execution with a clear objective



Innovative

Pursue new and better ways of doing things



Service

Commit to service excellence



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∴ Company Profile

	Company Name	Sercomm Corporation (Stock Code: 5388)		
	Number of Employees	6,586		
	Paid-in Capital	NT\$ 3,000,495,420		
	Date of Incorporation / Date of Listing	July 29, 1992 / December 3, 2007		
	Address of Headquarters	8F, No. 3-1, YuanQu St., Nangang District, Taipei, Taiwan		
	Industry	Communications and Internet Industry		Main Business Wired Networking Products Wireless Networking Products Other Products
	Product Category	Sercomm's three core product categories include: » Broadband CPE » Enterprise Products » Infrastructure & IoT Products To meet the evolving needs of the communications industry, Sercomm also offers a comprehensive suite of solutions: » Mobile Network Solutions » Broadband Solutions » IoT Solutions » Enterprise Solutions		
	Chairman	James Wang		President Ben Lin
	Number of Production Sites	the three manufacturing centers in Chunan, Taiwan; Suzhou, China; and the Philippines		
	Area of Manufacturing Facilities	119,833.82 m²		

Notes:

The calculation scope is based on production-related floor areas, including areas used for manufacturing activities, offices, and warehouses. It does not include non-production areas such as cafeterias or dormitories.



2025 Consolidated Financial Statements



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Major Shareholders



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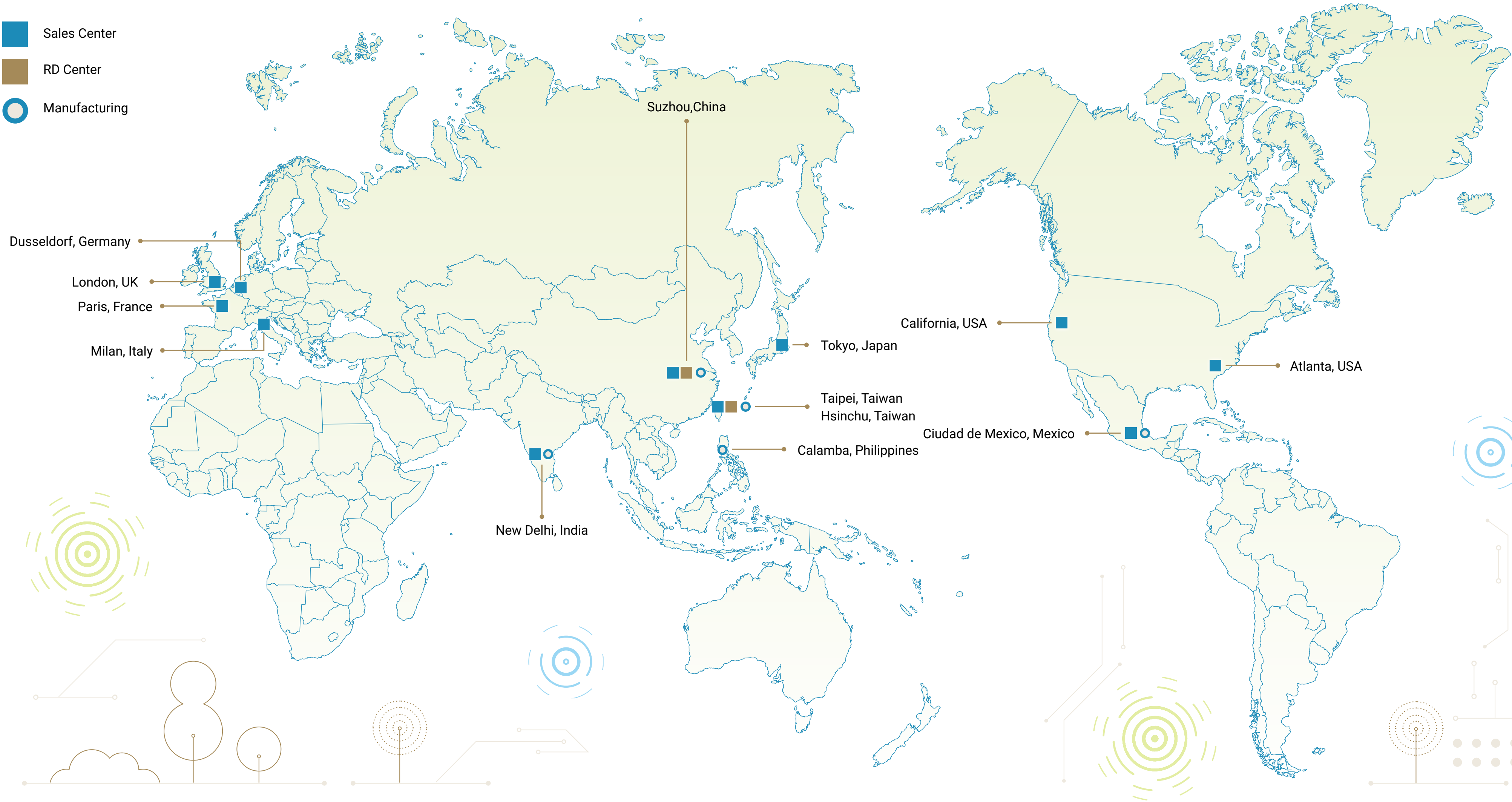
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Global Operations

Sercomm's operational headquarters is located in Taipei, Taiwan. To provide localized services to telecommunications operators and networking equipment companies worldwide, the Company has established sales offices in more than ten countries, including the United States, Mexico, Mainland China, Japan, India, France, Germany, Italy, and the United Kingdom. Its manufacturing centers are located in Chunan, Taiwan; Suzhou, China; Calamba, the Philippines; Mexico; and New Delhi, India. These manufacturing centers work closely with the R&D centers in Taipei, Suzhou, and the Manila metropolitan area to strengthen the Company's integrated capabilities in R&D design, engineering validation, and mass production introduction.

- Sales Center
- RD Center
- Manufacturing





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1.1.2 Products and Markets

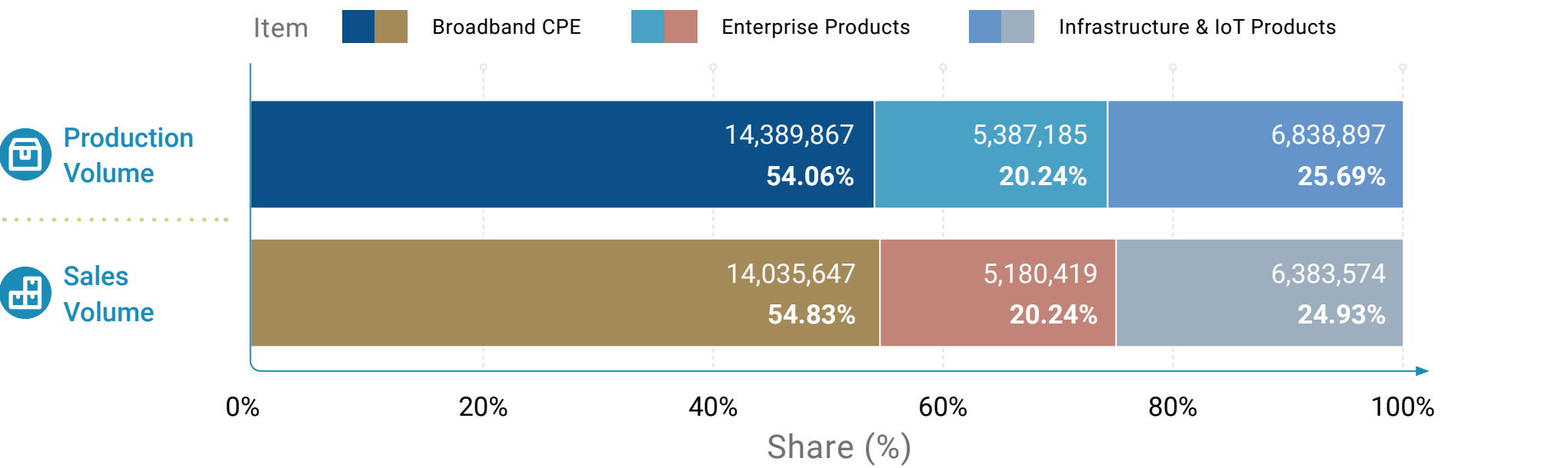
GRI: 2-6 SASB: TC-HW-000.A, TC-HW-000.C

Sercomm's product portfolio is primarily composed of three major categories: Broadband Customer Premises Equipment (Broadband CPE), Enterprise Products, and Infrastructure & IoT Products. These products are deployed across a wide range of application scenarios, including residential, commercial, industrial, telecommunications, security surveillance, and cloud-based environments. Looking ahead, as high-speed mobile broadband continues to enable diverse applications, Sercomm remains committed to its core strength in key technology development. The Company will continue to deepen its capabilities in IoT, artificial intelligence (AI), small cell solutions, and intelligent cloud applications to accelerate network accessibility, enhance business efficiency, and contribute to the advancement of smart living and smart cities in the digital economy.



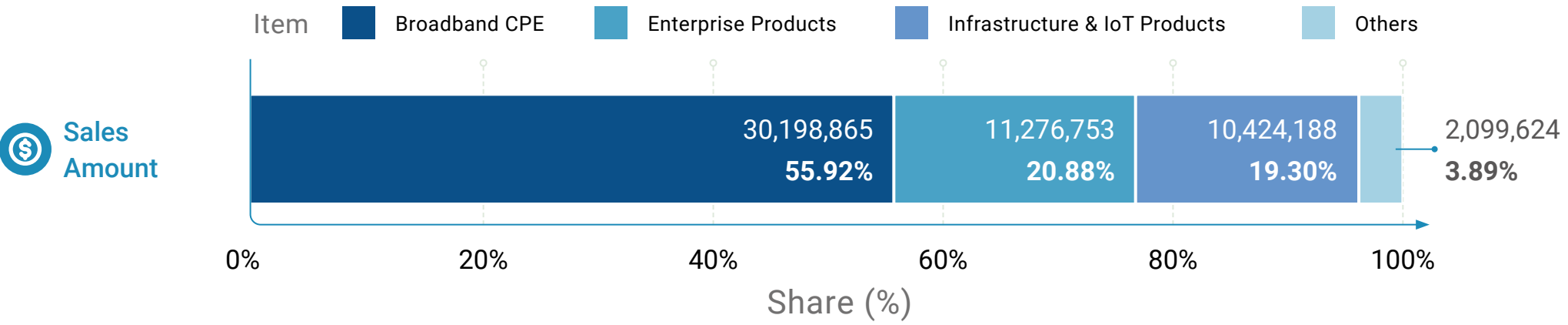
The structure of product production and sales in 2025 is presented in the following tables. In terms of revenue composition, Broadband Customer Premises Equipment (Broadband CPE) represented the primary source of contribution. Regarding sales markets, the Americas, Asia, and Europe remained the main shipping destinations, with continued efforts to expand into emerging markets.

Product Production and Sales Distribution in 2025 Unit: Units (pcs)



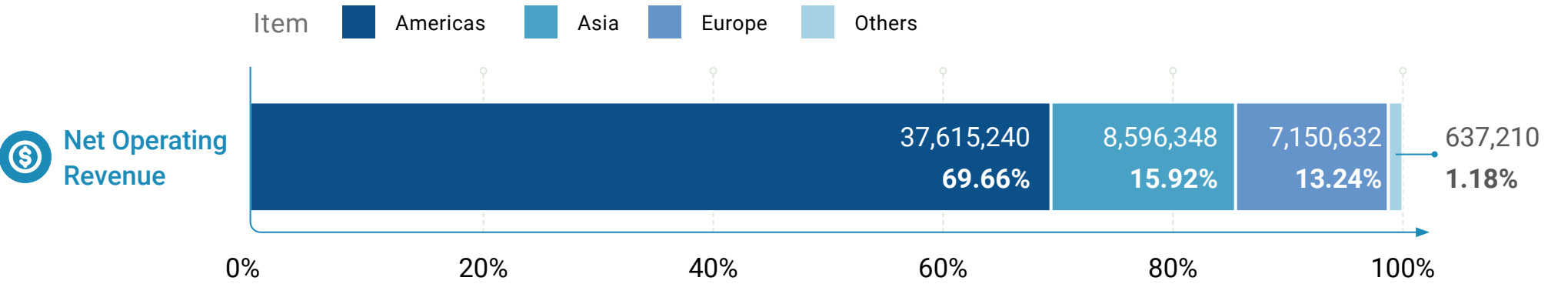
Note: As the statistical scope of this section is aligned with the consolidated financial statements, the data includes the manufacturing centers in India and Mexico.

Product Revenue Distribution in 2025 Unit: NT\$ thousands



Note: The "Others" category primarily includes testing and processing services, semi-finished products, materials, reimbursed freight charges, and material price differences. Therefore, no production or sales volume is applicable for reference.

Sales Market Distribution in 2025 Unit: NT\$ thousands

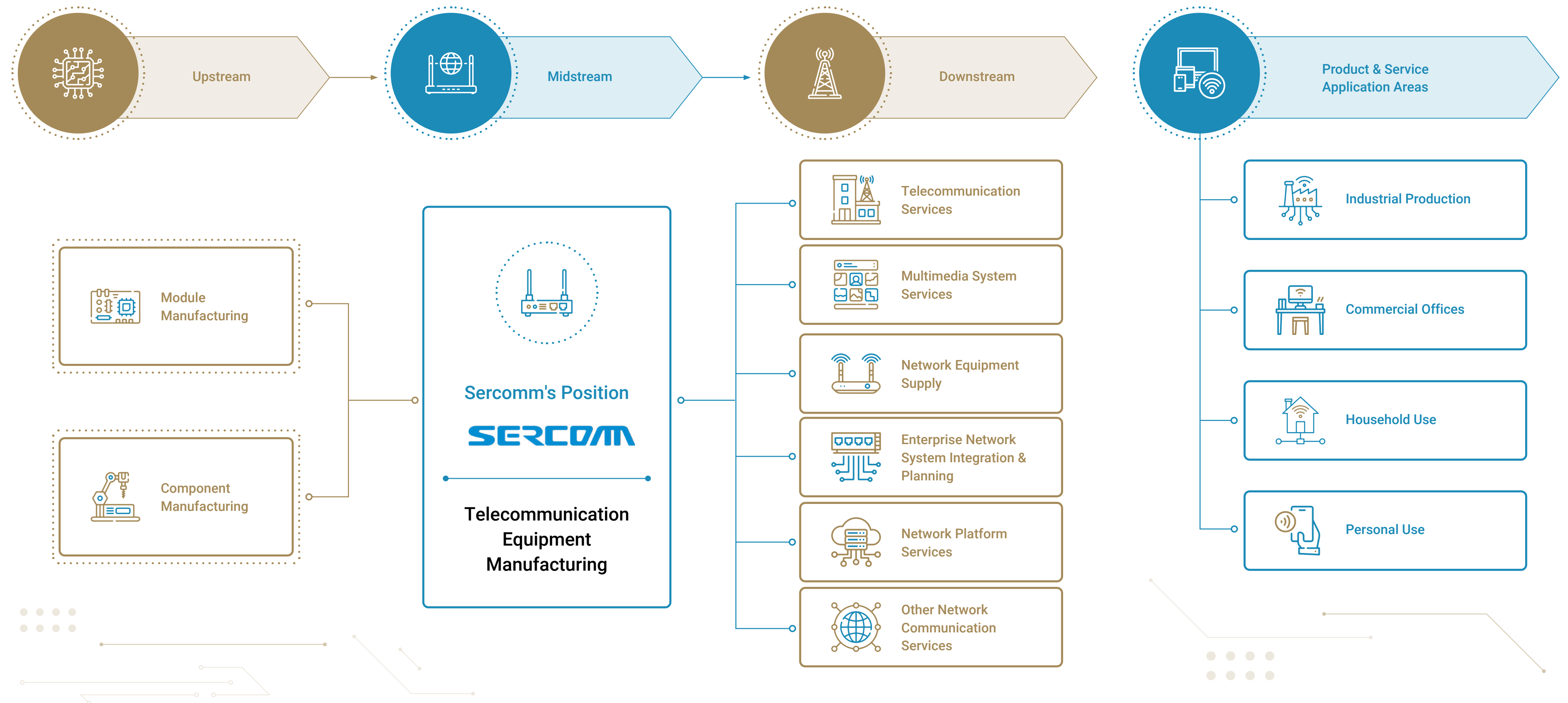


1.1.3 Value Chain of the Communications and Internet Industry



The Communications and Internet Industry consists of companies that develop and utilize wired or wireless transmission technologies to receive symbols, signals, text, images, audio, and other forms of information. In this industry value chain, upstream players are suppliers of components used in the assembly of various types of communications terminals, while downstream players offer end-use products and services.

There were no significant changes in the industry value chain during the reporting year. Sercomm is positioned in the midstream segment of the value chain, sourcing raw materials and components from upstream suppliers for in-house production and manufacturing. Finished physical products are delivered to professional service providers such as telecommunications operators, network equipment vendors, and multimedia system service providers, with final applications extending to industrial, commercial, residential, and individual consumer use.



1.2

Business Performance

 GRI: 201-1, 201-4, 415-1

1.2.1 Financial Performance

In 2025, Sercomm achieved consolidated revenue of NT\$53.999 billion, with operating profit of NT\$1.605 billion. Net income attributable to the parent company amounted to NT\$1.199 billion, representing a 47.27% decrease compared to the previous year. Earnings per share (EPS) stood at NT\$4.04.

The Company's consolidated financial performance for 2022 to 2025 is presented in the table below:

Unit: NT\$ thousands

Item			2022	2023	2024	2025	
 Operating Performance and Profitability	Direct Economic Value Generated	Operating Revenue	64,573,720	62,584,493	56,788,762	53,999,430	
		Total non-Operating Income and Expenses	(27,035)	(125,481)	(110,657)	(99,253)	
	N/A	Gross Profit	8,618,811	10,262,300	10,076,229	8,475,098	
		Operating Profit	2,417,616	3,113,514	2,933,838	1,604,964	
		Profit Before Income Tax	2,309,344	2,988,033	2,823,181	1,505,711	
		Profit for the Year	1,908,521	2,388,791	2,273,639	1,199,024	
		EPS	7.57	9.17	7.74	4.04	
		Total Assets	44,275,617	47,764,529	41,991,816	48,332,461	
		Total Liabilities	34,474,175	34,548,375	25,672,429	32,389,017	
		Total Equity	9,801,442	13,216,154	16,319,387	15,943,444	
 Value Distribution	Economic Value Distributed	Operating Costs	55,954,909	52,322,193	46,712,533	45,524,332	
		Employee Benefit Expense	5,377,137	5,762,623	5,511,362	5,816,625	
		Payments to Providers of Capital	Cash Dividends of Ordinary Shares	605,735	1,158,191	1,472,126	1,373,327
			Interest Paid to Lenders (Finance Costs)	173,590	262,002	248,528	212,521
		Payments to Government	Payments of Income Tax	361,161	522,764	1,151,132	265,686
			Fines	--	--	41	290
		Community Investments	--	--	6,425	1,525	
		Political Contributions	--	--	0	0	
		Economic Value Retained			2,074,153	2,431,239	1,575,958

∴ Dividend Policy

The Company's dividend distribution policy is based on the principle of maintaining stable dividends in line with the earnings performance of each fiscal year. To support steady operational growth, dividend amounts are determined by considering the current and future investment environment, funding needs, domestic and international competition, and capital budget, while balancing shareholder interests, dividend distribution, and the Company's long-term financial planning. Dividends may be distributed in the form of stock dividends or cash dividends, with cash dividends accounting for no less than 10% of the total dividends distributed in the year.

∴ Government Financial Subsidies in Support of Policy

We support tax incentive policies introduced by various governments to promote R&D technologies in the Communications and Internet Industry, and we continue to allocate resources toward innovation and development to help build a smart, innovative, and resilient digital environment. In 2025, the Company did not apply for any government project-based subsidies; however, we remain attentive to relevant policies and funding opportunities. Based on business and technological development needs, we will assess the feasibility of future participation to strengthen our R&D capabilities and enhance market competitiveness.



Financial Information



Investor Conference

Notes:

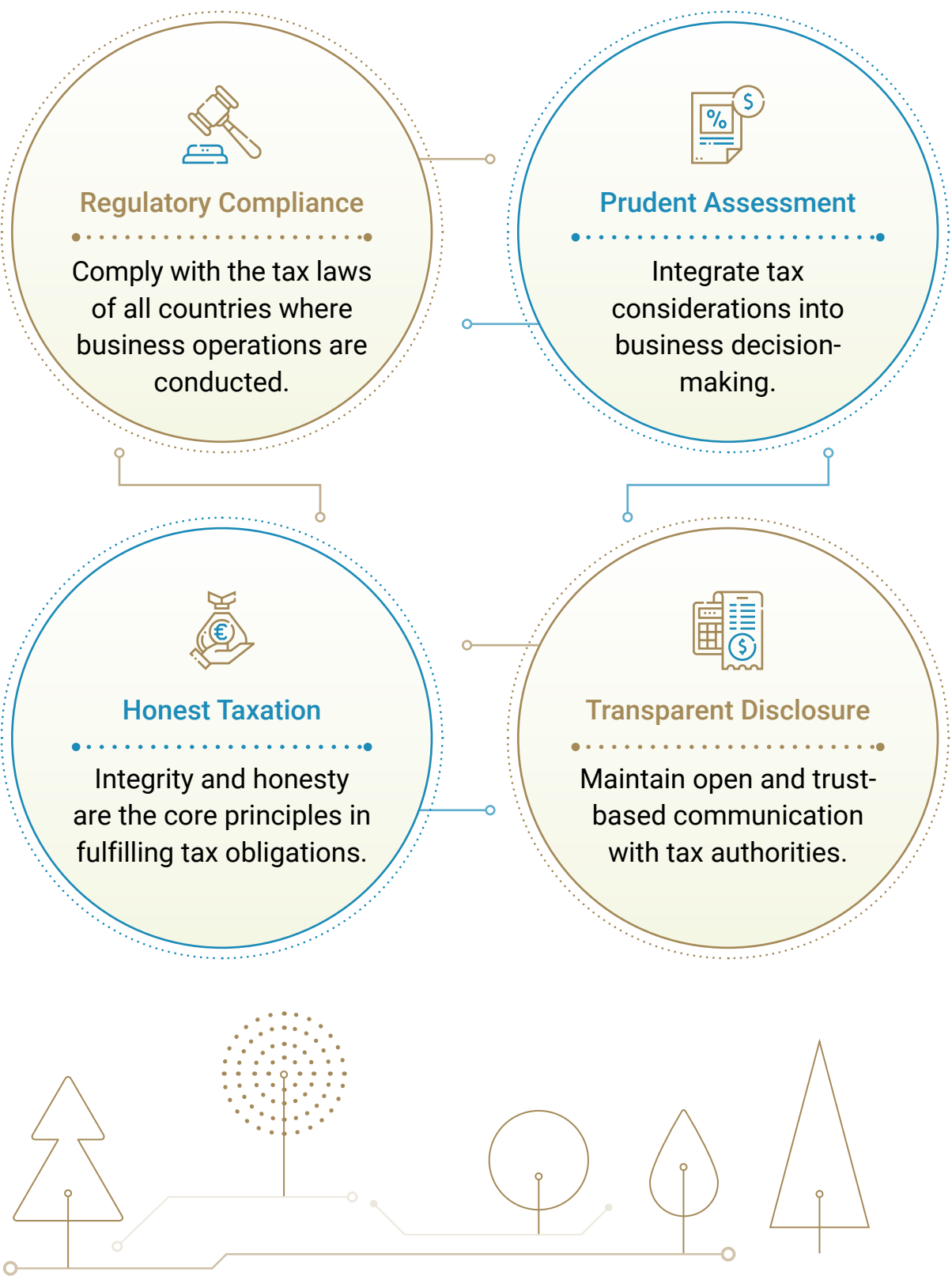
01. Payments to Providers of Capital refer to dividends paid to all shareholders, plus interest paid to lenders (including interest on all forms of debt and borrowings, and unpaid dividends to preferred shareholders).
02. Payments to Government include all types of taxes (such as business tax, income tax, and property tax), as well as fines.
03. Community Investments refer to donations and charitable contributions.
04. Economic Value Retained = Direct Economic Value Generated – Economic Value Distributed.
05. Direct Economic Value Generated = Operating Revenue + Total non-Operating Income and Expenses.
06. Economic Value Distributed = Operating Costs + Employee Benefit Expense + Payments to Providers of Capital + Payments to Government + Community Investments + Political Contributions.
07. Fines, community investments, and political contributions were not recorded for 2022–2023.

1.2.2 Tax Policy

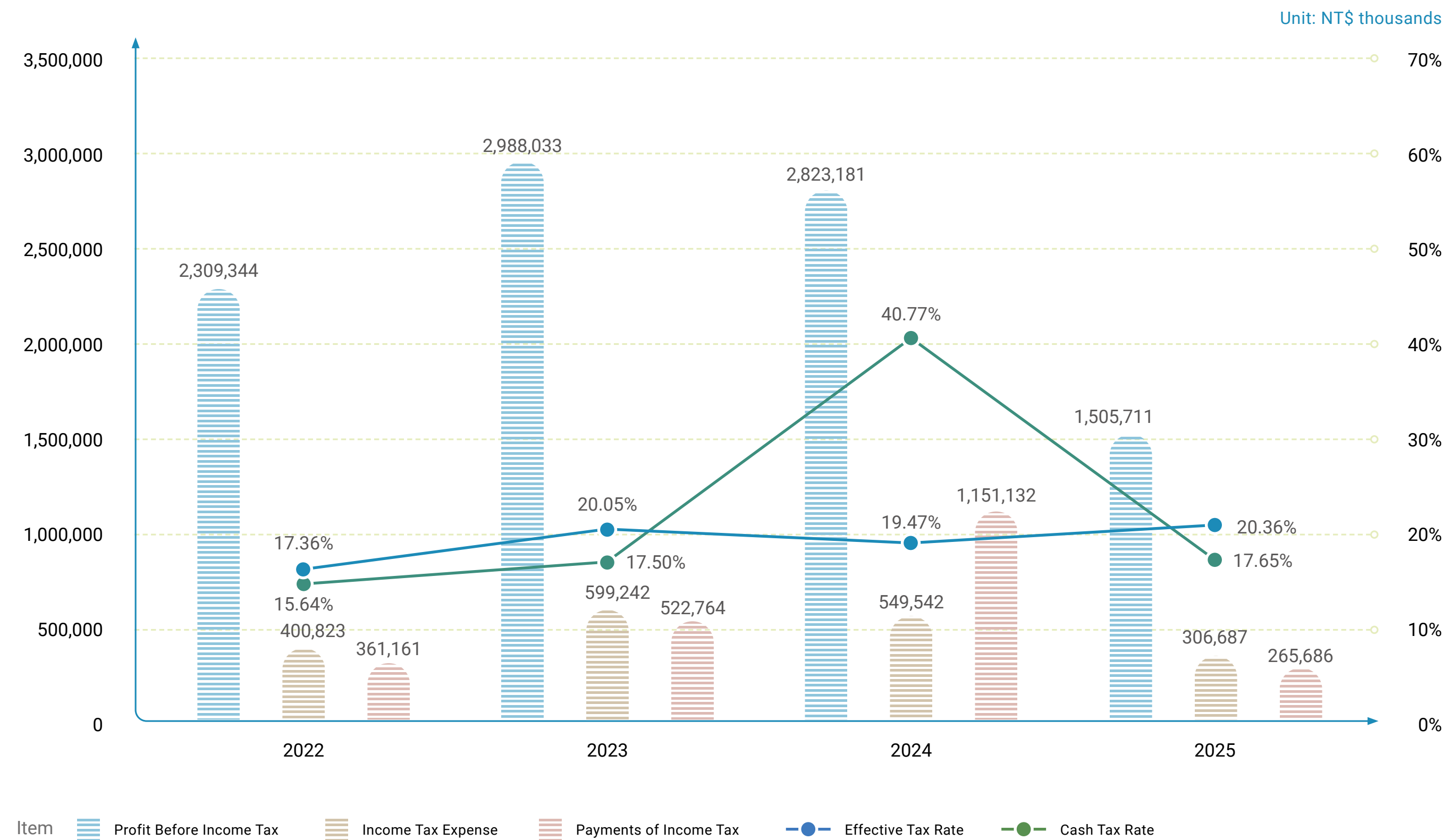


Sercomm's tax governance is guided by four core principles: regulatory compliance, prudent assessment, honest taxation, and transparent disclosure. In terms of regulatory compliance, Sercomm adheres to the tax laws and regulations of all countries and regions where it operates, and strictly refrains from engaging in any improper or aggressive tax planning. Dedicated finance personnel are stationed at key operational sites to stay abreast of local tax regulations. When necessary, Sercomm invests in training to ensure staff are equipped to respond to changes in tax legislation. Regarding prudent assessment, the Company carefully evaluates tax-related risks and implications when planning operational activities or engaging in major transactions, ensuring that all applicable tax considerations are factored into the decision-making process. With respect to honest taxation, Sercomm does not pursue tax avoidance strategies and does not accept tax arrangements lacking legitimate commercial substance, ensuring that its tax payments contribute to the economic and social development of the local communities where it operates. For transparent disclosure, Sercomm complies with relevant regulations in disclosing tax-related information and maintains open, trust-based communication with tax authorities.

Tax Governance Principles



Tax Information Over the Past Four Years





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Performance Highlights

- » Ranked in the **top 6%–20%** in the 2025 (12th) Corporate Governance Evaluation.
- » Awarded the highest honor, the EcoVadis **Platinum Medal**, in 2025.
- » Received the highest rating of A in the 2025 CDP Supplier Engagement Assessment (SEA).
- » Chunan Manufacturing Center obtained **RBA VAP Platinum Certification** for the second consecutive year.

Management Approach



Target Readers

This chapter is recommended as a priority read for all stakeholders.

Policy Commitments

- » Sercomm upholds the management philosophy of "Innovation and R&D Focus" and progressively fulfills corporate social responsibility through four dimensions: improving operating performance, responding to environmental protection and energy conservation, engaging in community participation, and creating a happy workplace.
- » Environmental Sustainability: While pursuing operational growth, Sercomm actively participates in global environmental protection initiatives; strictly complies with domestic and international environmental regulations; and conducts GHG inventories, energy conservation, and carbon reduction actions.
- » Happy Workplace: Sercomm protects employee rights and interests, creates a healthy, safe, non-discriminatory, and fair working environment, and fosters a happy workplace.
- » Corporate Social Responsibility: Sercomm actively engages in charitable actions, promotes social inclusion, and encourages employees to care for communities.
- » Sustainable Operations and Management: Sercomm establishes sound corporate governance systems, values communication and interaction with stakeholders, and ensures the transparency of operational information.

Material Topic	Management Approach and Evaluation Mechanism	2025 Management Implementation Results	Short-Term Goals	Medium-Term Goals	Long-Term Goals
Sustainable Supply Chain Management	» Established management mechanisms for new and existing suppliers in accordance with the Supplier Management Procedure. » Conducted ESG risk assessments prior to supplier onboarding in accordance with the Supplier's Code of Conduct Agreement. » Required suppliers to comply with social responsibility, integrity commitments, and local regulations in accordance with RBA standards. » Promoted and implemented the Sustainable Procurement Policy.	» Approved and published the Sustainable Procurement Policy. » Held two online supplier training sessions, with a total of 291 suppliers participating. » Held one supplier recognition conference. » Assisted 95 suppliers in adopting the SGET carbon management platform. » A total of 14 suppliers committed to joining Sercomm's Supplier Carbon Reduction Program.	2025~2026 △ Encourage suppliers to conduct GHG inventories and assist them in implementing ISO 14064-1. ✓ Invite at least six high-emission suppliers to join Sercomm's Supplier Carbon Reduction Program. ✓ Establish and publish the Group-wide Sustainable Procurement Policy. ✓ Distribute the CSR Risk Assessment Form revised in the previous year to existing suppliers for risk assessment. △ Complete CSR Risk Assessments for new suppliers by 2026. △ Promote a zero recruitment fee policy to ensure that employees do not bear recruitment-related costs and to protect labor rights. △ Promote the Human Rights Due Diligence (HRDD) mechanism in the supply chain to identify and manage supply chain human rights risks. △ Complete the Supplier Handbook to clearly define ESG and management requirements that suppliers must follow.	2027~2029 » Fully promote supplier GHG inventories and assist suppliers in implementing ISO 14064-1. » Assist suppliers in understanding and implementing ESG policies and standards. » Disclose HRDD implementation status. » Continue promoting the Supplier Carbon Reduction Program.	2030 » Assist suppliers in promoting GHG emissions reduction to effectively reduce Scope 3 emissions.

Note: 2025 Performance Status — " ✓ " Achieved; " △ " Ongoing Progress.

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2.1

Sustainability Management Framework

 GRI: 2-12, 2-13, 2-14, 2-24

∴ Sustainability Guidelines

Sercomm has established the Sustainable Development Best Practice Principles as guidance for the Company's sustainable development vision and strategy. To further clarify how sustainability considerations are incorporated into business operations, we have also established the Corporate Social Responsibility Guidelines, which define sustainability principles across five dimensions: business ethics, labor and human rights, occupational health and safety, environmental sustainability, and sustainable procurement. The scope of application covers Sercomm's global operating sites, managerial levels, formal employees and non-employees, as well as supply chain partners.

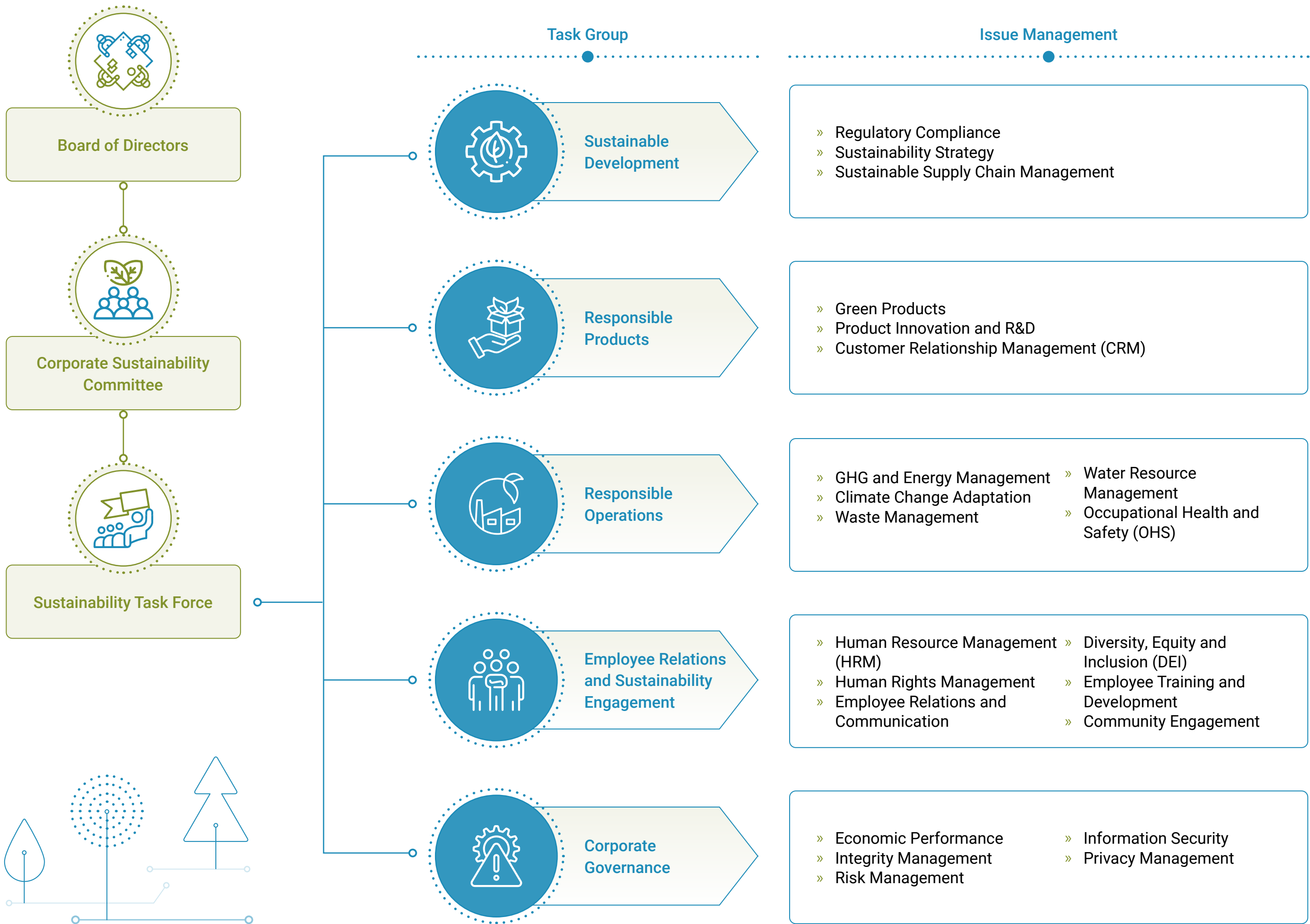
∴ Governance Structure

The Board of Directors serves as the highest supervisory body in Sercomm's sustainability governance framework. The Company has established the Sustainable Development Committee as a functional committee, which operates in accordance with the Organizational Regulations for the Sustainable Development Committee. The Committee is composed of directors and senior executives, leveraging high-level governance oversight to identify sustainability-related risks and opportunities and ensure that sustainability goals are aligned with organizational strategy.

To strengthen sustainability policy implementation and clarify responsibilities, the Committee has established a Sustainability Task Force to coordinate overall planning. Five task forces have been formed by topic: Sustainable Development, Responsible Products, Responsible Operations, Employee Relations and Sustainability Engagement, and Corporate Governance. In line with the Company's sustainability policy commitments, each task force is responsible for implementing relevant initiatives and integrating policy objectives and specific practices into operational management processes and related systems, including environmental management, GHG inventory, quality management, information security, and social responsibility management systems (such as ISO 14001, ISO 14064-1, ISO 9001, ISO 27001, and RBA standards), thereby ensuring policy implementation and continuous improvement through institutionalized mechanisms.

Through this layered responsibility allocation and system integration framework, Sercomm ensures that its sustainability commitments are consistent and subject to oversight from strategy formulation and policy development to operational execution. The Committee reports regularly to the Board of Directors to ensure that the Company's overall sustainability direction remains aligned with stakeholder expectations.

Sustainable Development Committee Structure

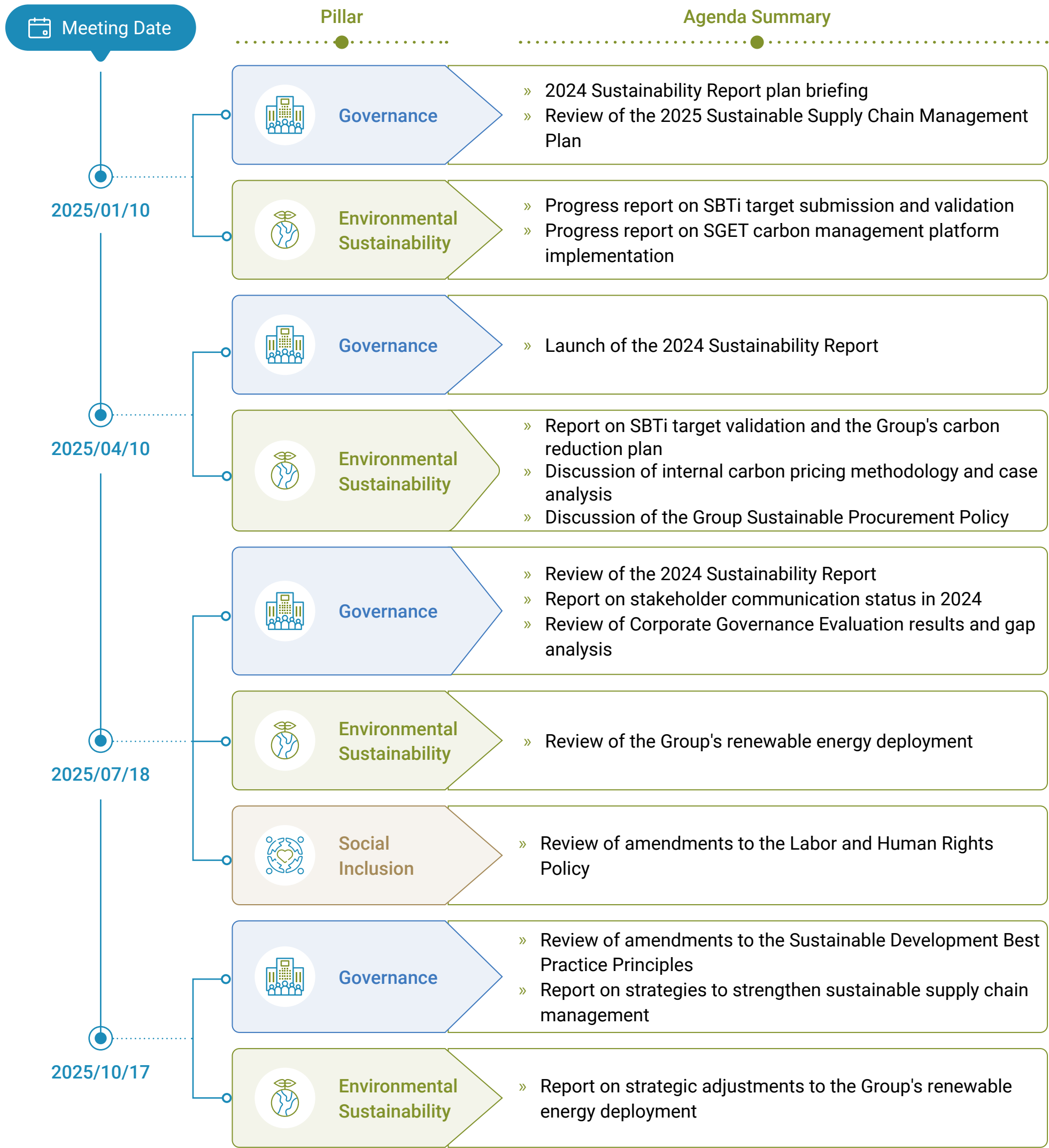


Duties and Responsibilities of the Sustainable Development Committee



∴ Operation of the Sustainable Development Committee

In 2025, the Sustainable Development Committee convened four in-person meetings, with a 100% attendance rate among members. If no in-person meeting was held in a given month, the Sustainability Task Force reported to the Committee in writing. A summary of key management agenda items discussed by the Sustainable Development Committee in 2025 is provided below. For details, please refer to the Company's website:



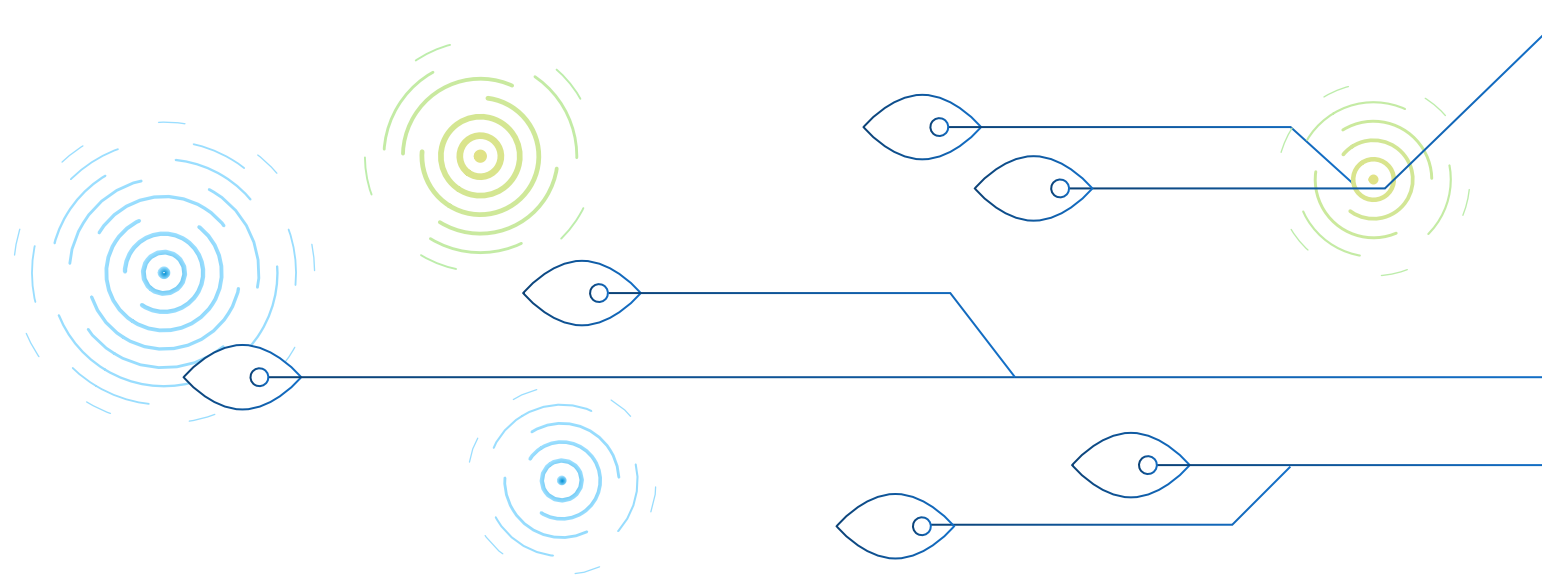
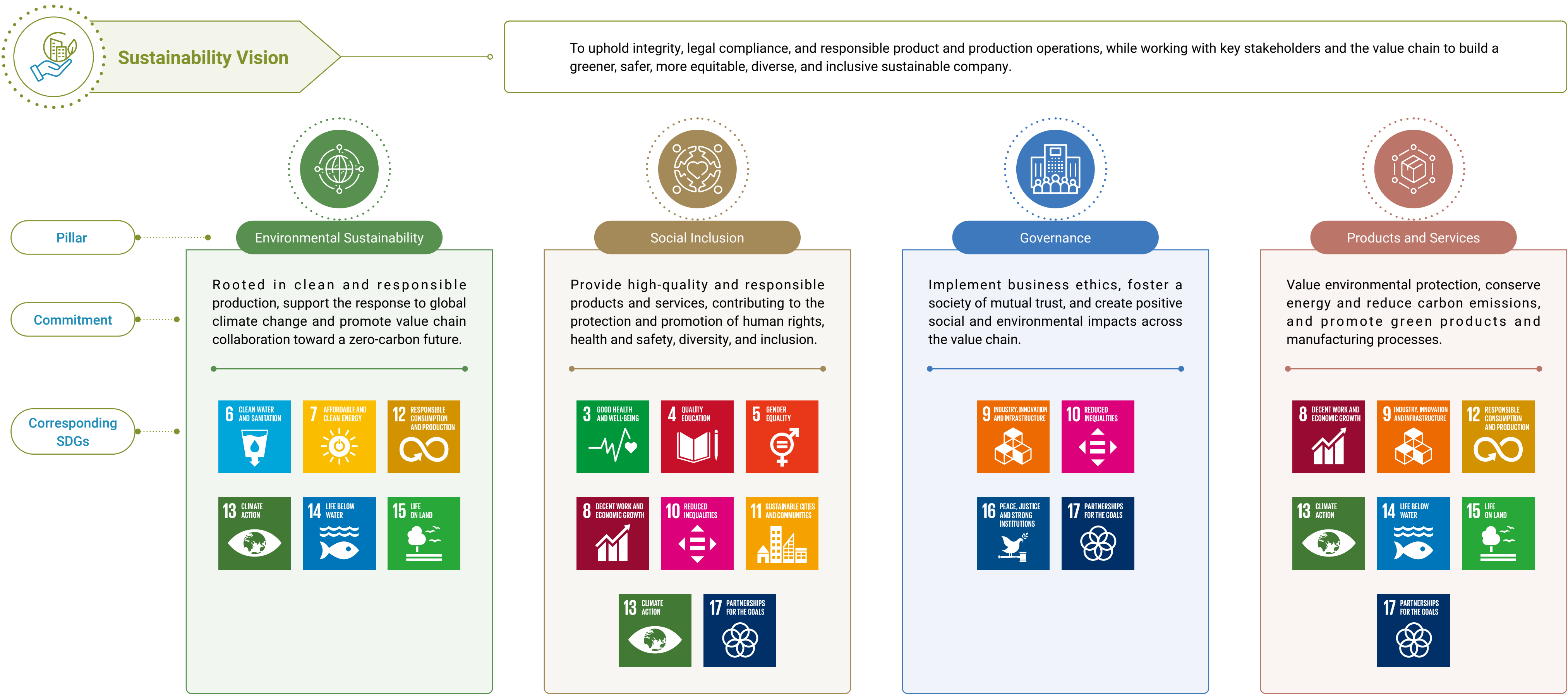
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2.2

Sustainability Strategy and SDGs



To comprehensively respond to external stakeholders and ensure a consistent development pathway for sustainability affairs across environmental, social, and governance dimensions among relevant internal departments, Sercomm's sustainable development strategy is adjusted as appropriate based on the core spirit of the United Nations Sustainable Development Goals (SDGs), Sercomm's sustainability-related risks and opportunities, and the results of the annual material topic identification process. These elements are consolidated into a guiding framework that drives the Company's sustainable development, supports the promotion of sustainability action plans, and facilitates the formulation of short-, medium-, and long-term goals.



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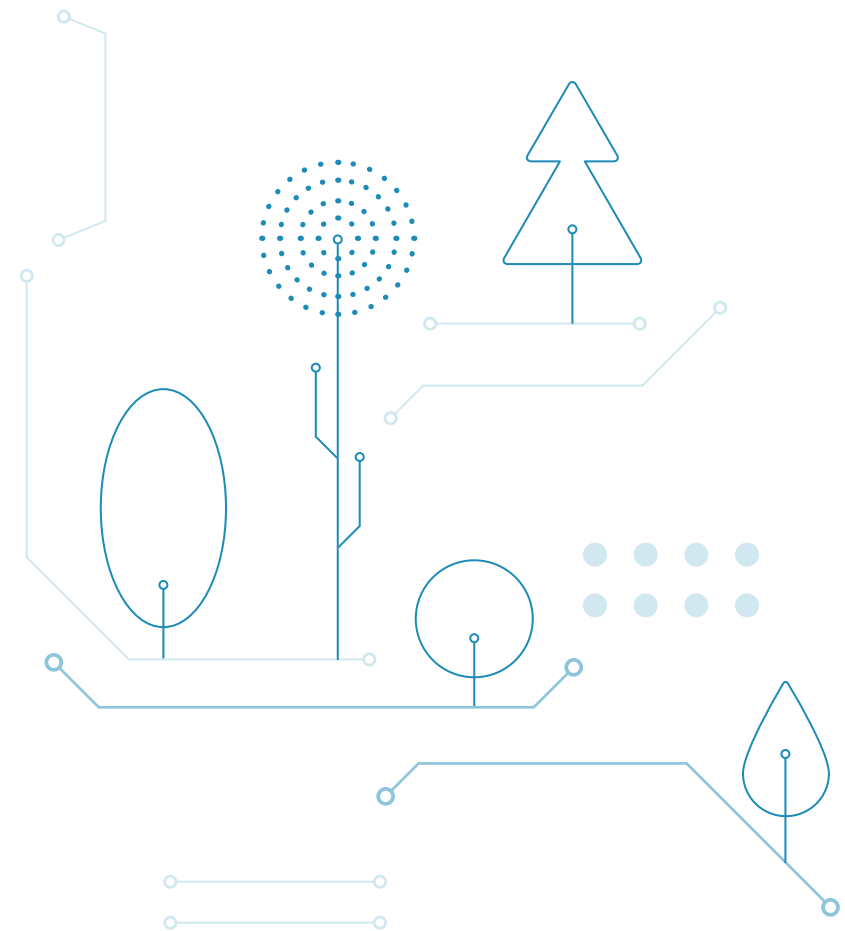
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2.3

Material Topic Analysis

GRI: 3-1, 3-2, 3-3

Sercomm follows the four-step materiality determination process under the GRI Universal Standards 2021 and has introduced a financial materiality assessment mechanism in preparation for alignment with IFRS S1/S2. In the assessment process, in addition to considering the actual or potential impacts of the Company's economic activities on the external economy, environment, and people (including human rights), Sercomm also incorporates the extent to which each sustainability topic may affect the Company's financial performance, operations, and long-term development. In response to the European Union's Double Materiality principle, the Company integrates the perspectives of impact materiality and financial materiality, incorporates stakeholder opinions into the material topic identification process, and deepens the assessment of positive and negative impact factors. This enables stakeholders and information users to gain a more comprehensive understanding of the significant impacts generated by Sercomm's economic activities on the external environment and on the Company itself, while enhancing the alignment of sustainability information disclosure with international sustainability disclosure standards.



2.3.1 Implementation Steps





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2.3.2 List of Sustainability Topics and Impact Descriptions

Analysis Results of Positive and Negative Impact Factors for the 23 Sustainability Topics

Pillar	Sustainability Topic	Positive/Negative	Impact Factor	Economic	Environmental	People (Human Rights)
 Environmental	Climate Change Mitigation and Adaptation	+	Proactively addressing climate change can reduce operational risks and enhance corporate resilience.	✓	✓	
		−	Neglecting climate risks may lead to supply disruptions or raw material shortages.			
	Greenhouse Gas and Energy Management	+	Energy conservation and carbon reduction can lower operating costs and reduce environmental impact.	✓	✓	
		−	High energy use results in GHG emissions and increases carbon costs and compliance risks.			
	Waste Management	+	Effective recycling and reduction can reduce environmental impacts and earn market trust.	✓	✓	
		−	Improper waste treatment may cause pollution and erode market trust.			
	Water Resource Management	+	Water conservation and recycling in processes can reduce costs and lower water scarcity risks.		✓	
		−	Wasting water resources increases environmental burden and may create pressure on community water sources.			
	Biodiversity	+	Protecting natural ecosystems can reduce environmental risks and enhance corporate sustainability image.		✓	
		−	Neglecting ecological protection may result in development activities damaging habitats and the natural environment.			
 Social	Occupational Health and Safety	+	A healthy and safe workplace can protect employees and improve efficiency and retention.	✓		✓
		−	Occupational accidents or unsafe environments may harm employees and affect Company operations and image.			
	Human Resource Management	+	Sound compensation and benefits can improve employee satisfaction and talent stability.	✓		✓
		−	Improper workforce allocation may lead to high turnover and reduce operational efficiency.			
	Human Rights Management	+	Respect for human rights can enhance corporate trust and avoid legal and reputational risks.	✓		✓
		−	Human rights violations could cause significant negative reputational impacts and affect orders.			
	Employee Relations and Communication	+	Smooth communication helps build sound labor-management relations and improve morale.	✓		✓
		−	Poor communication may lead to misunderstandings, conflicts, or labor disputes.			
	Diversity, Equity, and Inclusion	+	A diverse culture can enhance creativity, employee identification, and corporate attractiveness.	✓		✓
		−	A lack of inclusion may lead to discrimination issues and talent loss.			
	Employee Training and Development	+	Continuous training improves employee skills and organizational competitiveness.	✓		✓
		−	Insufficient training may lead to decreased performance or skills falling behind.			
	Community Engagement	+	Charitable investment promotes social well-being and enhances corporate image.	✓	✓	✓
		−	Neglecting social responsibility may be perceived externally as a lack of corporate citizenship.			



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Pillar	Sustainability Topic	Positive/Negative	Impact Factor	Economic	Environmental	People (Human Rights)
Governance	Business Ethics	+	A culture of integrity can enhance customer and investor trust in the Company.	✓		
		−	Corruption or misconduct may result in significant legal and reputational risks.			
	Information Security	+	Protecting information security safeguards operations and customer data.	✓		✓
		−	Cybersecurity vulnerabilities may lead to data breaches, shutdowns, or ransomware incidents, and affect corporate reputation.			
	Sustainable Supply Chain Management	+	Responsible procurement can drive supply chain improvement and reduce risks.	✓	✓	✓
		−	Supplier violations of environmental or labor standards may affect Company reputation and supply stability.			
	Risk Management	+	Sound risk control can enhance corporate resilience and decision-making quality.	✓	✓	✓
		−	Insufficient risk management may cause operational disruptions or major losses.			
	Economic Performance	+	Stable financial performance can enhance market confidence and support sustainable investment.	✓		
		−	Revenue decline or market volatility may affect Company growth and competitiveness.			
	Privacy Management	+	Sound personal data protection can strengthen customer trust and reduce compliance risks.	✓		✓
		−	Personal data breaches may lead to customer distrust and legal disputes.			
	Tax Policy	+	Compliant tax payment can enhance corporate integrity and government relations.	✓		
		−	Tax disputes may result in fines and damage corporate image.			
Products and Services	Green Products	+	Promoting low-carbon and environmentally friendly products can enhance market competitiveness and sustainable value.	✓	✓	
		−	Failure to meet customer environmental requirements may result in order losses.			
	Product Innovation and R&D	+	Innovative technologies can enhance product value and market leadership.	✓		
		−	Insufficient patent or technology protection may create competitive disadvantages.			
	Customer Relationship Management	+	Good service quality can enhance customer loyalty and cooperation opportunities.	✓		
		−	Improper handling of customer complaints may lead to customer loss and negative reviews.			
	Product and Service Responsibility	+	Safe and reliable products can enhance brand reputation and customer trust.	✓	✓	✓
		−	Product defects or misleading marketing may cause customer harm and legal risks.			





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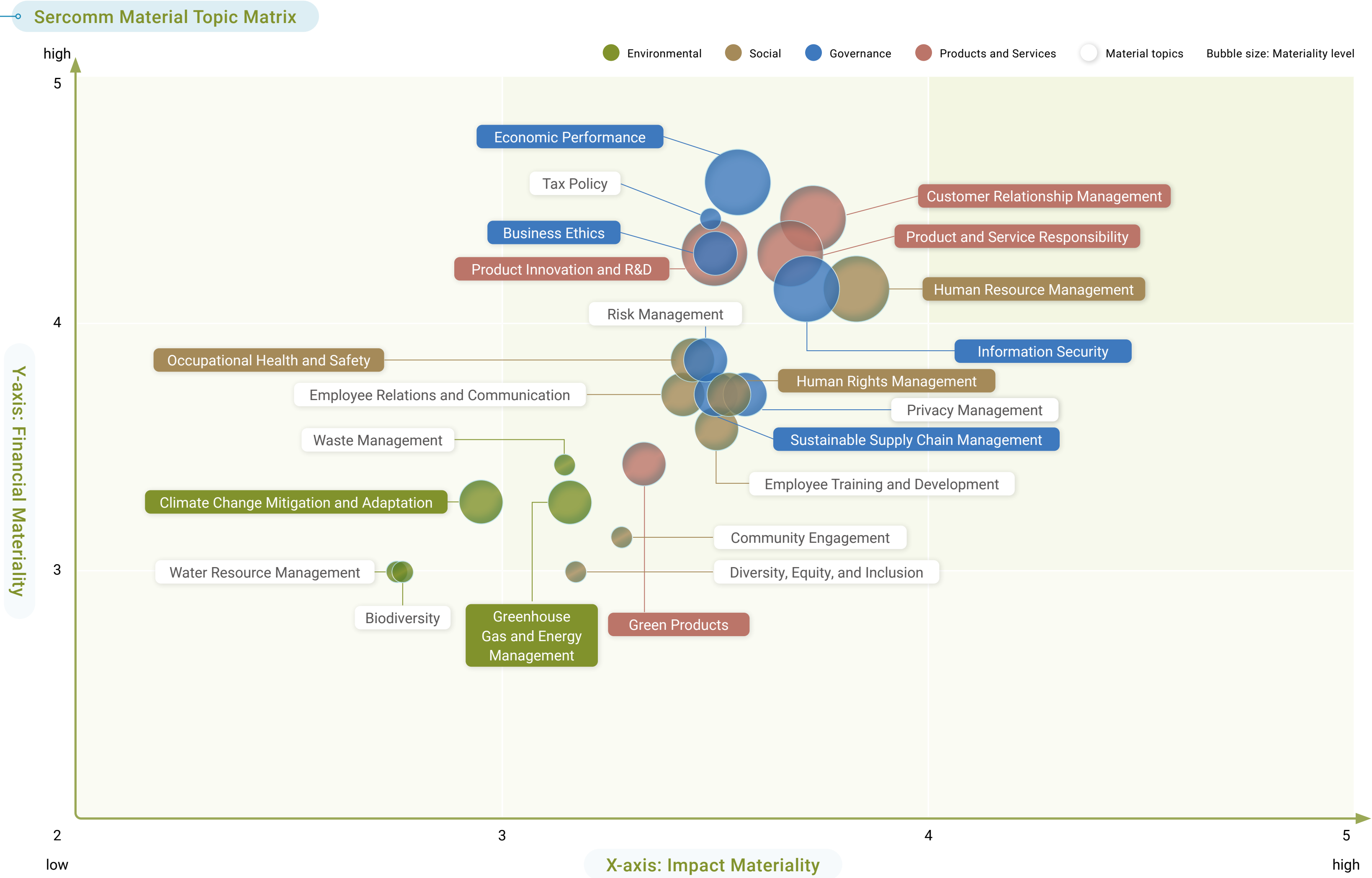
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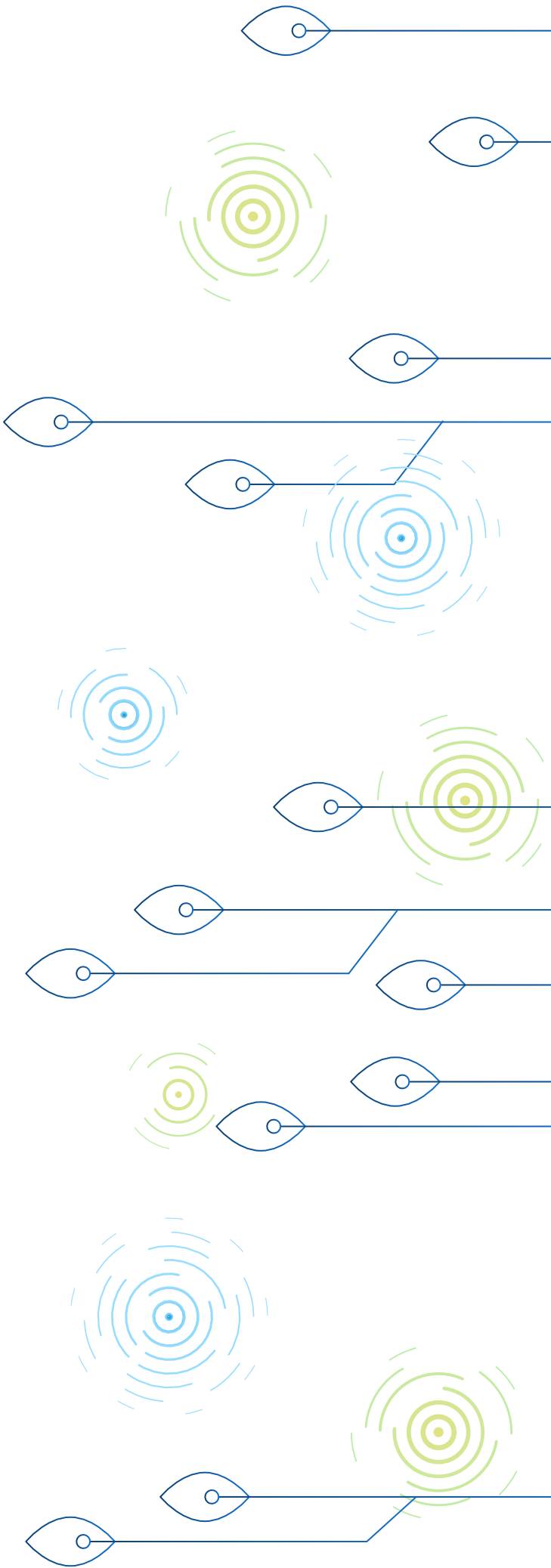
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2.3.3 Material Topic Identification Results

Applying the European Union's Double Materiality principle and the GRI 3 approach to identifying material topics, Sercomm identified 13 material topics that have a high level of impact both on the Company's operations and on the economy, environment, and people (including human rights).



Note: The X-axis represents the Company's impacts on the economy, environment, and people, including human rights. The Y-axis represents the effects of sustainability matters on the Company's operations and financial performance.





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List of Material Topics – Ranked by Materiality Score

Ranking	Sustainability Topic	Core Strategy	Corresponding GRI Standards	Corresponding SDGs	Reference Section
1	Economic Performance	Achieve stable business growth and enhance sustainable value creation capabilities.	GRI 201: Economic Performance 2016 (201-1, 201-4)	8, 9, 11	Chapter 1
2	Information Security	Implement information security systems and certifications to safeguard information and operational security.	GRI 418 Customer Privacy 2016 (418-1)	8,9,12	Chapter 5
3	Human Resource Management	Promote sustainable talent development and create a friendly workplace environment.	GRI 201: Economic Performance 2016 (201-3) GRI 202: Market Presence 2016 (202-1, 202-2) GRI 401: Employment 2016 (401-1, 401-2, 401-3)	5, 8, 10	Chapter 4
4	Product Innovation and R&D	Promote green design and technological innovation to create sustainable value.	Custom Topic of Sercomm	8, 9, 12, 13	Chapter 6
5	Customer Relationship Management	Deepen the understanding of customer needs and enhance service quality to build long-term, trusted partnerships.	Custom Topic of Sercomm	12, 13, 14, 15	Chapter 6
6	Occupational Health and Safety	Strengthen the occupational safety and health management system to create a safe and healthy workplace.	GRI 403: Occupational Health and Safety 2018 (403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9, 403-10)	3, 6, 8, 10, 12	Chapter 4
7	Human Rights Management	Implement human rights policies to create a respectful and equitable environment.	GRI 406: Non-discrimination 2016 (406-1) GRI 407: Freedom of Association and Collective Bargaining 2016 (407-1) GRI 408: Child Labor 2016 (408-1) GRI 409: Forced or Compulsory Labor 2016 (409-1)	5, 8, 10, 12, 16, 17	Chapter 4
8	Product and Service Responsibility	Strengthen product quality and establish a reliable product and service system.	GRI 416: Customer Health and Safety 2016 (416-1, 416-2) GRI 417: Marketing and Labeling 2016 (417-1, 417-2, 417-3)	3, 12, 16	Chapter 6
9	Sustainable Supply Chain Management	Strengthen supplier sustainability management and promote responsible supply chain development.	GRI 204: Procurement Practices 2016 (204-1) GRI 308: Supplier Environmental Assessment 2016 (308-1, 308-2) GRI 414: Supplier Social Assessment 2016 (414-1, 414-2)	5, 8, 10, 12, 13, 14, 15, 16, 17	Chapter 2
10	Climate Change Mitigation and Adaptation	Strengthen climate adaptation and resilience to promote Net zero Emissions transition.	GRI 201: Economic Performance 2016 (201-2)	13, 14, 15, 17	Chapter 3
11	Greenhouse Gas and Energy Management	Expand renewable energy deployment and promote low-carbon operational transformation.	GRI 302: Energy 2016 (302-1, 302-2, 302-3, 302-4, 302-5) GRI 305: Emissions 2016 (305-1, 305-2, 305-3, 305-4, 305-5)	13, 14, 15	Chapter 3
12	Green Products	Follow subtractive design principles to reduce the environmental impact of products.	Custom Topic of Sercomm	8, 9, 12, 13	Chapter 6
13	Business Ethics	Implement an integrity system and culture to comprehensively prevent misconduct.	GRI 205: Anti-corruption 2016 (205-1, 205-2, 205-3)	8, 10, 12, 16, 17	Chapter 5

Changes in material topics compared with the previous reporting year are described below:

Changed Material Topic	Change Status	Description
Product and Service Responsibility	+ Added	Based on the material topic analysis, this topic was included.
Privacy Management	- Removed	Although this topic was removed based on the material topic analysis, certain content has been incorporated into Information Security for disclosure.
Risk Management		Although this topic was removed based on the material topic analysis, Sercomm continues to disclose relevant content to demonstrate its ongoing management of the topic.
Employee Training and Development		
Diversity, Equity, and Inclusion		





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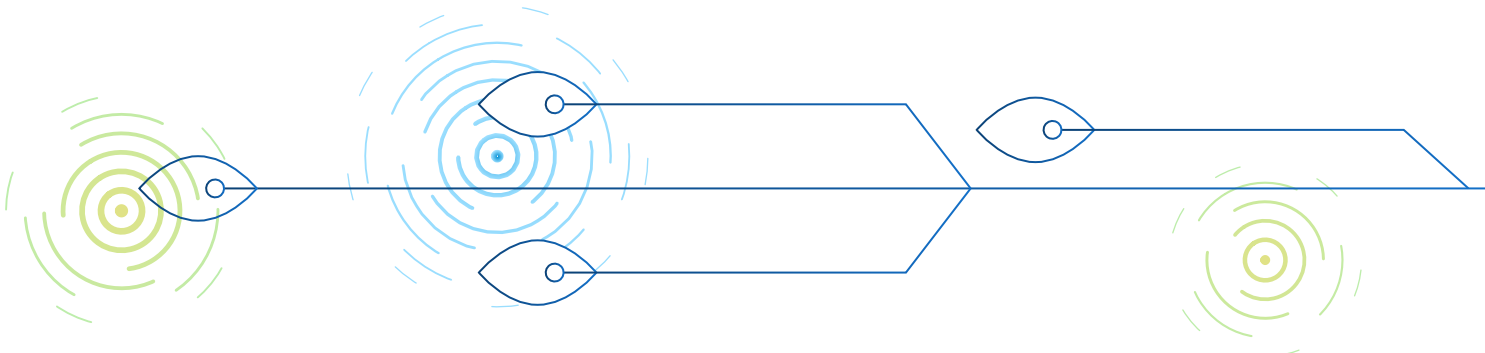
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2.4 Stakeholder Engagement

 **GRI: 2-29, 403-4**



2.4.1 Identification of Stakeholders

Sercomm compiled a list of stakeholders based on the industry context and characteristics, and identified its key stakeholders with reference to the five principles set out in the AA1000 Stakeholder Engagement Standard 2015 (AA1000 SES) published by AccountAbility. In addition to incorporating assessments by internal departments regarding day-to-day operational interactions, the degree of issue impact, and communication frequency, the identification process also involved communication with external experts through ad hoc project meetings. Their recommendations on industry trends, regulatory requirements, and stakeholder expectations were taken into account to ensure the completeness and objectivity of the identification results. The 2025 identification results included five categories of key stakeholders: employees, customers, suppliers, investors/financial institutions, and government agencies.

In addition, Sercomm communicates with stakeholders through diverse communication channels to understand their level of concern regarding sustainability topics, and regularly reports stakeholder communication status to the Board of Directors. The stakeholder communication status for 2024 was reported to the Board of Directors on July 31, 2025, while the communication status for 2025 was reported to the Board of Directors on August 11, 2026.

2.4.2 Stakeholder Communication Performance

To proactively understand the needs and concerns of stakeholders, the Company has assigned corresponding responsible units to conduct timely communication, response, review, and improvement. After the publication of each annual Sustainability Report, the Company reports stakeholder communication status to the Board of Directors at least once a year.

Stakeholder	Significance to Sercomm	Focus Topics	Communication Channels and Frequency		2025 Key Communication Performance
 Employees	Employees are key partners in Sercomm's continued growth, value creation, and innovation. The Company builds internal consensus through a fair and attractive compensation and benefits system.	» Information Security » Business Ethics » Economic Performance » Occupational Health and Safety » Human Resource Management	» Regular » Annually: Annual performance review meetings » Quarterly: Occupational Health and Safety Committee » Quarterly: Labor-management meetings » Quarterly: New employee sharing sessions » Quarterly: Employee Welfare Committee	» Ad hoc » Internal electronic bulletin board » Employee training » Employee health promotion seminars » Dedicated employee grievance mailbox » Sustainability topic concern survey » Course and activity satisfaction surveys » Occupational health and safety communication records	» 32 Occupational Health and Safety Committee meetings » 4 labor-management meetings » 4 new employee sharing sessions, with 114 employees participating » 4 Employee Welfare Committee meetings » Average training hours per employee: 5.10 hours » Overall employee satisfaction: 92.50% » 8 occupational health and safety communication records
 Customers	Customer trust is a key driver of Sercomm's continued progress. The Company responds to customer needs with comprehensive, high-quality products and services, and progressively deepens cooperative relationships.	» Customer Relationship Management » Waste Management » Greenhouse Gas and Energy Management » Water Resource Management » Human Rights Management » Climate Change Mitigation and Adaptation » Information Security	» Regular » Annually: Customer satisfaction survey	» Ad hoc » Global localized technical support services » Sustainability topic concern survey » Dedicated customer service and feedback handling channels » Communication and management of green policies, green manufacturing, and green procurement	» Customer satisfaction survey score: 77.87 » Responded to more than 150 sustainability-related customer requests and surveys » Participated in 9 industry exhibitions



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Stakeholder	Significance to Sercomm	Focus Topics	Communication Channels and Frequency		2025 Key Communication Performance
Investors / Financial Institutions	Positive evaluations from investors and financial institutions contribute to Sercomm's stable growth. The Company communicates sustainability performance based on integrity and transparency, strengthening mutual trust.	» Business Ethics » Product Innovation and R&D » Economic Performance » Product and Service » Responsibility » Waste Management » Water Resource Management	» Regular » Annually: Annual General » Shareholders' Meeting » Annually: Annual Report » Annually: Sustainability Report » Monthly/Quarterly: Operating performance announcements » Quarterly: Investor conferences and quarterly financial reports	» Ad hoc » Material information and press releases » Official Company website » External communication mailbox » Sustainability topic concern survey	» 10 investor conferences » 1 shareholders' meeting
Suppliers	Suppliers are important partners that enable Sercomm to provide high-quality products and services. The Company strengthens material supply stability through strategic procurement programs.	» Business Ethics » Risk Management » Sustainable Supply Chain Management » Product Innovation and R&D » Product and Service Responsibility » Information Security	» Ad hoc » Supplier training, evaluation, assessment, or guidance » Project meetings » EHS management briefings » Supplier visits and on-site audits » Sustainability topic concern survey		» 2 supplier training sessions, with 291 suppliers and 503 participants » 1 supplier recognition conference
Government Agencies	Laws and regulations established by government agencies affect the Company's decision-making and development direction. Sercomm complies with regulations and maintains communication and mutual trust with government agencies.	» Business Ethics » Risk Management » Sustainable Supply Chain Management » Information Security » Green Products » Occupational Health and Safety	» Ad hoc » Official correspondence from competent authorities » Regulatory briefings, consultation meetings, and seminars organized by competent authorities » Sustainability topic concern survey		» No material violations or grievances » Responded to 20 Taiwan Stock Exchange questionnaires

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2.5 Participation in Public Associations



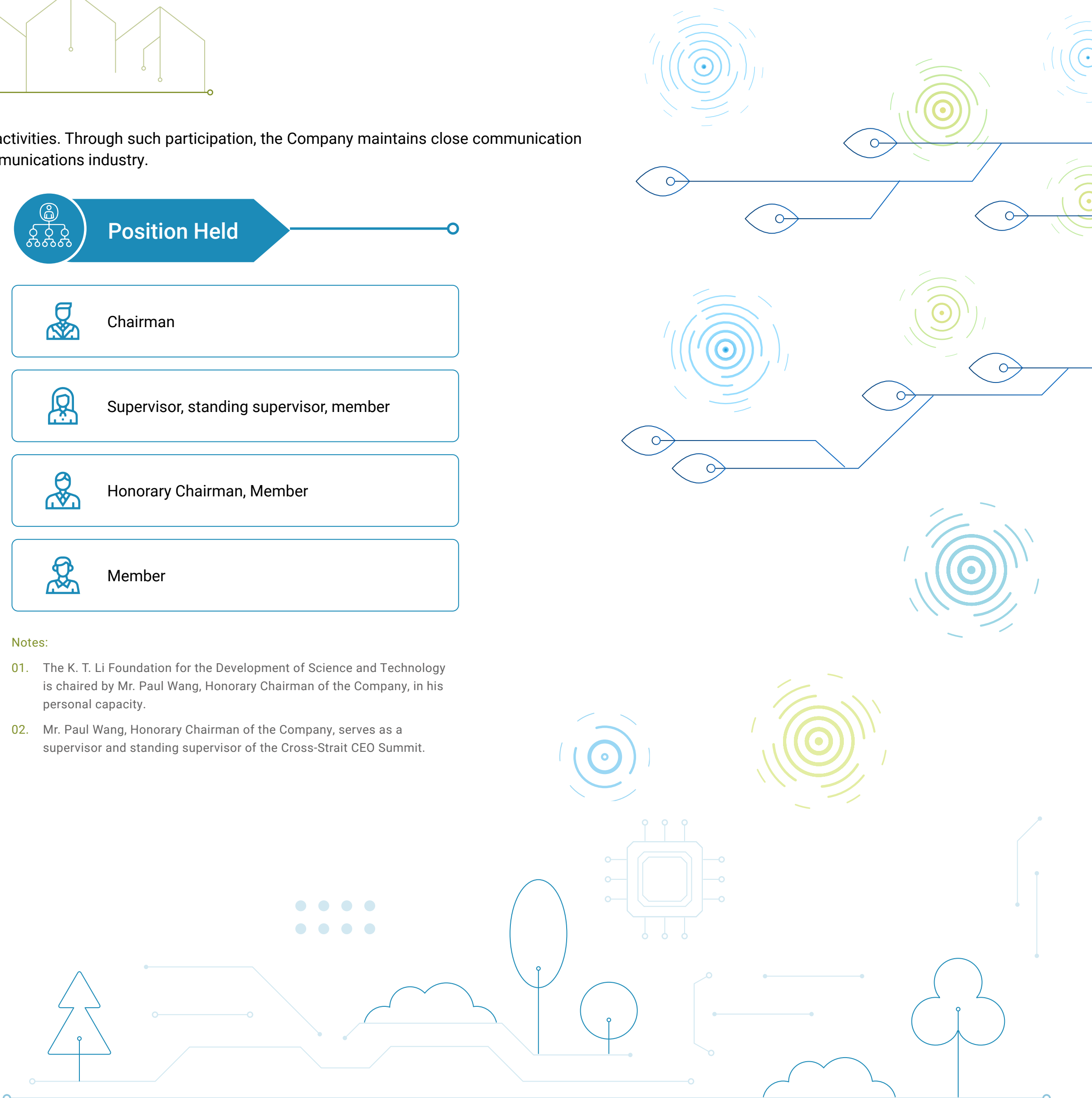
Sercomm actively participates in domestic and international industry associations, technical alliances, and related activities. Through such participation, the Company maintains close communication mechanisms with industry members and jointly participates in the development of specifications related to the communications industry.

Organization Name	Position Held
 K. T. Li Foundation for the Development of Science and Technology	 Chairman
 Cross-Strait CEO Summit	 Supervisor, standing supervisor, member
 Monte Jade Science and Technology Association (Taiwan)	 Honorary Chairman, Member
 Chinese National Association of Industry and Commerce, Taiwan (CNAIC)	 Member
 Taiwan Electrical and Electronic Manufacturers' Association (TEEMA)	
 Taiwan Association of Information and Communication Standards (TAICS)	
 Communications Information Alliance (CIA)	
 Bluetooth Special Interest Group (Bluetooth SIG)	
 OnGO Alliance	
 Global TD-LTE Initiative	
 Wi-Fi Alliance (WFA)	
 Connectivity Standards Alliance (CSA)	
 Responsible Business Alliance (RBA)	

Notes:

01. The K. T. Li Foundation for the Development of Science and Technology is chaired by Mr. Paul Wang, Honorary Chairman of the Company, in his personal capacity.

02. Mr. Paul Wang, Honorary Chairman of the Company, serves as a supervisor and standing supervisor of the Cross-Strait CEO Summit.



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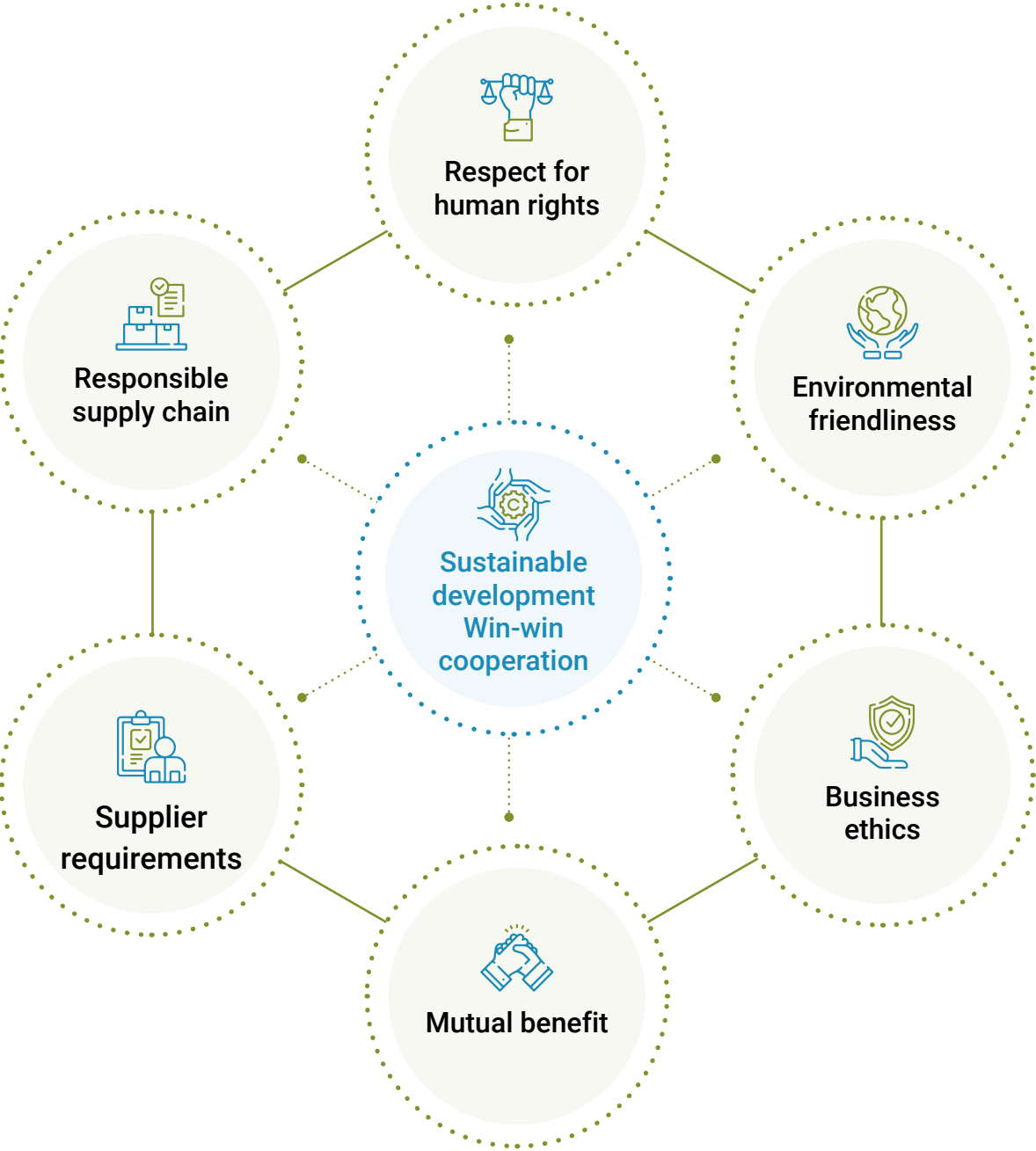
2.6 Sustainable Supply Chain Management

GRI: 2-6, 407-1, 408-1, 409-1

2.6.1 Sustainable Supply Chain Management Strategy

GRI: 204-1

Sercomm upholds a procurement policy grounded in respect for human rights, environmental friendliness, business ethics, and mutual benefit. In addition to requiring suppliers to perform well in quality, cost, delivery, environmental health and safety, and human rights, the Company clearly expresses its emphasis on a responsible supply chain. Sercomm has gradually established a practical sustainable supply chain management process, requiring suppliers to jointly comply with the Responsible Business Alliance (RBA) standards on human rights, environmental protection, and business ethics, as well as green product regulations such as RoHS and REACH. The Company also communicates key policies on carbon reduction and energy conservation, responsible minerals, local procurement, and green procurement to supply chain partners. Through mutual sharing, audits, and support, Sercomm works with supply chain partners to achieve sustainable development and win-win cooperation.



∴ Supply Chain Management Performance

Sercomm Supply Chain Performance Management Table

2025 Sustainable Supply Chain Initiatives	Target Number of Suppliers	Actual Number of Suppliers	Completion Rate
Signing of the Supplier's Code of Conduct Agreement by new suppliers	73	73	100%
Signing of the Supplier Code of Conduct by new suppliers	55	55	100%
CSR risk assessment of new suppliers (document audit)	22	22	100%
Supplier on-site audits	54	54	100%
Key supplier on-site audits	31	31	100%
Supplier CSR training	280	291	104%
Implementation of the SGET carbon management platform	92	95	103%

Notes:

Key suppliers refer to high-risk suppliers that provide critical materials and whose customers have RBA or JAC requirements, or other special requirements related to corporate social responsibility. In actual implementation, four suppliers have passed RBA audits and certification and are therefore deemed to have passed the assessment.

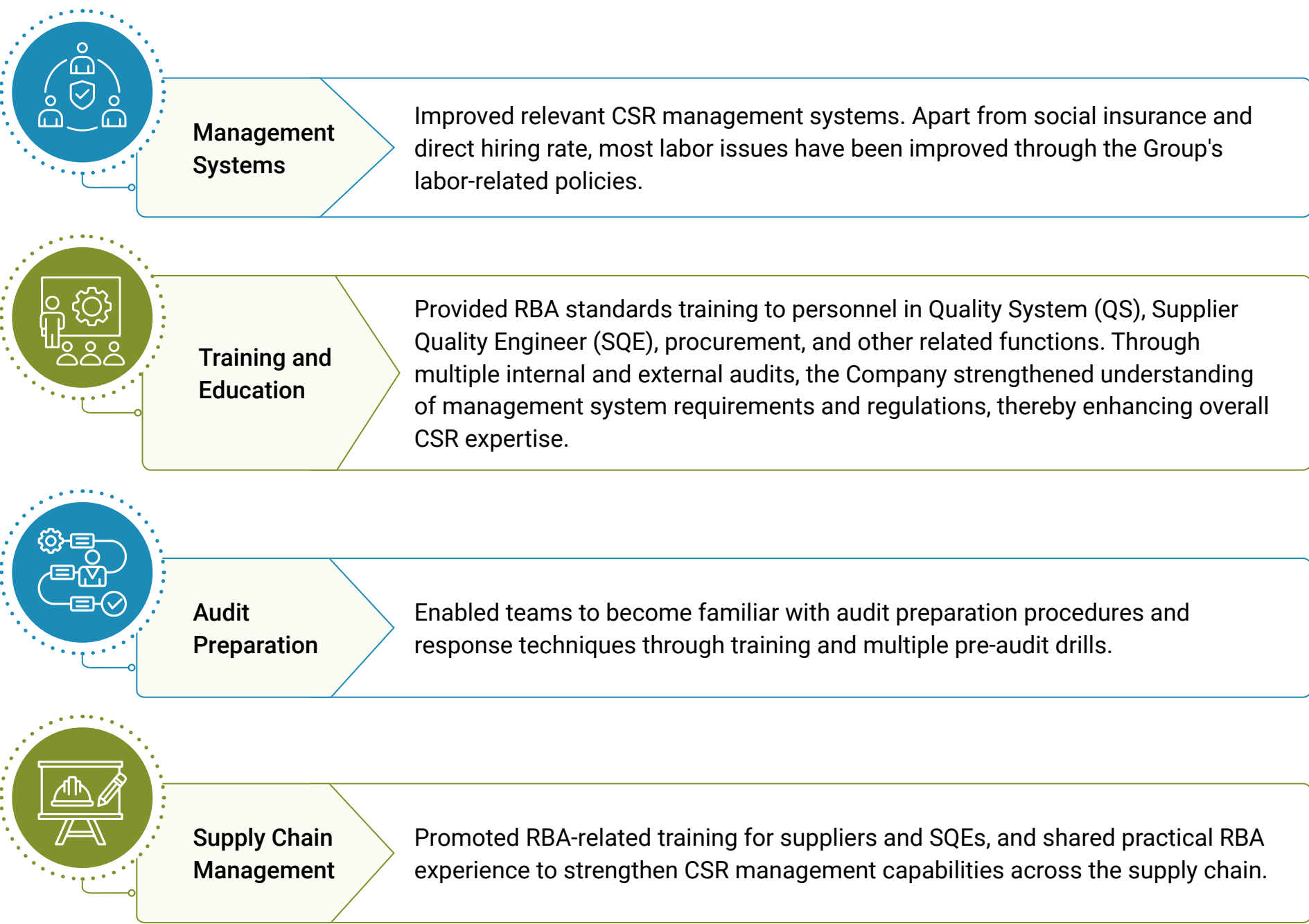
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⚡ RBA Audits and ESG Risk Assessment

As part of the communications and networking industry supply chain, Sercomm continues to follow RBA requirements and strengthen sustainability risk management across its manufacturing centers. In 2025, all of Sercomm's Major Manufacturing Centers underwent RBA Validated Assessment Program (VAP) audits, achieving an audit coverage rate of 100%.

At the same time, Sercomm's Major Manufacturing Centers conduct ESG risk assessments annually, covering areas such as labor and human rights, occupational safety and health, environmental risks, business ethics, and information security. In 2025, the ESG risk assessment completion rate across all sites reached 100%. Based on the assessment results, the Company continued to implement risk control and improvement measures.

Management actions in 2025 included the following:



Manufacturing Center		Chunan	Suzhou	Philippines
Item				
RBA VAP Audit Score		200	175.4	172.2
Rating		Platinum	Silver	Silver
RBA VAP Audit Date		2025/11/4	2025/3/25	2025/9/1

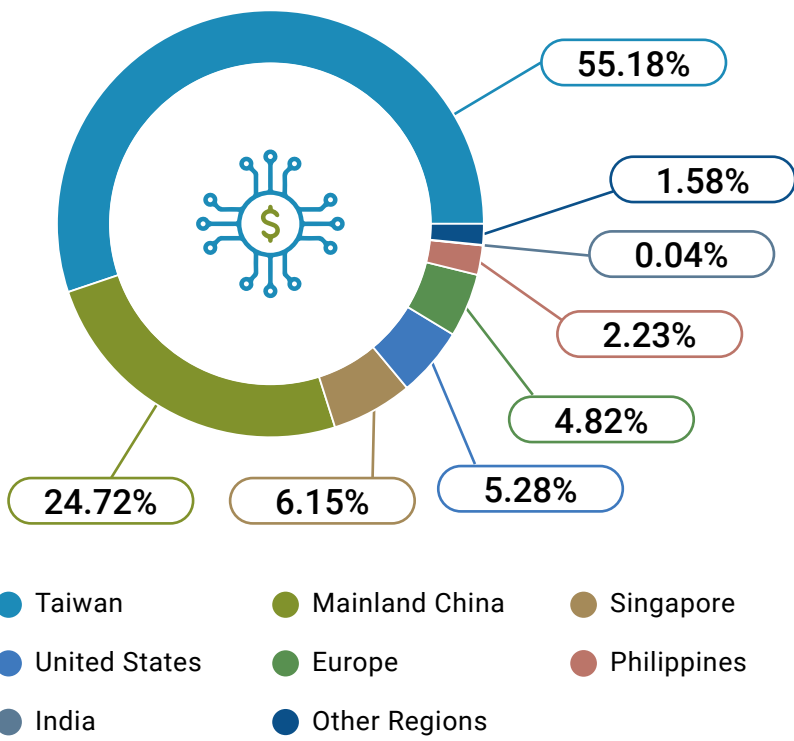
⚡ Sustainable Procurement

To establish a sustainable supply chain that considers environmental protection, human rights, and occupational safety, Sercomm referenced the ISO 20400 Sustainable Procurement standard and its key environmental, social, and economic guidance. In 2025, the Company established and published the Sercomm Sustainable Procurement Policy, and through communication and relevant training programs, enabled internal personnel and external supplier partners to understand the direction of Sercomm's sustainable procurement policy.

⚡ Local Procurement

Sercomm's products span three major categories: Broadband CPE, Enterprise Products, and Infrastructure & IoT Products. The Company mainly procures chip modules, printed circuit boards, power supplies, memory, and various electromechanical and mechanical components from its supply chain. Supplier types include raw material manufacturers, agents, and distributors. Tier 1 suppliers are mainly located in Taiwan, Mainland China, Singapore, the United States, Europe, and the Philippines. Sercomm's global procurement distribution in 2025 is shown below:

⚡ Global Procurement Distribution

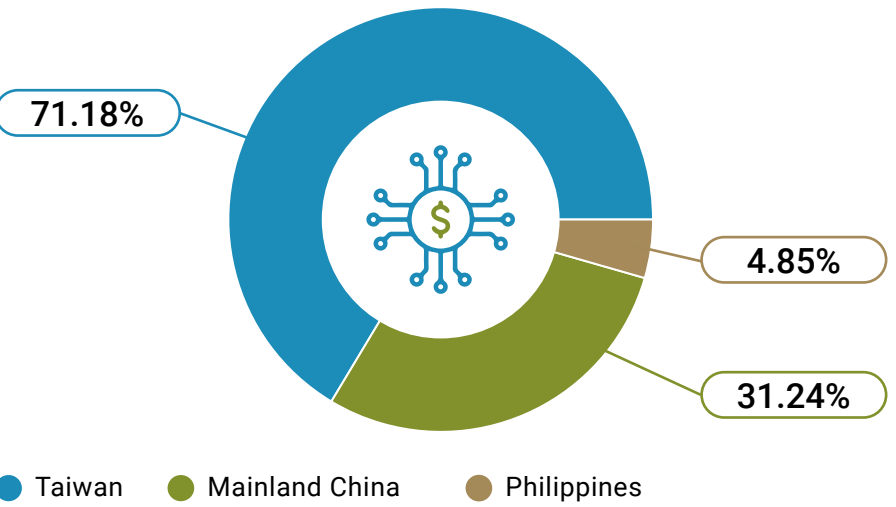


Region	Proportion	Region	Proportion
Taiwan	55.18%	Europe	4.82%
Mainland China	24.72%	Philippines	2.23%
Singapore	6.15%	India	0.04%
United States	5.28%	Other Regions	1.58%

Notes:
The distribution of global procurement activities is calculated based on the location of the actual transaction bank to illustrate the economic contribution generated by procurement activities in each region.

Sercomm supports local economic development and continues to implement relevant strategic sourcing initiatives. The local procurement status of major operating sites is shown in the table below:

⚡ Local Procurement Ratio at Major Operating Sites



Region	Proportion
Taiwan	71.18%
Mainland China	31.24%
Philippines	4.85%

Green Procurement

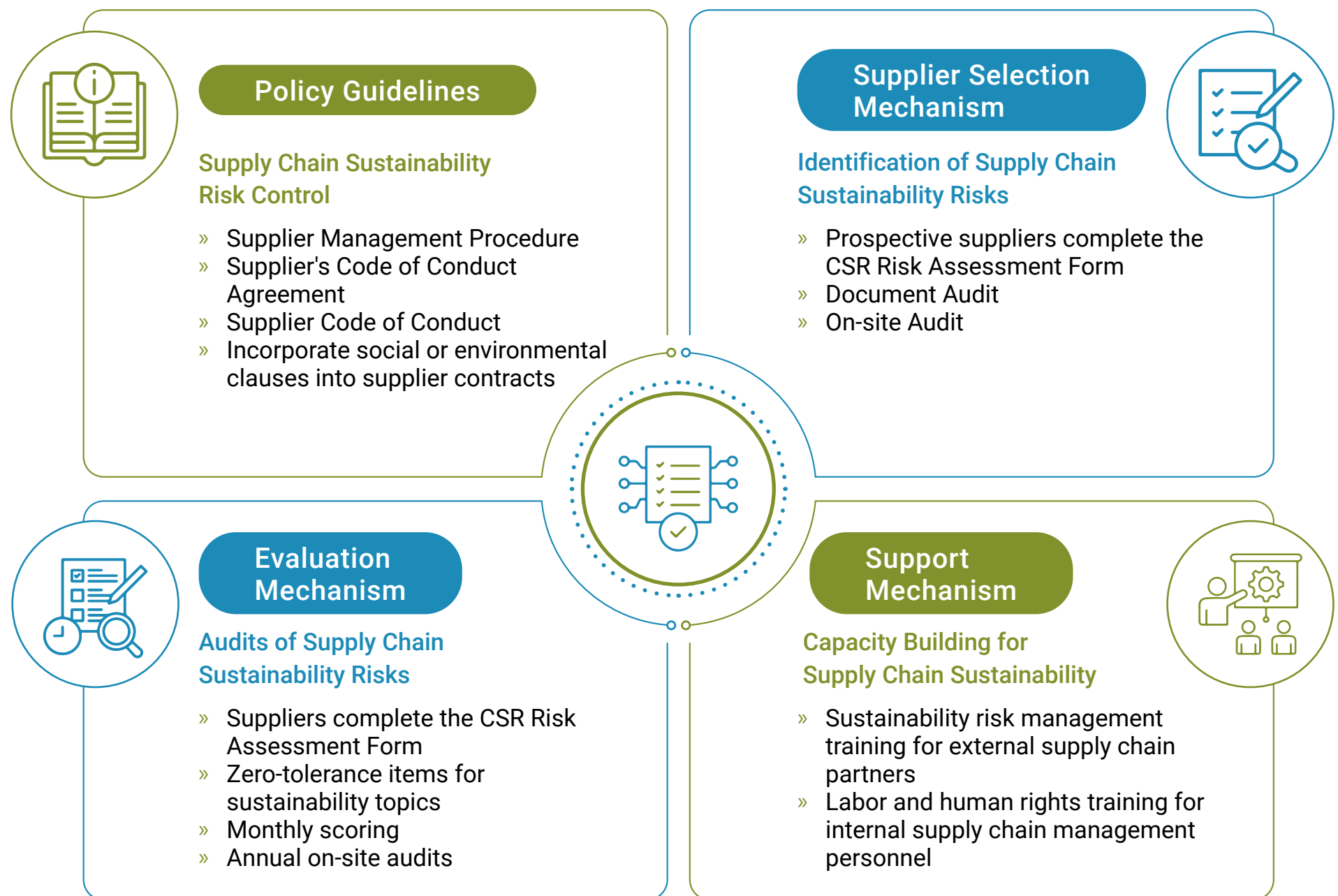
By integrating sustainability principles into its supplier management system, Sercomm incorporates sustainable development considerations into procurement decisions. In addition to quality, cost, and delivery, environmental protection, social responsibility, and corporate governance are included in supplier management considerations. The Company requires suppliers to ensure that product materials comply with international environmental regulations such as RoHS, REACH, and WEEE. Sercomm also prioritizes the procurement of products with environmental labels, recycled materials, bio-based plastics, or relevant environmental product certifications, and encourages the use of sustainable materials that are low-carbon, energy-saving, low-hazard, and recyclable. In addition, Sercomm gives priority to suppliers that have obtained ISO 14001, ISO 50001, or equivalent environmental management system certifications to enhance environmental management capabilities across the supply chain.

2.6.2 Supply Chain Management System and Framework

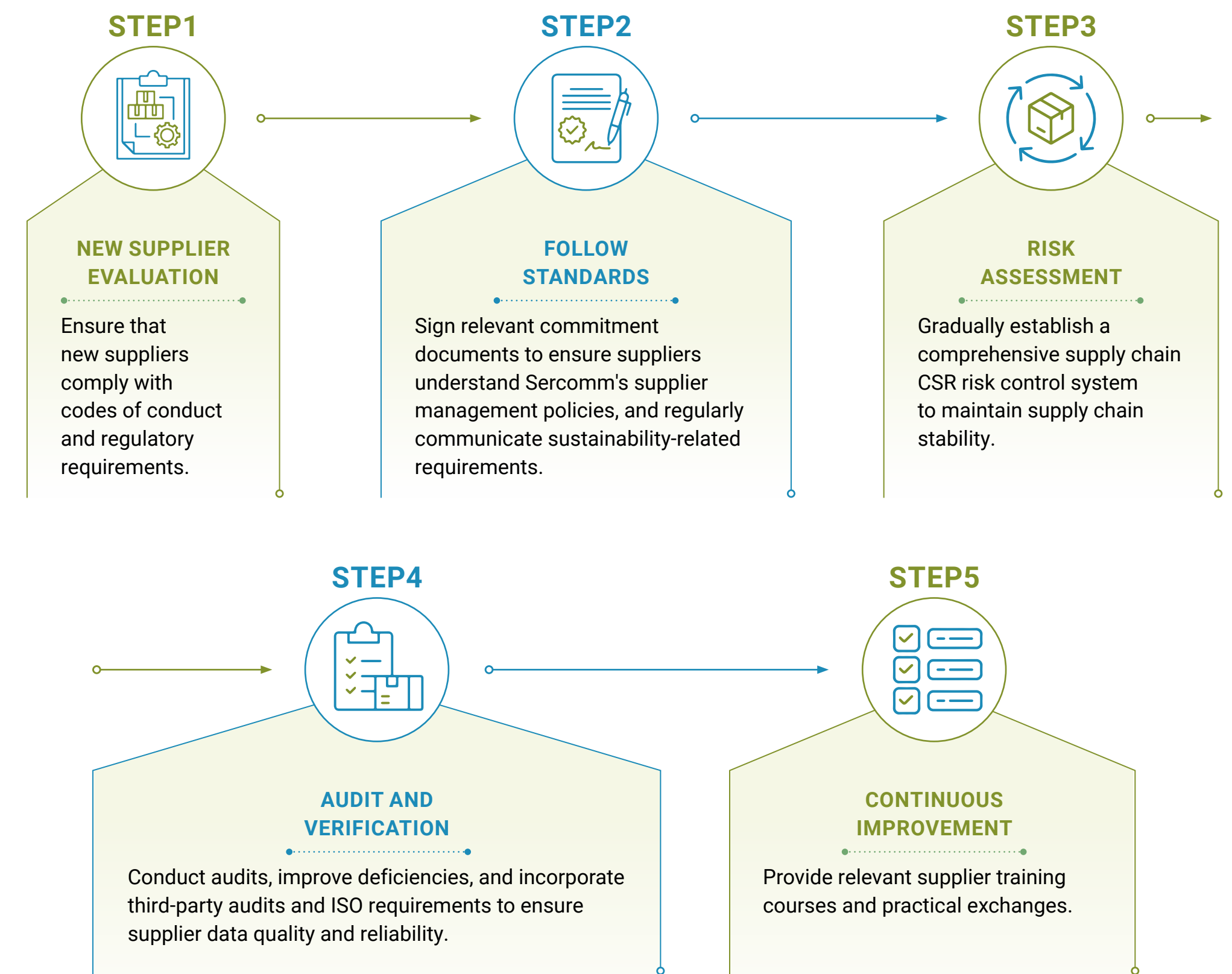
GRI: 308-1, 308-2, 414-1, 414-2 SASB: TC-HW-430a.1, TC-HW-430a.2

To manage business and sustainability-related risks in the supply chain, Sercomm has established the Supplier Management Procedure, which defines internal mechanisms for managing new and existing suppliers and provides supplier support resources. In accordance with RBA standards, Sercomm requires its suppliers to comply with relevant social responsibility and integrity commitments, and to fully comply with all applicable local laws and regulations. The Company has also established the Supplier's Code of Conduct Agreement, which suppliers must sign before becoming qualified suppliers. Building on the existing management mechanism, Sercomm has further strengthened its management approach by establishing applicable supplier selection and evaluation mechanisms based on supplier characteristics.

Sustainable Supply Chain Management Framework



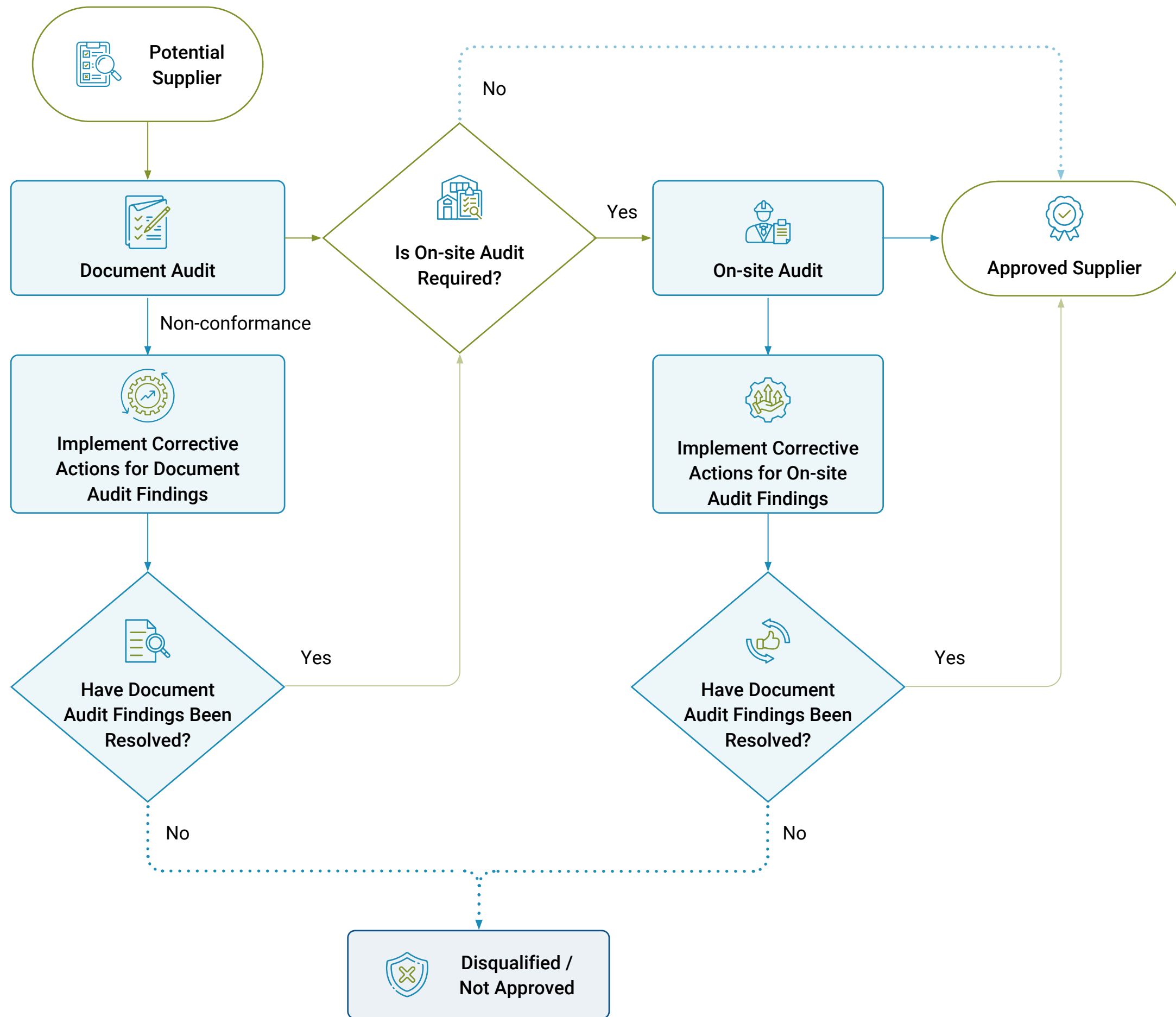
Sustainable Supply Chain Management Process



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STEP 1 New Supplier Evaluation

In Sercomm's new supplier selection mechanism, in addition to evaluating quality, cost, delivery, and service, the Company also considers suppliers' sustainability performance. Sercomm adopts both documentary and on-site audits to verify the sustainability management performance of potential supplier partners, and determines whether they may become official Sercomm suppliers based on the evaluation results. The supplier selection process is shown below:



The evaluation of new suppliers is led by the Supplier Quality Management Department. Together with Global Strategic Sourcing, R&D Design, Process Engineering, Production Control, and other relevant departments, the department forms a new supplier evaluation team. All potential supplier partners are required to undergo document audits conducted by the team across categories including quality, cost, delivery, service, technical capabilities, and sustainability.

For sustainability-related risk assessments, potential supplier partners must first complete the CSR Risk Assessment Form for Sercomm's review. The assessment form is updated from time to time in accordance with the latest version of the RBA Code of Conduct. If a supplier is involved in key components under the Company's control, if the component has had quality risks in the past, or if the supplier's industry attributes or the products or services procured involve specific labor, environmental, or safety issues, the supplier must further undergo an on-site audit process in addition to completing the CSR Risk Assessment Form for self-assessment. Only suppliers that pass the evaluation may become qualified suppliers.

STEP 2 Follow Standards

Sercomm has established the Supplier's Code of Conduct Agreement, which requires suppliers to ensure that employees are treated with respect, operate in an environmentally responsible and ethical manner, and comply with all applicable laws, rules, and regulations. The Agreement is updated as needed in accordance with the latest RBA Code of Conduct. In terms of ethical corporate management, Sercomm also attaches importance to the ethical compliance of its supplier partners. Under its supply chain management mechanism, new suppliers are required to sign the Supplier's Code of Conduct Agreement and the Supplier Code of Conduct, committing not to engage in any bribery, gift-giving, hospitality, payment, or provision of other improper benefits. Suppliers also agree that, in the event of any such conduct, Sercomm may immediately suspend the performance of any transaction. Suppliers must complete the signing of these documents before they can become qualified suppliers.

Supplier Commitment Signing





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STEP 3 Risk Assessment

CSR Risk Assessment

Through CSR risk assessment forms, document audits, and on-site audits, Sercomm assesses suppliers' sustainability risks across regional, business, environmental, social, and governance dimensions. The assessment covers areas including conflict minerals and banned-list materials, procurement amount classification, implementation of management systems, compliance with environmental and labor regulations, risks related to forced labor and child labor, personal data protection, ethical standards, the RBA Code of Conduct, EcoVadis assessments, and the signing status of relevant commitment documents. In 2025, no suppliers were identified as having significant actual or potential negative environmental or social impacts. In addition, there were no cases in which cooperation was terminated or major improvement agreements were required due to related risks.

Pillar	Assessment Items
Regional	 » Prohibition on using materials from conflict mineral source countries and U.S. restricted lists
Business	 » Classification based on procurement amount
Environmental	 » Implementation of relevant management and certification systems » History of penalties or work suspension orders from government agencies due to violations of environmental protection regulations » Status of fire safety, pollution treatment, and EHS system implementation
Social	 » Implementation of relevant management and certification systems » History of penalties from government agencies due to violations of labor, human rights, or occupational health and safety regulations » Incidents of forced labor or child labor » Compliance with labor and human rights, personal data protection, and ethical standards
Governance	 » Compliance with the RBA Code of Conduct and EcoVadis assessment » Signing status of the Supplier Code of Conduct

STEP 4 Audit and Verification

Sercomm continues to optimize its existing sustainable supply chain management mechanism by classifying suppliers into component suppliers and non-component suppliers. Component suppliers, as well as non-component suppliers involved in production-related outsourcing, are required to obtain ISO 9001 Quality Management System certification, ISO 14001 Environmental Management System certification, and ISO 45001 Occupational Health and Safety Management System certification. Among component suppliers, those whose industry characteristics or procured products or services involve specific labor, environmental, or safety issues are classified as risk suppliers. In addition to the above ISO certifications, such suppliers must obtain an RBA VAP score of 160 or above to become qualified suppliers. This change is applied retroactively, and key suppliers are currently required to obtain the relevant certification documents and qualifications by 2026. In addition, Sercomm has established sustainability weighting criteria for potential supplier evaluations to strengthen supply chain sustainability performance and risk control.

Sercomm Supplier Classification and Evaluation Items

Required Items Supplier Classification	Management System Certification						External Audit/ Assessment		Others			
	ISO 9001	ISO 14001	ISO 45001	ISO 50001	SA 8000	ISO 14064-1	RBA	EcoVadis	Prohibition of Conflict Minerals	CoC Signing	QSA / QPA	CSR Risk Assessment
Key Suppliers	✓	✓	✓	△	△	△	✓	△	✓	✓	✓	✓
Important Supplier	✓	✓	✓	△	△	△	△	△	✓	✓	✓	✓
General Suppliers	✓	✓	✓	△	△	△	△	△	✓	✓	Document Audit	Document Audit
Service Providers	△	△	△	△	△	△	△	△	✗	✓	✗	✗

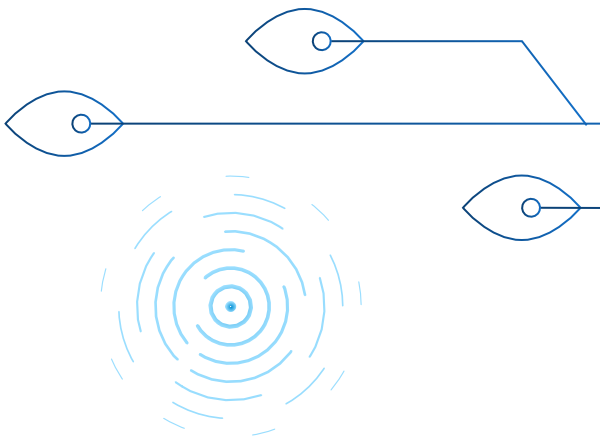
Notes:

01. Key Suppliers: Also referred to as High-risk Suppliers, these are suppliers that provide critical materials and are subject to customer requirements such as RBA or JAC, or have other specific corporate social responsibility requirements (e.g., plastics, metals, color boxes, and power supplies).

02. Component suppliers include Key Suppliers, Important Supplier, and General Suppliers.

03. Service Providers refer to non-component suppliers.
04. ✓ : Required; △ : Recommended; ✗ : Not Required

05. Quality System Audit (QSA); Quality Process Audit (QPA)





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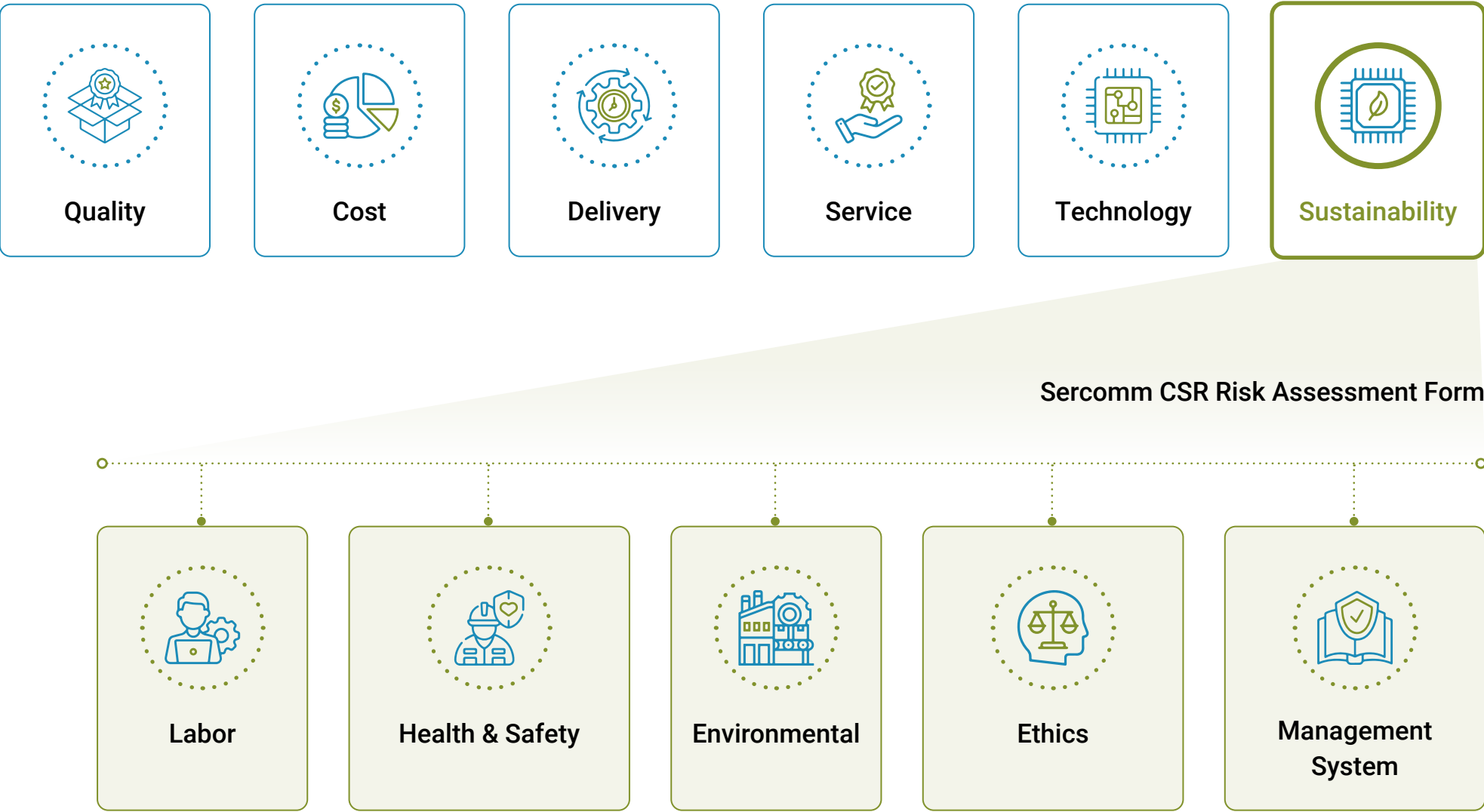
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The control mechanism for the existing supply chain consists of monthly scoring and annual audits. On a monthly basis, Sercomm evaluates suppliers based on criteria such as delivery quality, quality improvement, delivery timeliness, and pricing and services. Suppliers are managed by category based on the scoring results. For suppliers with unsatisfactory scores, the Company provides assistance for improvement and tracks their improvement progress. For annual audits, Sercomm primarily considers factors such as the degree of supply criticality, key components supplied, and whether the supplier had significant abnormalities during the year. Based on these factors, the Company establishes an annual audit plan and arranges on-site audits. The on-site audit covers six audit items: quality, cost, delivery, service, technical capabilities, and sustainability.

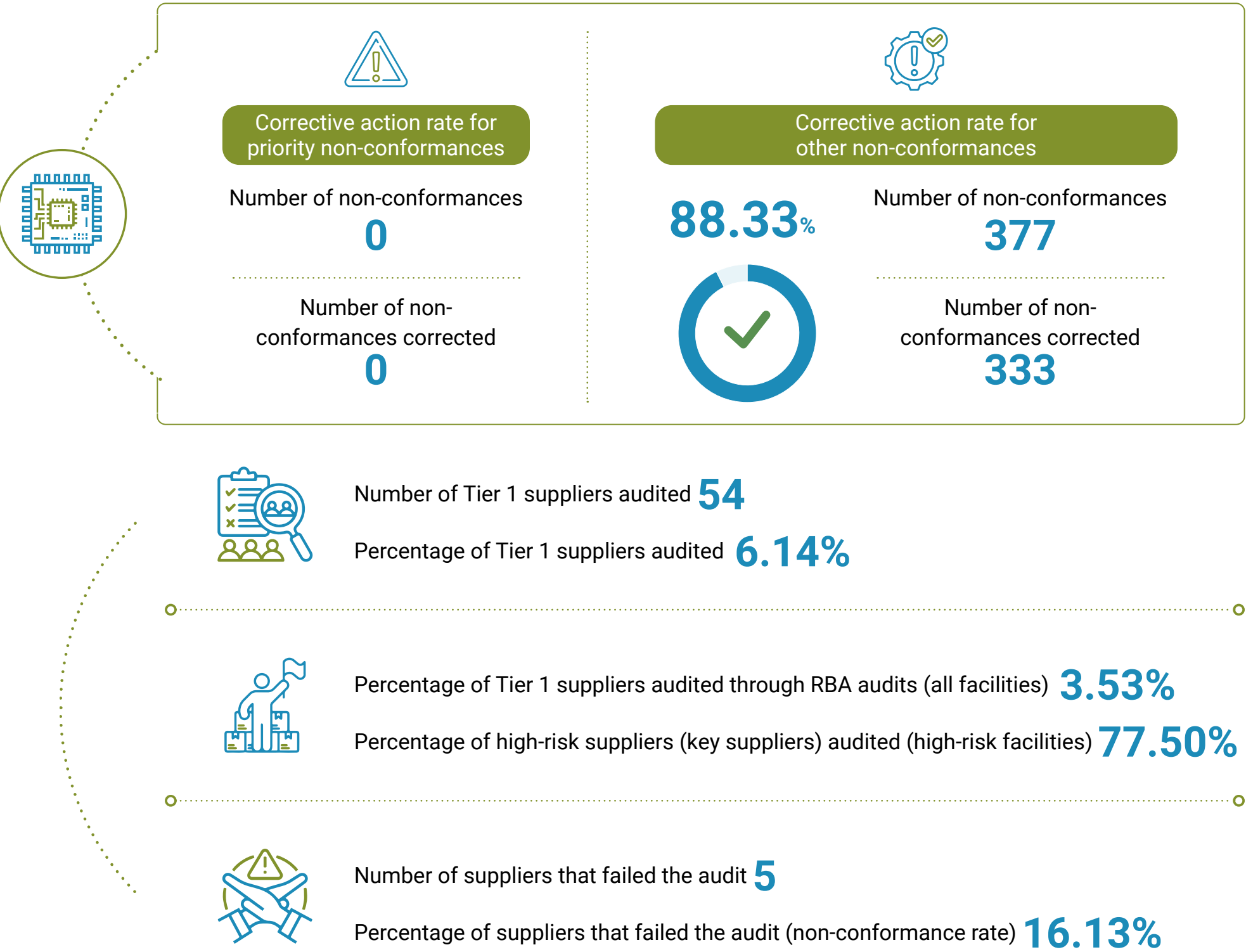
For sustainability audit items, Sercomm's audit mechanism also refers to the five major aspects of the latest RBA Code of Conduct in developing the CSR risk assessment form. Audits are conducted based on suppliers' self-assessment results. Zero-tolerance items are established for each aspect. Any violation of such items will result in the supplier being directly classified as unqualified. If a supplier is determined to have failed the audit, Sercomm will confirm whether the supplier requires guidance. If guidance is required, the supplier will be reviewed again after the completion of guidance. If the supplier fails to pass the subsequent review, it will no longer be qualified as an approved supplier. If no guidance is required, the supplier will directly lose its approved supplier qualification. In cases involving customer-designated suppliers, Sercomm will communicate the audit results with the customer before making a decision. In 2025, Sercomm conducted on-site audits of 54 Tier 1 suppliers, including 31 key suppliers. Among the key supplier audits, five suppliers failed the audits, with a total of 377 non-conformances identified, all of which were classified as other non-conformances. The non-conformances were mainly related to labor and health and safety aspects. After assessment, the findings did not meet the threshold for significant actual or potential negative impacts. As of the end of 2025, corrective actions had been completed for 333 non-conformances, representing an overall corrective action completion rate of 88.33%. The remaining non-conformances are still under follow-up and are expected to be corrected in 2026.

∴ Audit and Evaluation Areas Aligned with RBA



∴ 2025 Annual On-Site Audits of Existing Suppliers – Sustainability Aspects

To strengthen annual audit management, Sercomm classifies its annual audit methods into on-site audits or document audits based on the characteristics of component suppliers and non-component suppliers. On-site audit management measures are applied to suppliers whose business activities are directly involved in production and manufacturing, or whose industry attributes, products, or services procured involve specific labor, environmental, or safety issues. For suppliers whose business activities involve relatively lower labor, environmental, or safety risks, Sercomm adopts document audits or continuous monitoring measures to manage supply chain sustainability risks.



- Notes:
- Key suppliers refer to high-risk suppliers that provide critical materials and whose customers have RBA or JAC requirements, or other special requirements related to corporate social responsibility.
 - In 2025, Sercomm had a total of 879 suppliers, all of which were Tier 1 suppliers. Among them, 54 suppliers underwent on-site audits, including 31 key suppliers that underwent RBA VAP or equivalent audits.
 - Priority non-conformances refer to the most severe findings with significant and immediate impacts, such as child labor, forced labor, or significant and immediate occupational health and safety or environmental hazards.
 - Other non-conformances include major and minor non-conformances. Major non-conformances involve significant failures in the management system, while minor non-conformances refer to individual or occasional findings that do not involve systemic issues.
 - No priority non-conformances were identified during the reporting period; therefore, the corrective action rate is not applicable.



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STEP 5 Continuous Improvement

We understand that maximizing sustainable value depends not only on our own efforts, but also on the joint participation of our value chain partners. Through supplier CSR risk assessments, document audits, and on-site audits, Sercomm continuously monitors potential environmental, social, and governance risks in its supply chain, and promotes improvement follow-up and capacity building based on the assessment results.

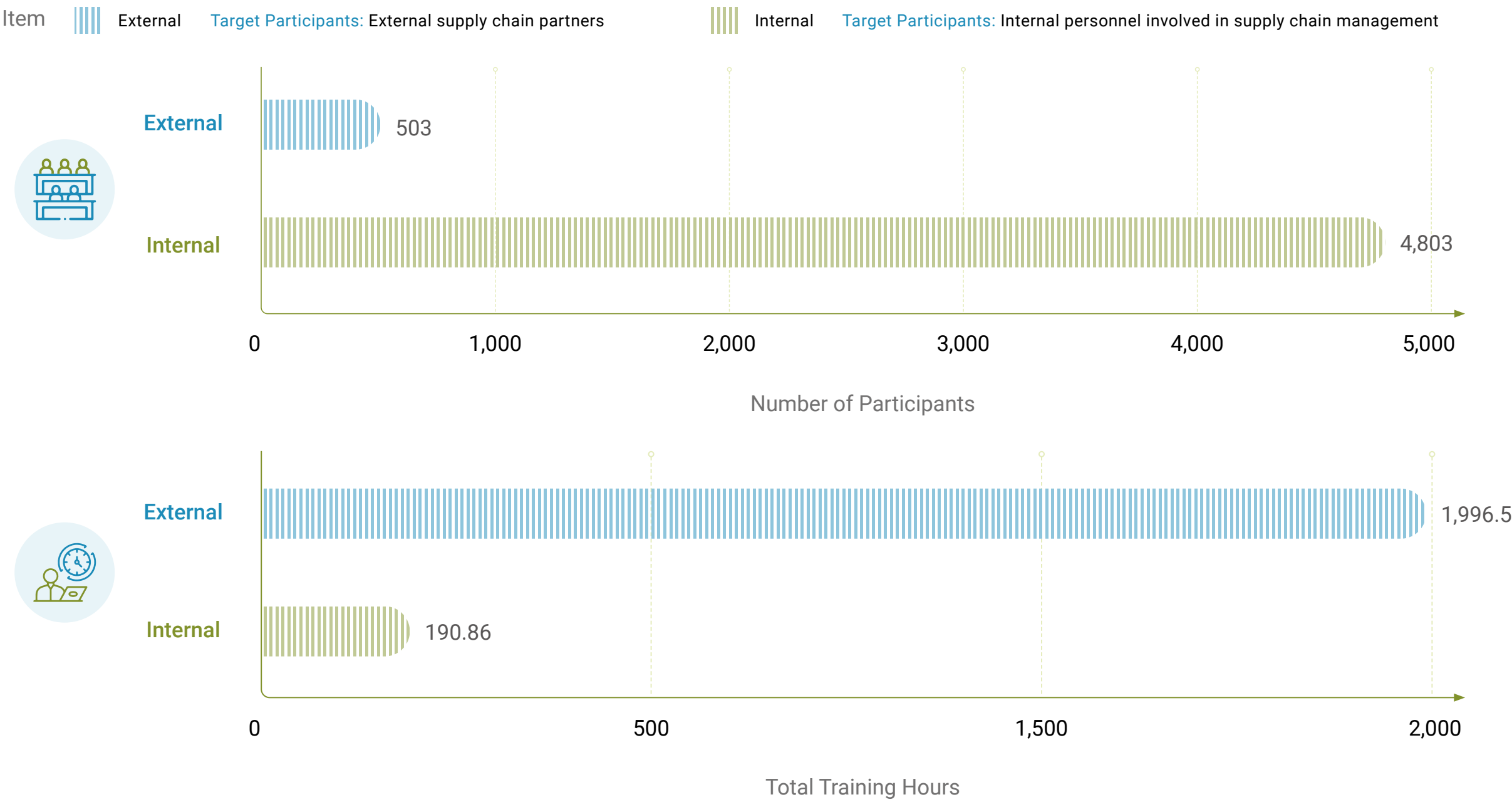
At the same time, in response to product carbon footprint and Scope 3 GHG management needs, Sercomm continues to collect supplier product carbon emission factors and ISO 14067-related information. The Company also assists supply chain partners in strengthening their capabilities in GHG inventory, carbon data management, and preparation of product carbon footprint information, thereby enhancing the completeness, traceability, and consistency of supply chain carbon information and establishing a foundation for value chain decarbonization.

In addition to regular business and quality review meetings, Sercomm conducted ESG-related training for suppliers in 2025, covering topics such as environmental policies, occupational health and safety, conflict minerals, and GHG inventory. The purpose of the training was to help supply chain partners understand Sercomm's sustainability management requirements, as well as customer and regulatory expectations, enhance their ability to identify, prevent, and improve ESG risks, and reduce the risk of non-compliance in the supply chain across areas such as human rights, the environment, occupational health and safety, and business ethics.

In 2025, Sercomm held two supplier ESG training sessions, with 291 suppliers registered and a total of 503 participants. Total training hours reached 1,996.5 person-hours. Sercomm will continue to support suppliers in enhancing their sustainability management capabilities and strengthen the overall resilience of its supply chain through training, risk assessments, audits, and improvement follow-up mechanisms.

In addition to enhancing suppliers' sustainability capabilities, Sercomm also strengthens the risk response capabilities of its internal supply chain management personnel through training. The relevant training statistics are presented in the table below. For complete information on training and education, please refer to Section 4.1.4 Talent Development.

Sustainable Supply Chain Training





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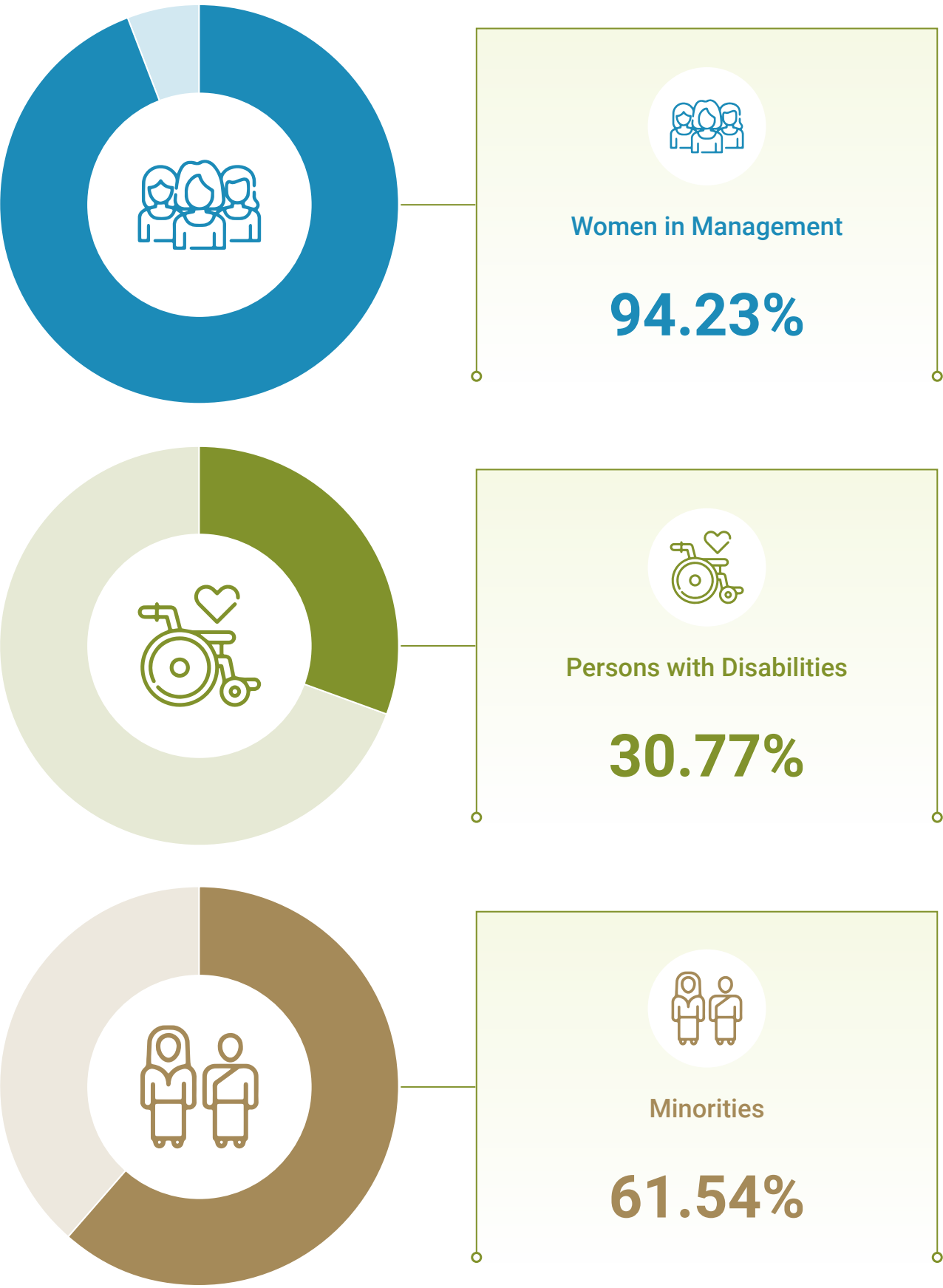
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2.6.3 Supplier Diversity

Sercomm incorporates the concept of Diversity, Equity, and Inclusion (DEI) into supplier management. The Company encourages suppliers to establish non-discriminatory employment policies, provide fair employment opportunities, and pay attention to performance in areas such as gender balance, employment of underrepresented groups, and multicultural backgrounds to promote diverse development across the supply chain. In 2025, Sercomm conducted a supplier diversity survey covering 52 suppliers. The survey covered dimensions such as women in management, persons with disabilities, and minorities. The statistical results are as follows:

Supplier Diversity Survey Results



2.6.4 Responsible Minerals Management

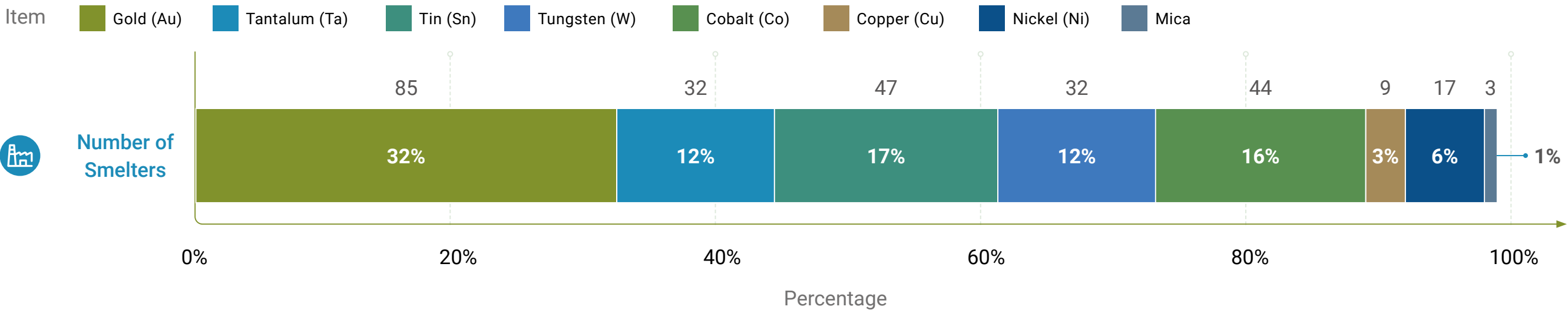
SASB: TC-HW-440a.1

To actively respond to the global movement against conflict minerals, Sercomm is committed to not using conflict minerals and does not accept raw minerals sourced from the Democratic Republic of the Congo or its neighboring countries in Central Africa. Through responsible procurement practices, Sercomm requires suppliers to prohibit the use of conflict minerals. To ensure that suppliers meet Sercomm's expectations, the Company audits suppliers' mineral sourcing policies, procedures, and due diligence processes to ensure that materials used in Sercomm electronic products do not originate from conflict minerals.

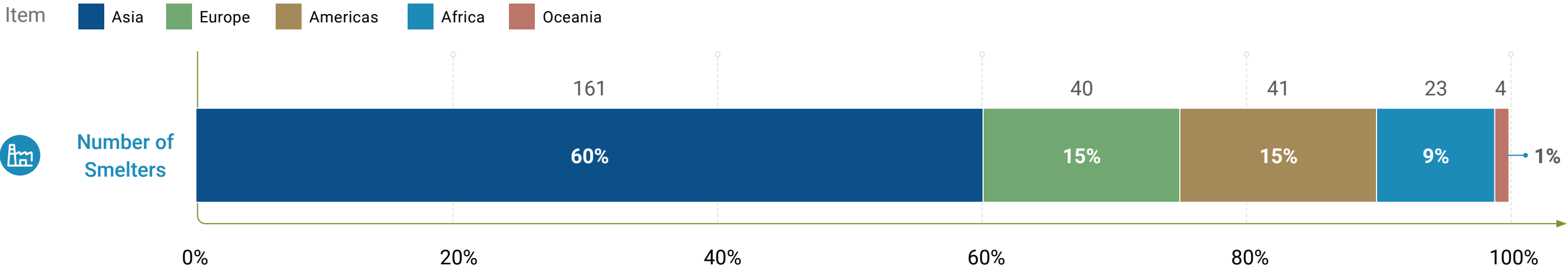
Sercomm has established the Responsible Minerals Management Procedure and is committed to not using conflict minerals. As the Company does not directly procure metals in its own operations, Sercomm ensures that conflict minerals are not used in the supply chain through supplier due diligence. Sercomm follows the Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas established by the Organisation for Economic Co-operation and Development (OECD). The Company also conducts due diligence in accordance with the Conflict Minerals Reporting Template (CMRT) and the Extended Minerals Reporting Template (EMRT) issued by the Responsible Minerals Initiative (RMI), requiring supply chain partners to disclose the country of origin of minerals and further checking the qualification status of smelters. This process enables Sercomm to confirm that metals contained in its products, including gold (Au), tantalum (Ta), tin (Sn), tungsten (W), cobalt (Co), copper (Cu), nickel (Ni), and mica, are not sourced from illegal regions. If a supplier is found to be working with a non-qualified smelter, Sercomm first requires the supplier to identify whether the smelter is associated with the Company's products. If relevant, the supplier is required to develop a phase-out plan. If the supplier is unable to complete the phase-out, it will be classified as an unqualified supplier to avoid subsequent transactions. In 2025, Sercomm surveyed a total of 503 suppliers, achieving a supplier response rate of 100%. The suppliers worked with a total of 269 smelters, all of which were qualified smelters.

For information on reporting, grievance, and communication mechanisms and channels for relevant organizations and personnel, please refer to Section 4.1.5 Multi-channel Communication.

Distribution of Compliant Smelters – by Mineral Type



Distribution of Compliant Smelters – by Region





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- » Participated in CDP assessments and received scores of A- for Climate Change and B for Water Security; received **the highest rating of A** in the Supplier Engagement Assessment (SEA).
- » Scope 1 and Scope 2 (market-based) GHG emissions decreased by **30.73%** compared with 2023.
- » Scope 3 GHG emissions decreased by **17.60%** compared with 2023.

Target Readers

Customers, Government Agencies, Investors / Financial Institutions

Management Approach



Policy Commitments

Implement GHG inventories, energy management, and environmental management to reduce environmental footprint.

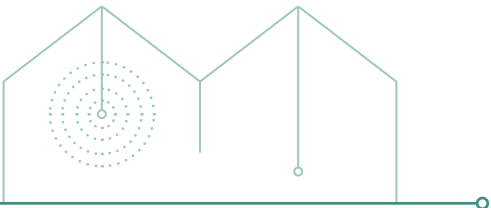
Material Topic	Management Approach and Evaluation Mechanism	2025 Management Implementation Results	Short-Term Goals	Medium-Term Goals	Long-Term Goals
 Climate Change Mitigation and Adaptation	Conducted risk and opportunity identification, and implemented corresponding response measures based on risk factors and impact pathways.	» GHG management implementation status was reported to the Board of Directors on a quarterly basis. » The Sustainable Development Committee convened four meetings. » Developed the implementation approach for internal carbon pricing.	2025–2027  Respond to SBTi, establish carbon reduction targets, and progressively implement carbon reduction action plans.  Align with IFRS S1/S2.	2030 » Complete the Group-wide carbon reduction roadmap for the parent company and subsidiaries, and implement climate risk response measures.	2050 » Achieve Net zero Emissions.
 Greenhouse Gas and Energy Management	In accordance with the Environmental, Health, and Safety Policy, Sercomm has adopted ISO 14064-1:2018 for GHG inventories, ISO 14001:2015 for environmental management systems, and ISO 50001:2018 for energy management systems.	Passed third-party verification and obtained a GHG Verification Statement.	2025–2027  Obtain third-party Verification Statement for GHG emissions information of the Company and its subsidiaries, with the disclosure boundary aligned with the scope of the consolidated financial statements.  Continue optimizing the SGET Carbon Management Platform to implement GHG management.  Continue promoting Scope 3 GHG inventory efforts.	2028–2030 » Implement and promote Scope 3 GHG management and assist the supply chain in carbon reduction.	

Note: 2025 Performance Status — "✓" Achieved; "△" Ongoing Progress.

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3.1

Environmental and Climate Strategy



According to The Global Risks Report 2026 published by the World Economic Forum (WEF), extreme weather events, biodiversity loss, and critical changes to Earth systems have been identified as among the most significant long-term risks over the next decade. As climate change continues to gain global attention, international policies and initiatives, such as EU regulations and RE100, together with requirements from brand customers, are driving supply chain companies to implement carbon reduction targets and accelerate the transition toward a low-carbon economy.

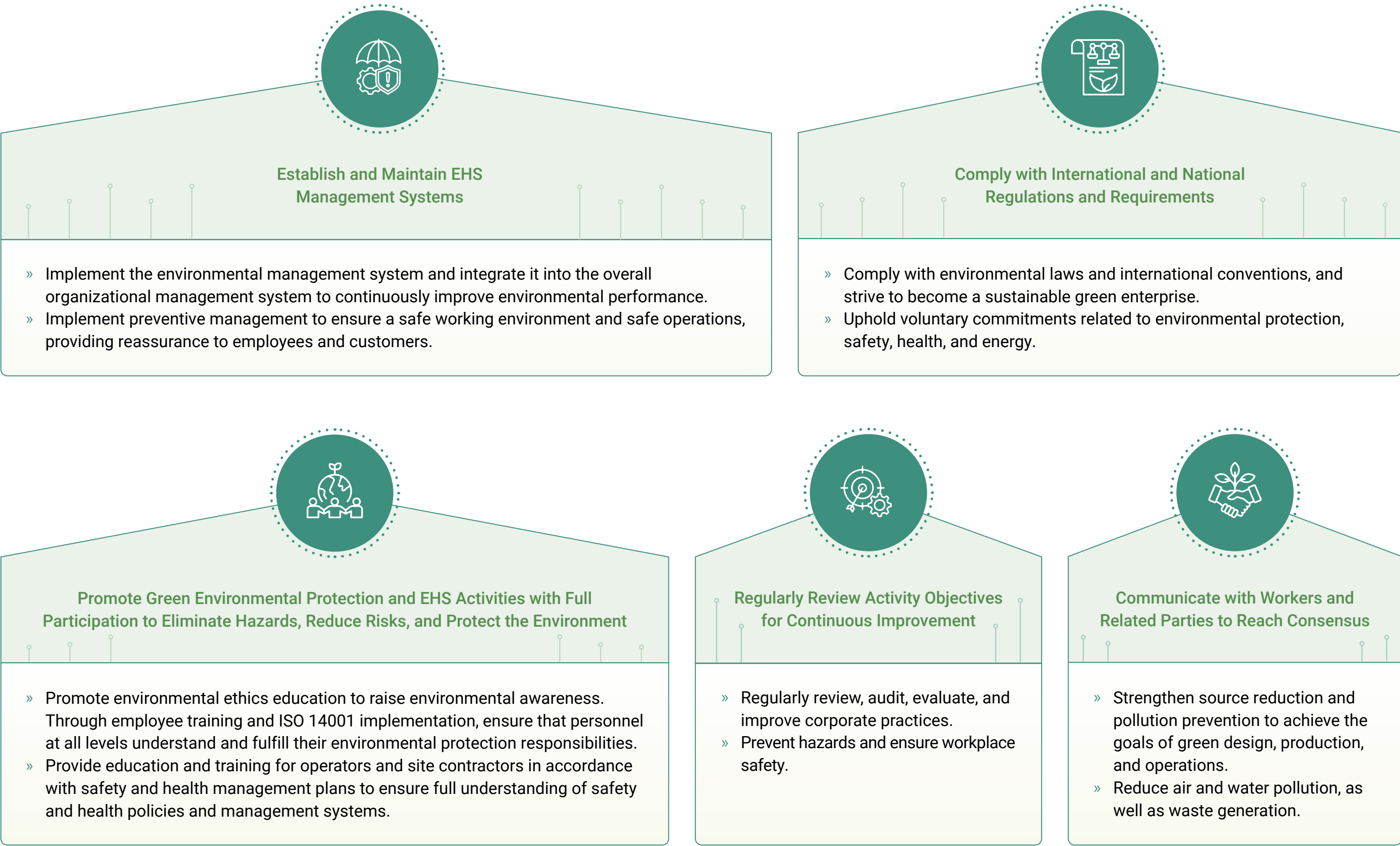
Sercomm's operating sites and product sales markets span multiple climate zones across Asia-Pacific, Europe, and the Americas. Its products also cover diverse outdoor application scenarios, such as small cell base stations, surveillance cameras, and smart streetlights, which are directly exposed to extreme climate challenges. These characteristics require the Company to strengthen climate resilience as an important foundation for maintaining stable and sustainable business development. As part of the global Information and Communication Technology (ICT) industry, we signed the Science Based Targets initiative (SBTi) commitment letter in 2023 and passed target validation in 2025, confirming that our reduction targets are aligned with a pathway to limit global warming to 1.5° C.

Based on the characteristics of the communications and networking industry, Sercomm has established energy-saving and carbon reduction strategies as well as supply chain management systems. The Company continues to improve product energy efficiency design, promote green design, implement responsible production, and introduce renewable energy and carbon emissions accounting systems to respond to global customer demand for low-carbon products. At the same time, Sercomm actively supports international initiatives, promotes carbon reduction at both the manufacturing and product levels, and works with supply chain partners to jointly create a green value chain.

In addition, Sercomm integrates its global production sites and leverages a distributed manufacturing footprint to reduce the carbon emissions intensity of individual facilities, promote the circular recovery of electronic waste, and implement zero-pollution management for heavy metals. By advancing low-carbon manufacturing centers and standardizing sustainable supply chain management, the Company continues to implement its low-carbon strategy across its operations.

3.1.1 Environmental, Health, and Safety Policy

Rooted in the philosophy of sustainable development and corporate citizenship, Sercomm takes its environmental protection, safety, and health policy as the highest standard. The Company continues to develop green products, actively invests in waste reduction and pollution prevention, and pursues optimal efficiency in the use of energy, water, and other resources. Through supply chain management, Sercomm works with industry partners to manage environmental risks, reduce environmental impacts, and jointly protect the planet.





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3.1.2 Environmental Management Indicators and Targets

Sercomm actively responds to the global transition toward Net zero Emissions by 2050 and continues to advance its environmental and climate management targets. In 2025, the Company's science-based targets were validated by the Science Based Targets initiative (SBTi), using 2023 as the base year, with targets to reduce absolute Scope 1 and Scope 2 GHG emissions by **42%** by 2030 and Scope 3 emissions by **25%** over the same period. In addition, Sercomm has set targets for renewable energy usage and waste recycling and reuse rates to reach **90%** by 2030.

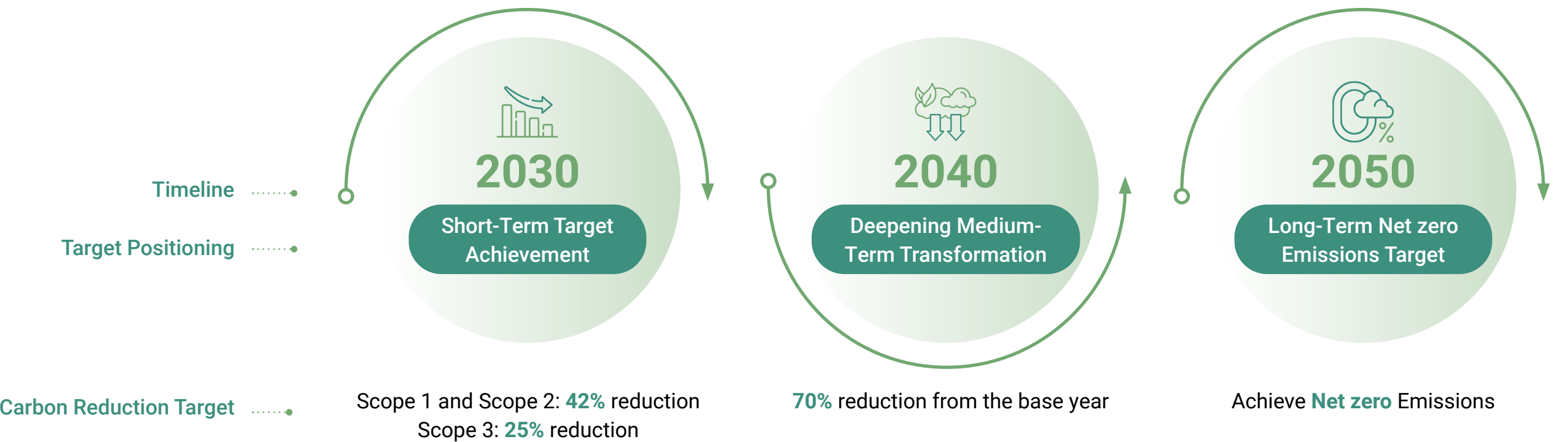
In terms of management strategy, Sercomm focuses on GHG emissions reduction, energy transition, and resource circularity, and extends these efforts to the product level by promoting green product design. This includes improving product energy efficiency, introducing environmentally friendly materials, and designing for product recycling and recovery, thereby reducing the overall environmental footprint and enhancing product competitiveness. For green design principles and targets, please refer to Chapter 6.

In terms of management mechanisms, Sercomm has established a GHG inventory system and introduced the Sercomm Greenhouse Gas Emission Tool (SGET) Carbon Management Platform to strengthen the collection, analysis, and management of GHG emissions data. At the same time, through supplier carbon emissions data collection and product carbon footprint assessments, the Company continues to improve the completeness and traceability of Scope 3 emissions data. In addition, major manufacturing sites have implemented the ISO 50001 energy management system. Indicators such as the renewable energy usage ratio and product carbon emission intensity are used as the basis for tracking carbon reduction performance and supporting decision-making.

In terms of physical risk management, Sercomm incorporates extreme weather events resulting from climate change into its operational risk management mechanism. Through measures such as Business Continuity Planning (BCP), enhancement of disaster prevention facilities at its sites, and supply chain backup management, the Company seeks to reduce the impact of climate-related events on its operations. In terms of building and facility management, Sercomm continues to introduce green building design and energy management systems. The Chunan Plant has obtained LEED Gold certification under the Leadership in Energy and Environmental Design (LEED) rating system developed by the U.S. Green Building Council (USGBC). The Philippines Manufacturing Center is also continuing to pursue relevant certification, with the target of obtaining certification in the fourth quarter of 2026, in order to enhance overall operational resilience and environmental performance.

Overall, with SBTi carbon reduction targets as its core, Sercomm integrates carbon management systems, energy management mechanisms, and supply chain management measures to strengthen its environmental management framework and address climate-related transition and physical risks. Through indicator tracking and rolling reviews, the Company continues to strengthen climate resilience and sustainable competitiveness. For detailed environmental indicators and targets, please refer to the Appendix: Key ESG Indicators and Targets.

Carbon Reduction Pathway and Net zero Emissions Target



3.1.3 Environmental Management Certifications

We have obtained the following international certifications related to environmental management:



3.2

Climate Change Management

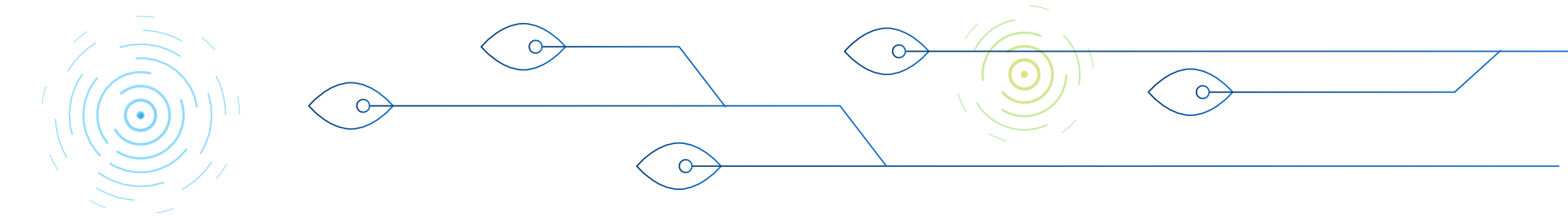
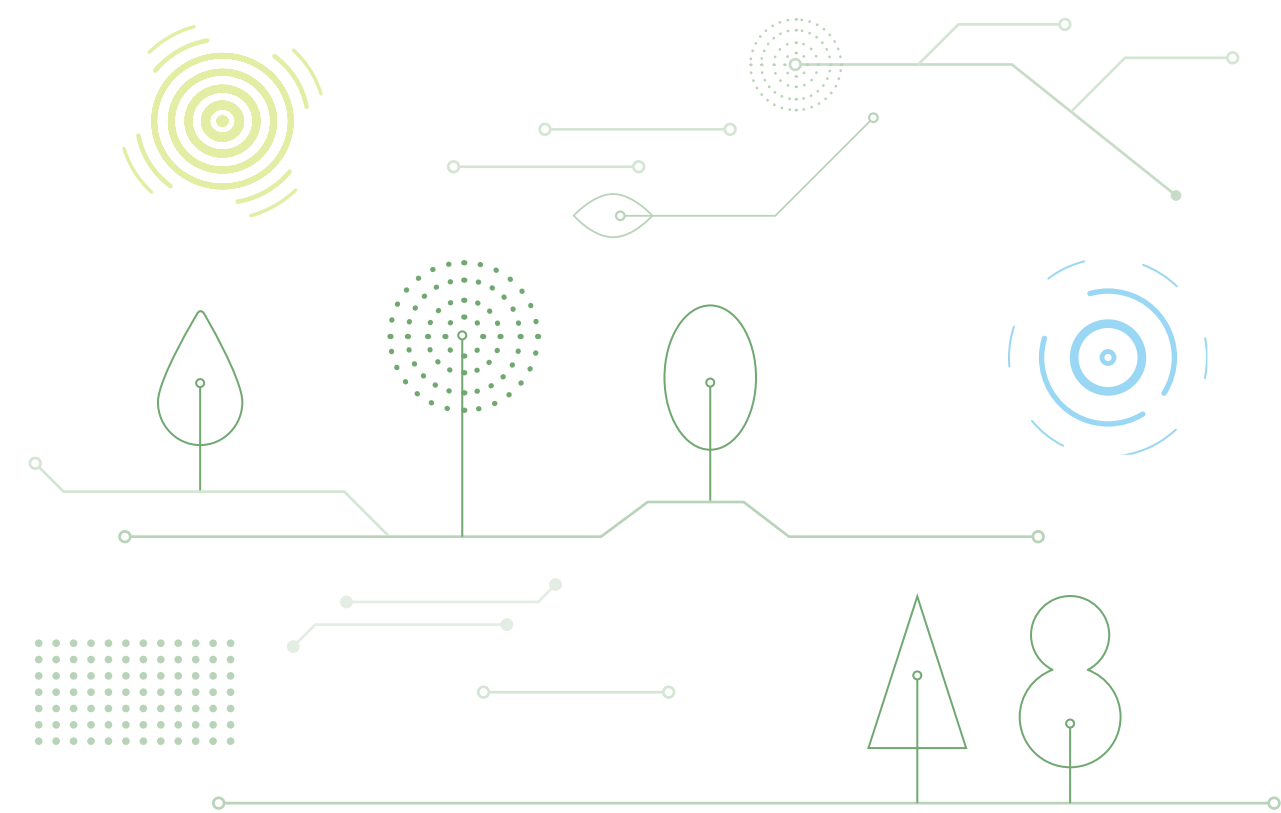


In 2023, Sercomm formally signed in support of the Task Force on Climate-related Financial Disclosures (TCFD) initiative. In accordance with the four core elements of the TCFD framework and IFRS S2 Climate-related Disclosures - climate governance, strategy, risk management, and metrics and targets - Sercomm promotes climate change management and information disclosure. This includes establishing mechanisms for identifying, assessing, and managing climate-related risks and opportunities, and incorporating related issues into operational management and financial planning considerations to strengthen the Company's adaptive capacity and long-term competitiveness in response to climate change.

3.2.1 Climate Governance Framework

To comprehensively understand the impacts of climate-related risks and opportunities on the Company's operations, finances, and long-term strategy, Sercomm has established a climate risk and opportunity management system and integrated it into the Enterprise Risk Management (ERM) framework, ensuring that climate-related issues operate consistently with the overall risk management mechanism.

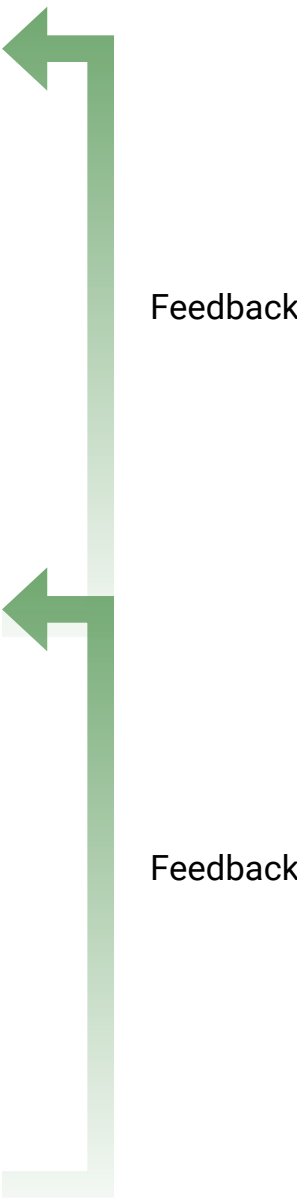
Management of climate-related risks and opportunities is coordinated and supervised by the Sustainable Development Committee. Through a cross-functional collaboration mechanism, the Company conducts risk identification, assessment, and response strategy planning, and regularly reports relevant assessment results and management progress to the Board of Directors to implement a top-down oversight and decision-making mechanism.



The Board of Directors serves as the highest supervisory body for Sercomm's climate governance. It is responsible for overseeing the management framework, strategic direction, and target setting for climate-related risks and opportunities, and regularly reviews implementation results and performance. The Sustainable Development Committee periodically reports to the Board on assessment results, response measures, and implementation status for climate-related issues, enabling the Board to understand the potential impacts of climate change on the Company's operations and finances and provide decision-making guidance. In addition, Board members continue to participate in climate- and sustainability-related training courses to strengthen their professional knowledge and governance capabilities regarding climate issues.

The Sustainable Development Committee is a functional committee under the Board of Directors. It is responsible for coordinating the management of climate-related risks and opportunities, and serves as the decision-making and review platform for climate-related strategies and major matters. The Committee is currently chaired by the President, who serves as the Chairperson and convener, with senior executives serving as committee members. Meetings are held quarterly. The Committee is responsible for reviewing climate-related risk assessment results, carbon reduction targets, including SBTi targets, and related action plans, as well as tracking implementation progress and performance.

The Sustainable Development Committee has established a Sustainability Task Force to coordinate sustainability-related affairs. At the management level, the Sustainability Task Force and cross-functional task forces (including Sustainable Development, Responsible Products, Responsible Operations, Employee Relations and Sustainability Engagement, and Corporate Governance) are responsible for identifying and assessing climate-related risks and opportunities and implementing management measures. Assessment results are fed back to the Sustainable Development Committee and the Board of Directors, forming a mechanism that combines top-down oversight with bottom-up feedback to ensure that climate-related issues are effectively incorporated into the Company's overall operations and decision-making processes.



In 2025, key topics discussed by the Sustainable Development Committee included customer product life cycle assessment and product carbon footprint methodologies, scenario modeling of SBTi reduction targets with revenue growth and technological evolution, internal carbon pricing (ICP) planning, Scope 3 tracking processes and supply chain carbon reduction actions, review of the 2024 Sustainability Report, revisions to the Labor and Human Rights Policy, improvement items related to the Corporate Governance Evaluation, green design and packaging reduction, renewable energy and energy management, EHS key performance indicators, RBA VAP audits, and EcoVadis scoring methodology. Through regular reporting and tracking by the Committee, Sercomm continues to strengthen climate governance, low-carbon product design, energy and environmental management, and sustainable supply chain management, while ensuring that related strategies are aligned with the Company's operations, customer needs, and stakeholder expectations.

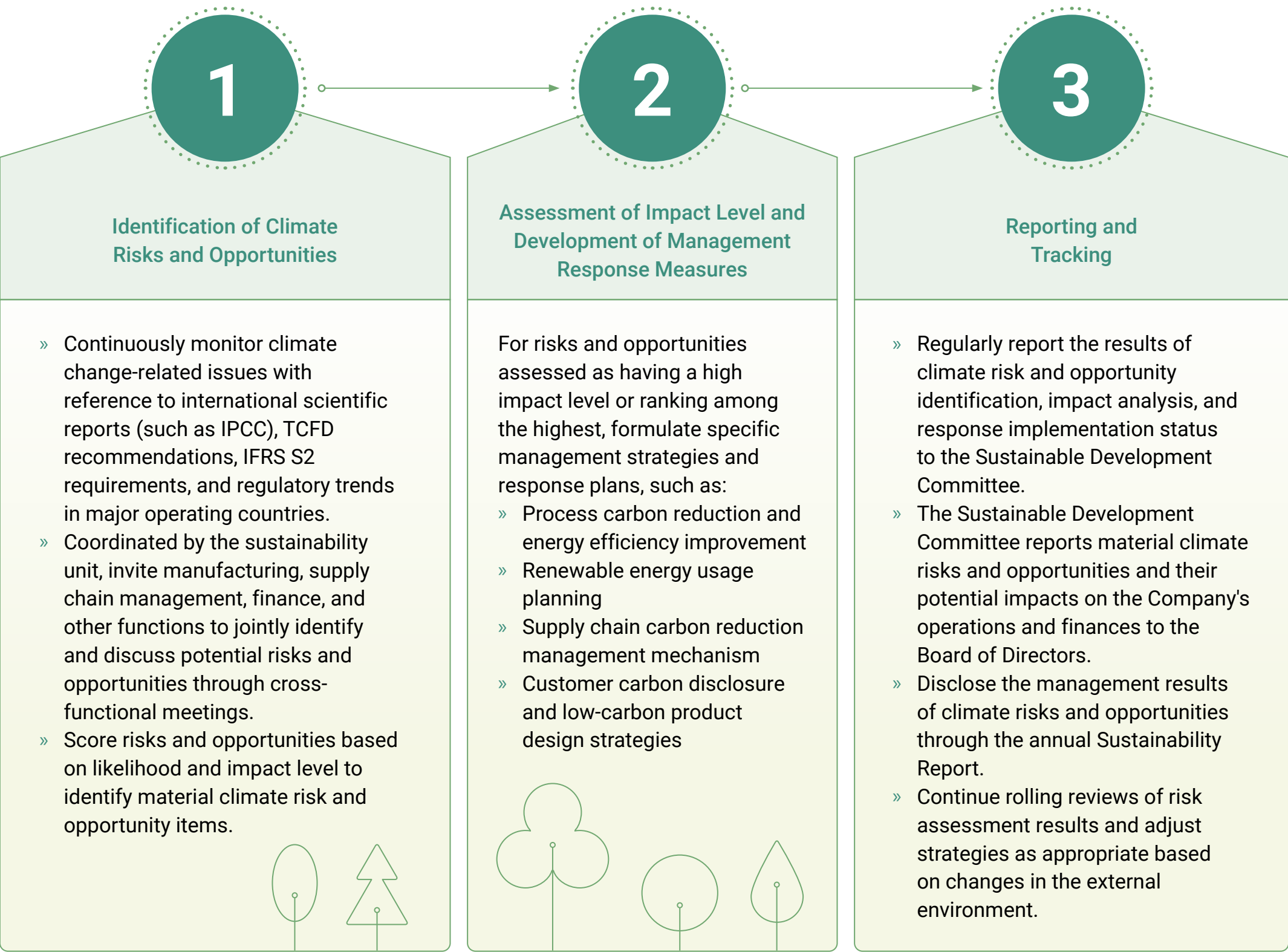
3.2.2 Climate Risk and Opportunity Management Procedures

Sercomm has integrated the management procedures for climate-related risks and opportunities into its overall risk management system. The Company's risk management scope covers strategic, operational, financial, and event-related aspects, with climate change and other environmental risks included under event-related risks to ensure consistency and effective connection between climate issues and the existing risk management framework.

In terms of management process, Sercomm follows its existing risk management procedures to systematically manage climate-related risks and opportunities. This includes identifying risk issues, assessing likelihood and impact, screening major risks, and formulating response measures. Climate-related risks are incorporated into the overall risk assessment results and reviewed and prioritized together with other major risks.

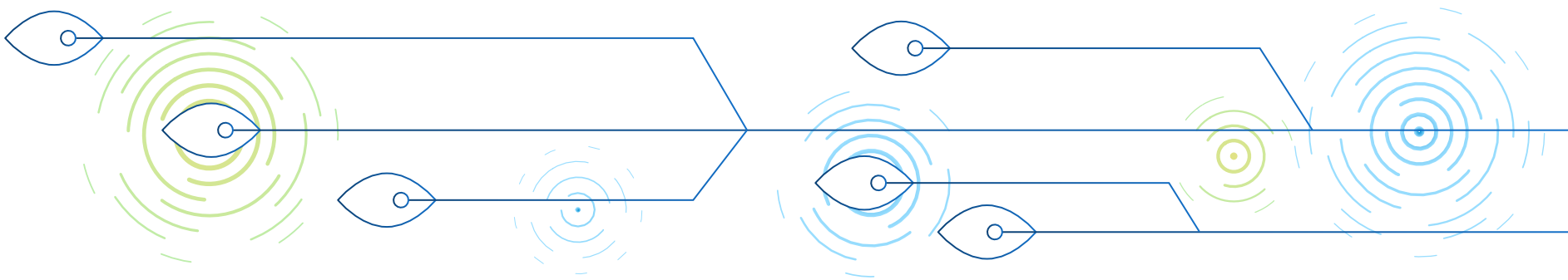
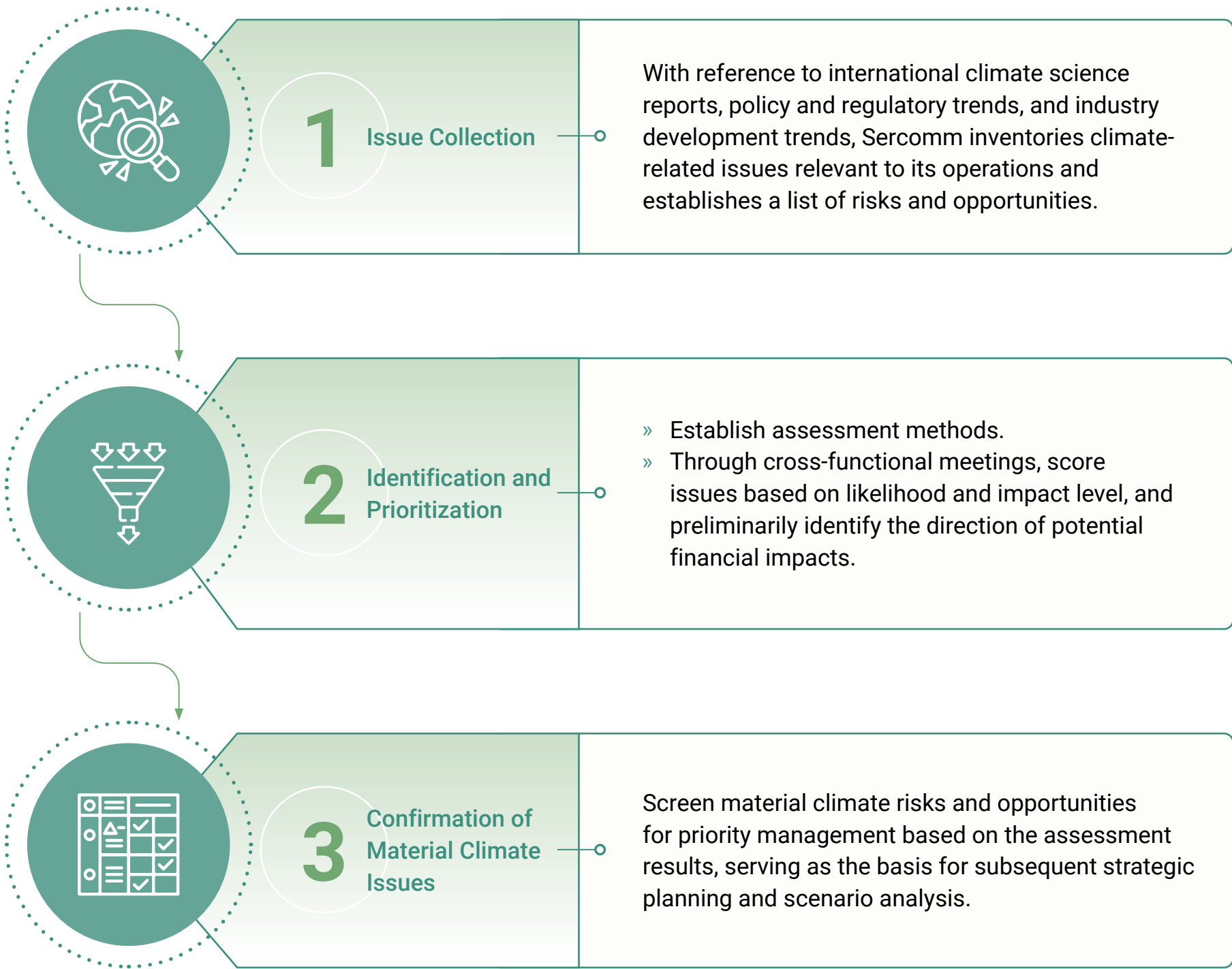
The relevant assessment results are further combined with operational management, investment decision-making, and strategic planning for rolling review and adjustment, ensuring that the management of climate-related risks and opportunities is effectively reflected in the Company's daily operations and medium- to long-term development direction, while enhancing the completeness and consistency of overall risk management.

Three Major Steps in Climate Risk and Opportunity Management



3.2.3 Identification of Climate Risks and Opportunities

In 2025, Sercomm completed the identification of climate risks and opportunities (in principle, at least once every two years; the previous identification was conducted in 2023) and understood the direction of their impacts on operations and finance. However, a complete climate-related financial impact quantification model has not yet been established. In the future, in line with the implementation schedule for Taiwan FSC IFRS Sustainability Disclosure Standards S1 and S2, the Company plans to establish climate-related financial quantification mechanisms in stages from 2025 to 2027. These include trial calculations of impacts on costs, investments, and revenue; the application of internal carbon pricing tools; and enhancement of financial scenario simulation capabilities, thereby gradually improving the decision-support function and disclosure quality of climate risk management. The identification process is as follows:



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∴ 1. Issue Collection

The Company refers to scientific reports and energy transition trend analyses published by the Intergovernmental Panel on Climate Change (IPCC) and the International Energy Agency (IEA) to comprehensively understand the potential impacts of future climate change on corporate operations and finances. In addition, to assess in depth the practical challenges and opportunities faced by the electronics and networking equipment manufacturing industry amid the global Net zero Emissions transition, the Company also references international disclosure standards (such as TCFD and IFRS S2), relevant guidance from the World Business Council for Sustainable Development (WBCSD), major customers' carbon reduction commitments and supply chain management requirements, and climate risk identification results of domestic and international peers. Together with the Company's GHG emissions reduction pathway and timeline, Sercomm establishes a list of climate-related risks and opportunities that reflects its operational characteristics from short-, medium-, and long-term perspectives.



Transition Risks

During the global transition to a low-carbon economy, governments are gradually promoting Net zero Emissions policies, carbon pricing mechanisms, and climate information disclosure requirements, accompanied by technological innovation and market structure adjustments. Such policy, regulatory, technological, and market changes may alter corporate cost structures, product competitiveness, and supply chain management requirements. The impact level of transition risks depends on the speed and intensity of policy implementation and the maturity of industry transformation. For the Company, transition risks may be reflected in increased carbon reduction investments, adjustments to energy structures, rising supply chain carbon management pressure, and changes in customer procurement standards, thereby affecting operational strategies and financial performance.



Physical Risks

Physical risks arising from climate change can be divided into acute and chronic risks. Acute risks refer to sudden impacts caused by extreme climate events, such as typhoons, heavy rainfall, or heat waves, on site facilities, operational continuity, and supply chain operations. Chronic risks refer to trend-based impacts caused by ongoing changes in the climate system, such as rising average temperatures, changes in water supply stability, or systemic changes resulting from energy structure transformation. Such physical risks may lead to asset damage, operational interruptions, supply chain delays, and cost increases, thereby affecting the Company's financial performance and operational resilience.



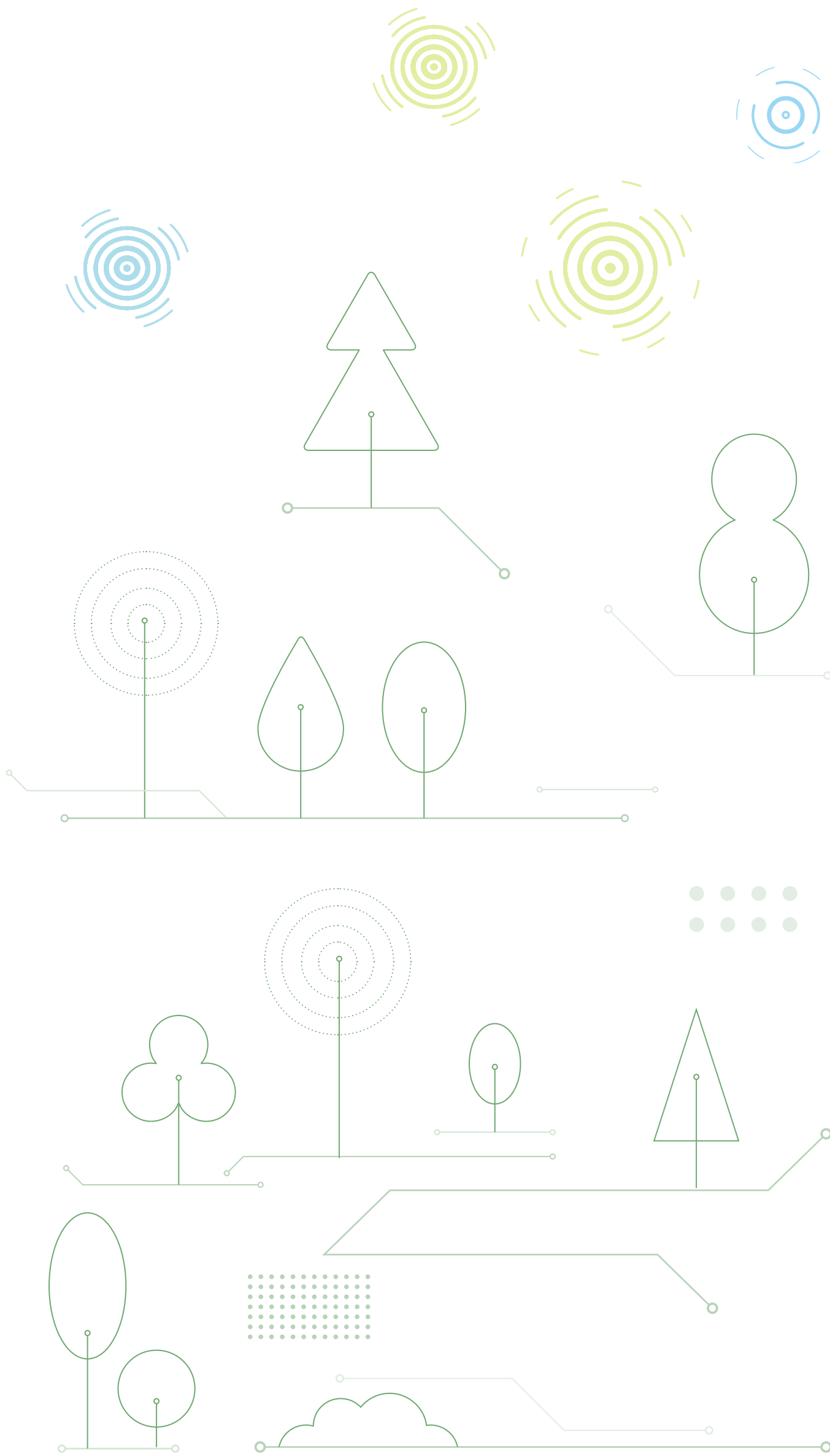
Climate Transition Opportunities

Under the global low-carbon transition trend, companies that plan ahead and actively respond to climate issues may also create new development opportunities. By introducing energy-saving equipment and low-carbon technologies, increasing the proportion of renewable energy use, and developing low-carbon products and solutions, companies can reduce operating costs and enhance market competitiveness. At the same time, strengthening climate information disclosure and sustainability management practices helps improve brand image and customer trust. For the Company, whose main markets are international brand customers, climate transition opportunities are also reflected in the potential to strengthen its supply chain position and expand long-term partnerships.



Water-Related Risks and Opportunities

Considering the impacts of climate change on water cycle systems and water resource allocation, the Company also includes water resource issues within the overall assessment scope. Climate change may alter regional rainfall patterns and water supply stability, and affect water quality and the regulatory environment for water withdrawal, thereby impacting process water use and operational stability. Conversely, by improving water use efficiency, introducing wastewater recycling and reuse systems, and planning diversified water source management strategies, the Company can strengthen operational resilience and reduce long-term resource risks. By incorporating water resource issues into the assessment of climate risks and opportunities, the Company can more comprehensively understand the potential impacts of climate change on operations.



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∴ 2. Identification and Prioritization

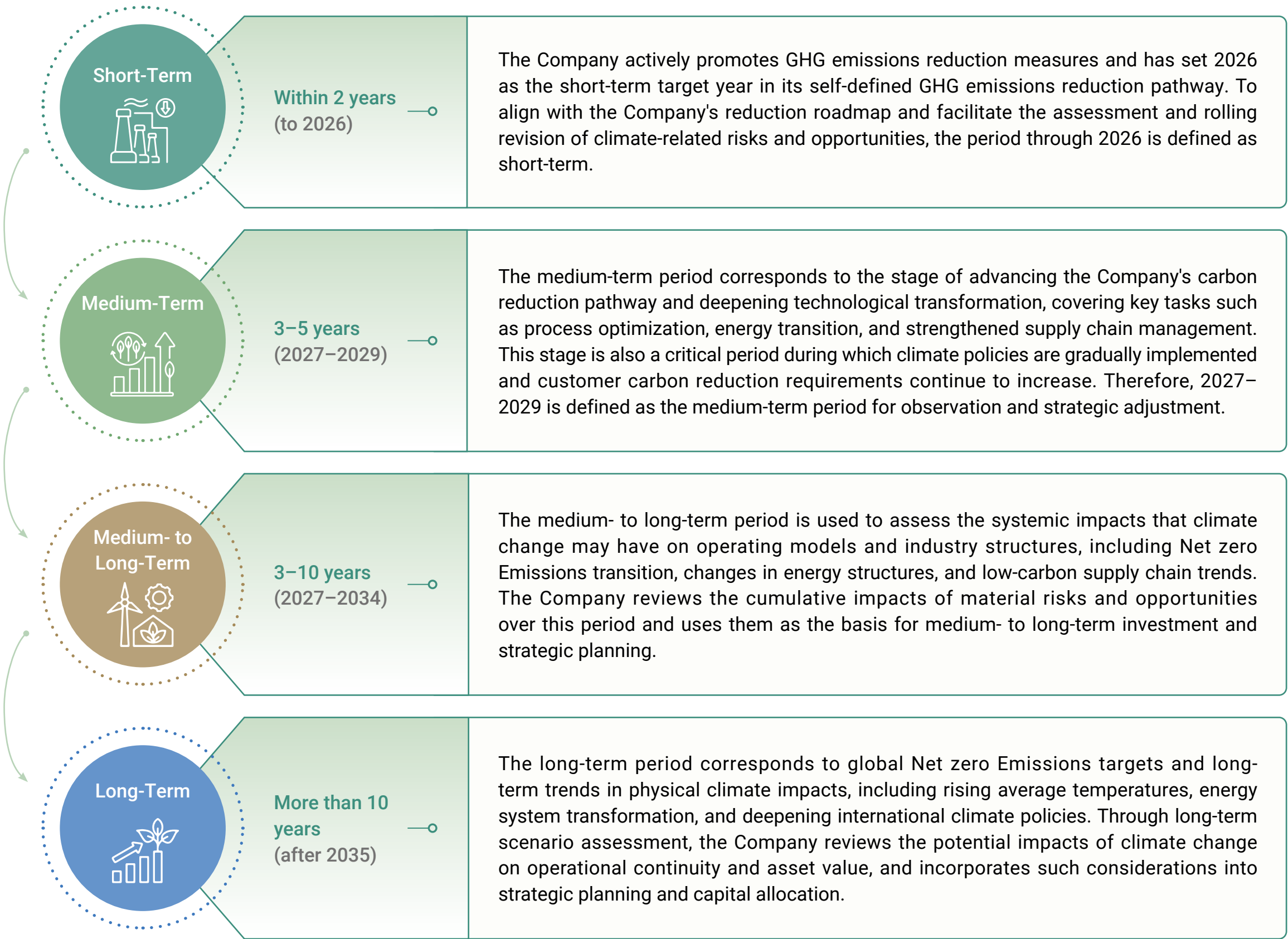
For the identified issues, the sustainability unit coordinates cross-functional discussions with relevant departments, including business, manufacturing, supply chain management, and finance.

- Each issue is assessed based on the following items:
- » Impact timeframe (short-, medium-, and long-term)
 - » Likelihood of occurrence
 - » Impact level (including vulnerability/resilience and degree of impact/contribution)

The scoring results are then aggregated and prioritized to preliminarily identify risks and opportunities for priority management.

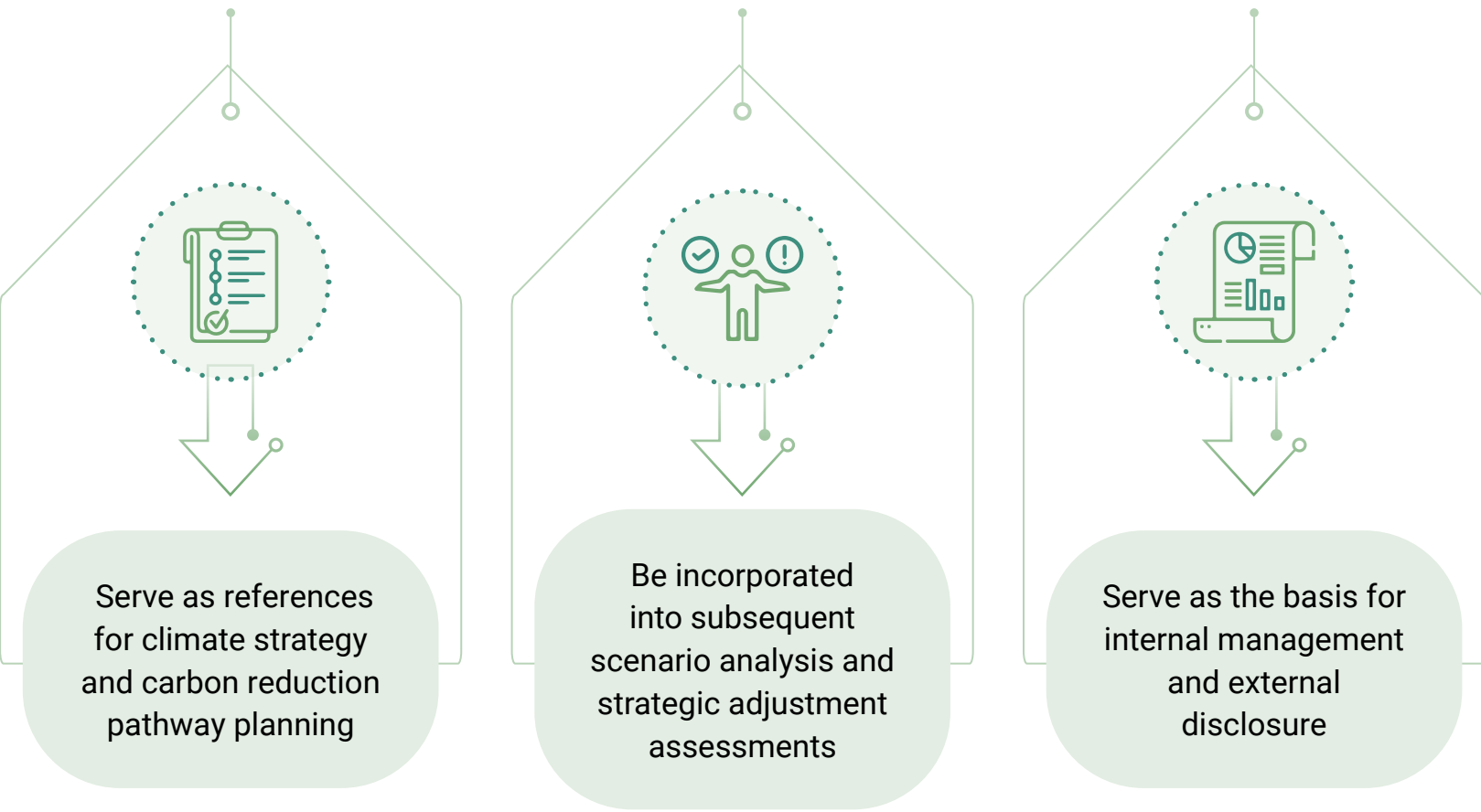
For issues with higher impact levels, Sercomm further assesses the direction of potential financial impacts, including operating costs, capital expenditures, revenue impacts, cash flow, and cost of capital.

Impact Timeframe



∴ 3. Confirmation of Material Climate Issues

Based on the assessment results, material climate risks and opportunities with higher impact levels or top overall scores are screened and included in the Company's priority management scope. Material climate issues will:



The Company also continues to conduct rolling reviews of changes in material issues to ensure that climate risk management remains aligned with external environmental trends.





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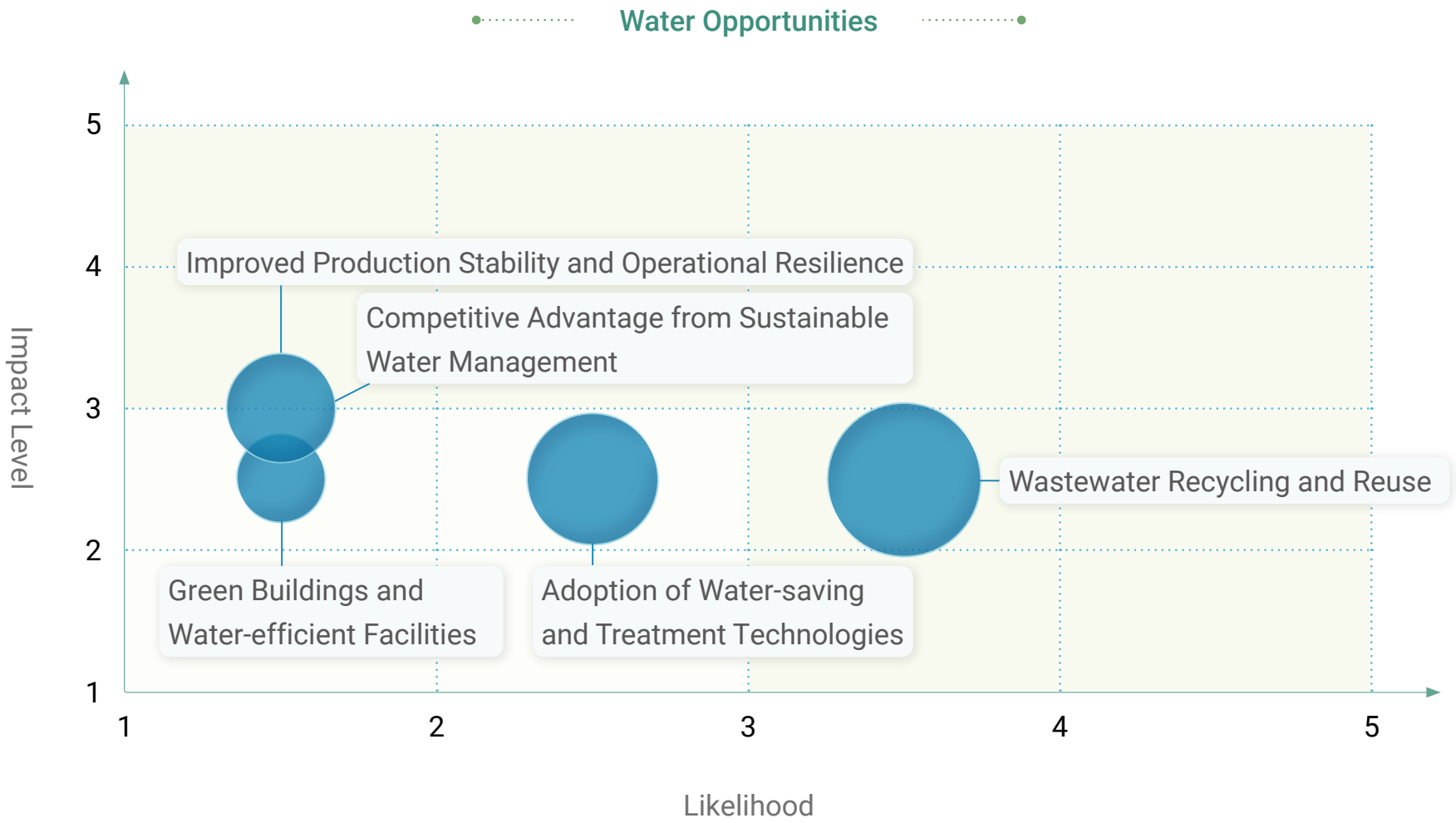
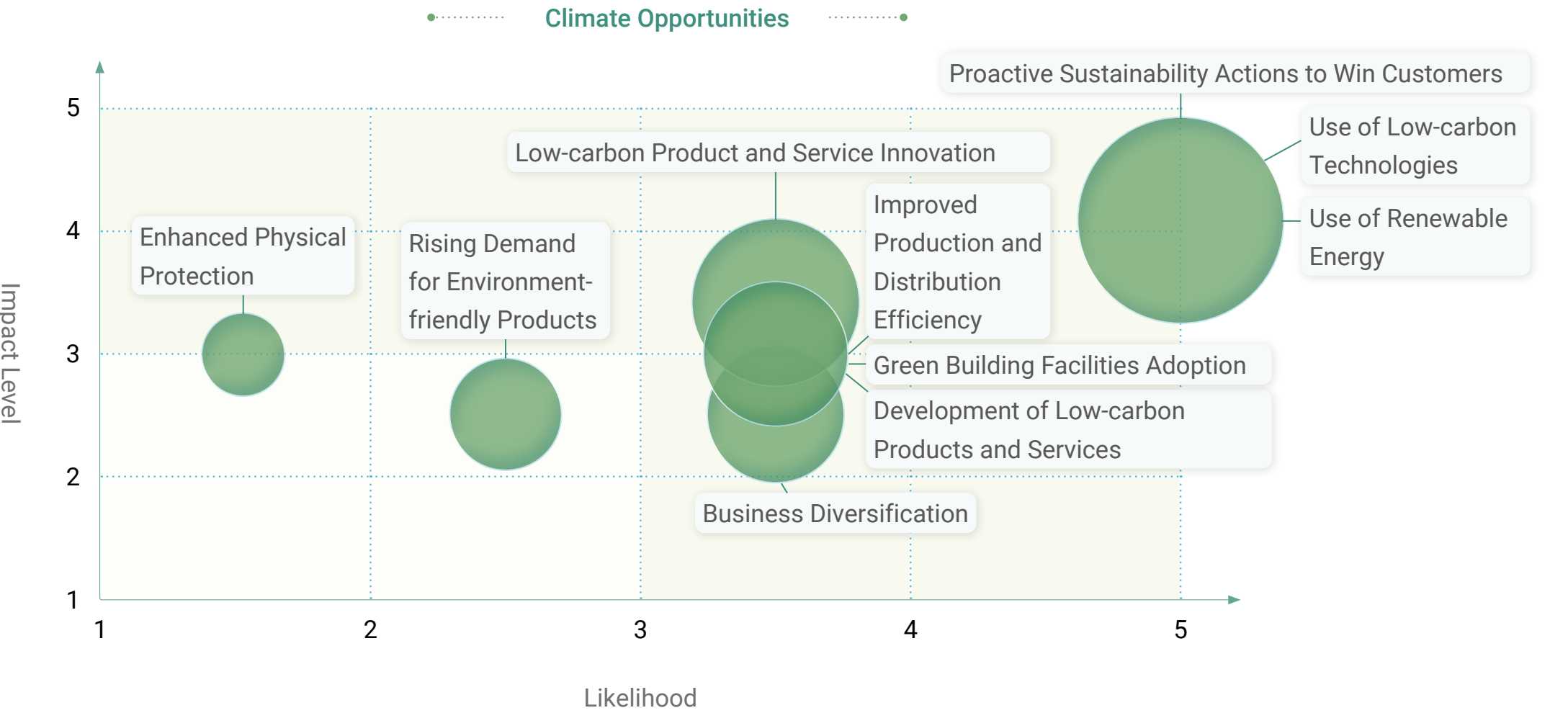
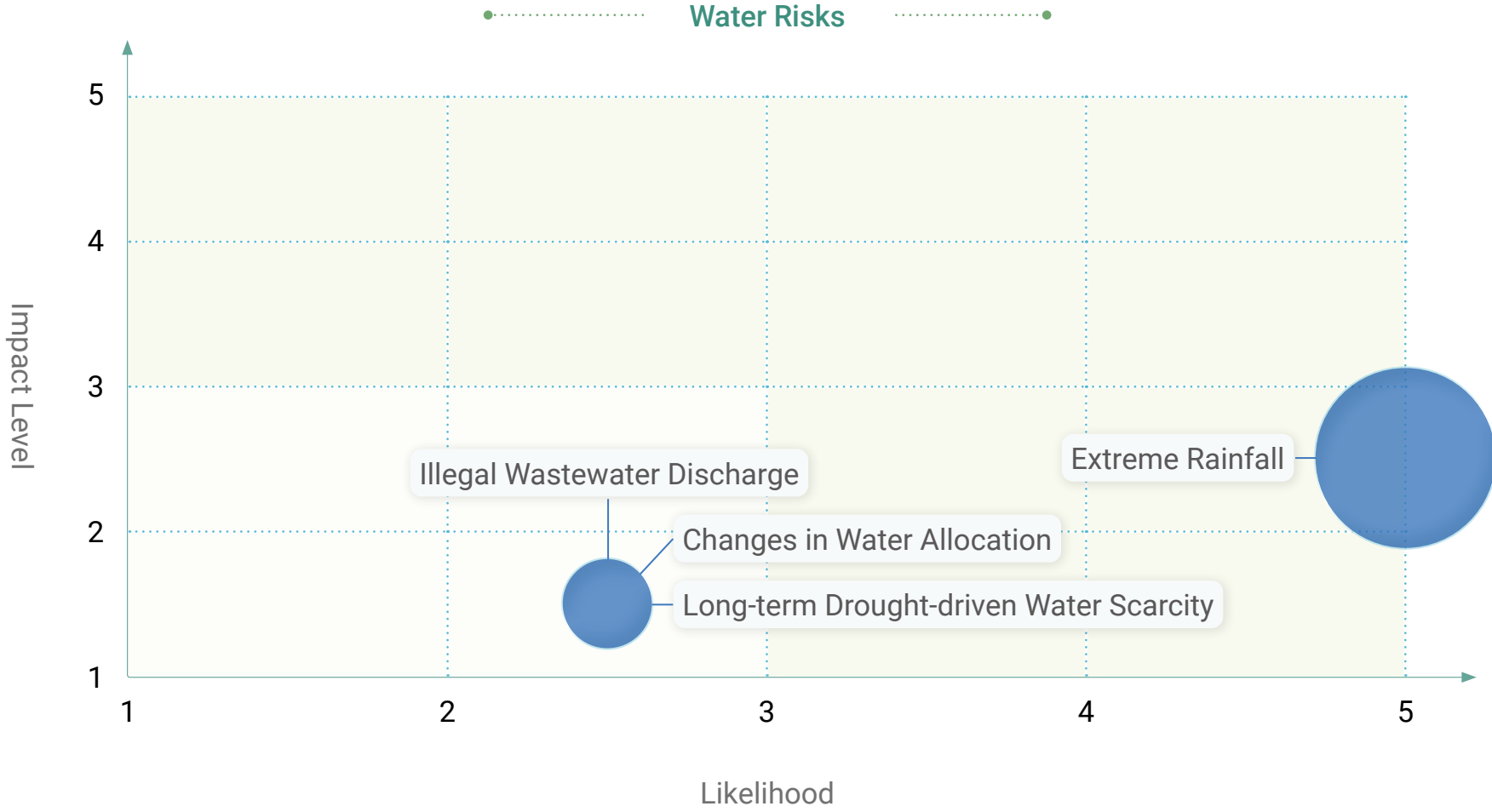
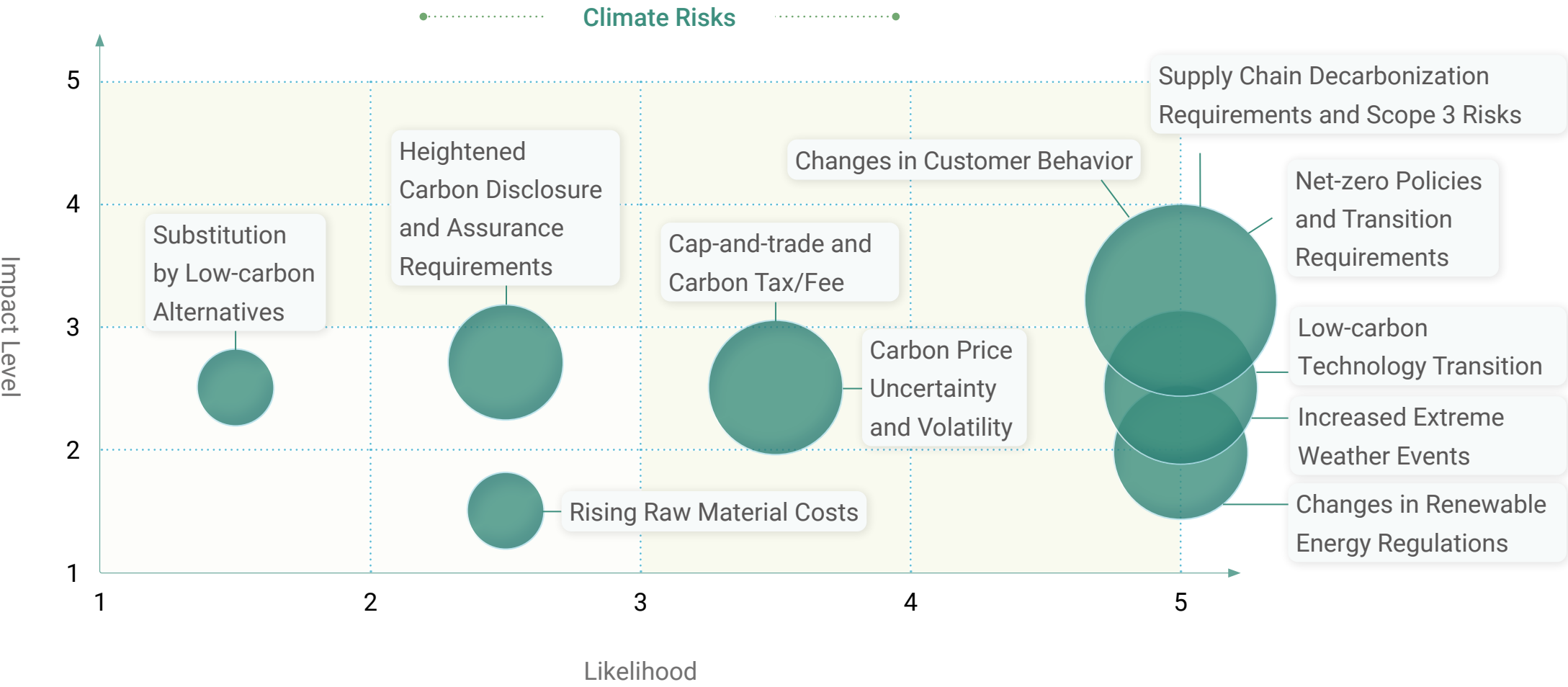
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∴ Identification Results of Material Climate Risks and Opportunities

Climate Risk and Opportunity Matrix Analysis





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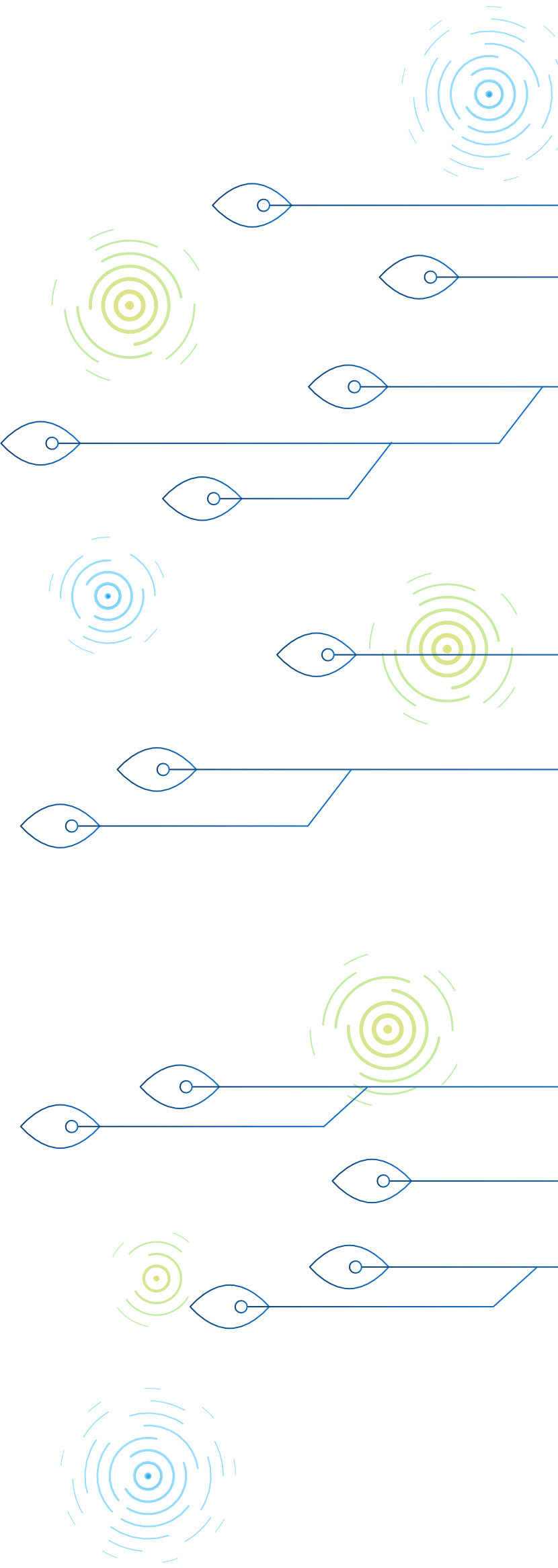
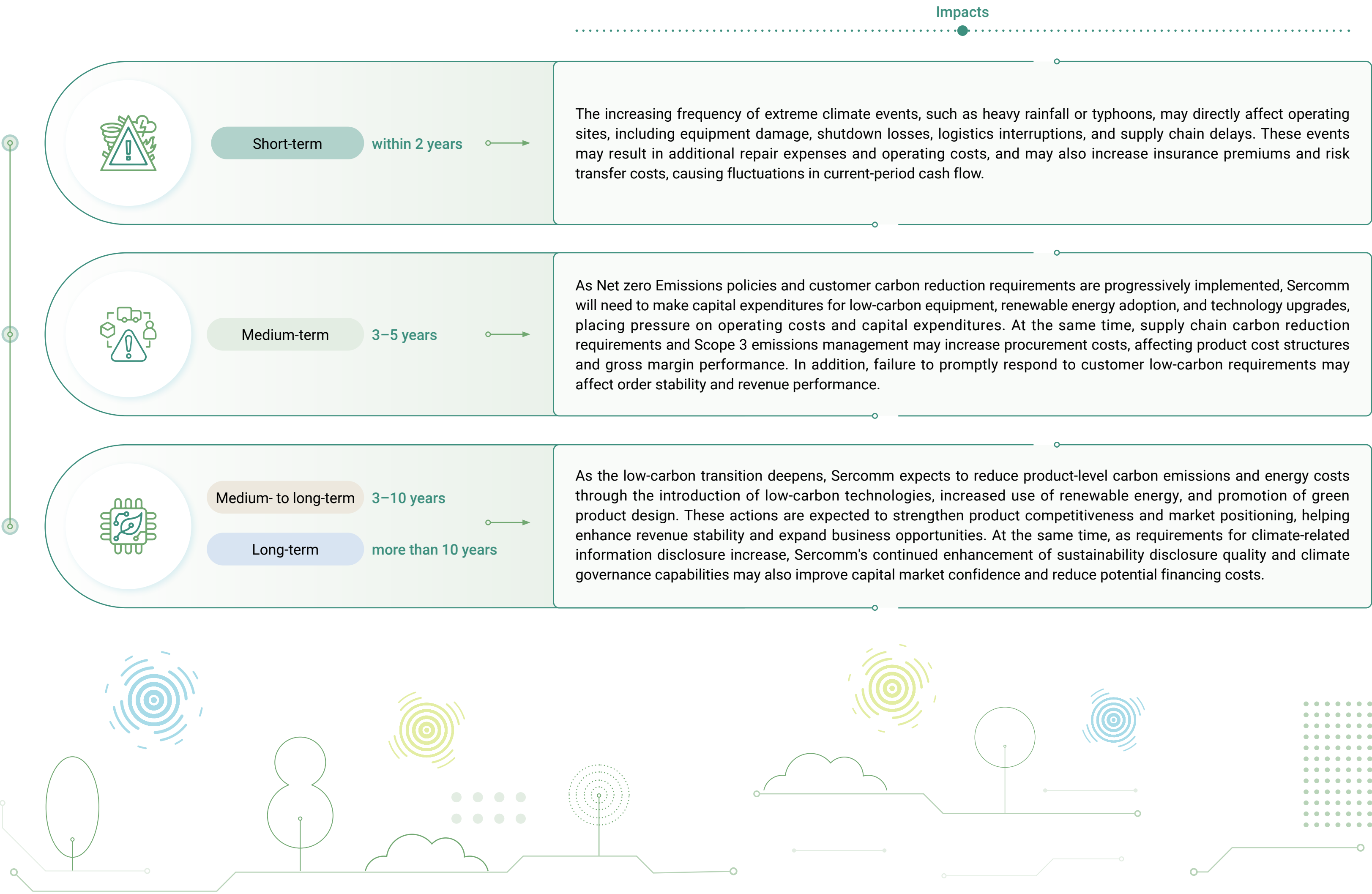
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3.2.4 Response Strategies for Climate Risks and Opportunities



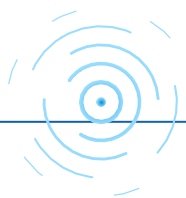
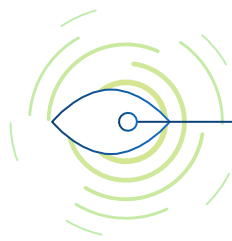
After completing the identification of climate risks and opportunities, Sercomm further analyzes the potential impacts of each material climate issue on business, strategy, and finance across different timeframes, including short-term (within 2 years), medium-term (3–5 years), medium- to long-term (3–10 years), and long-term (more than 10 years).



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Overall, the financial impacts of climate change on Sercomm show a trend in which the short term is primarily characterized by operational impacts and cost increases caused by extreme climate events; the medium term faces pressure from transition investments and cost structure adjustments; and the medium- to long-term impacts gradually translate into improved operational efficiency and competitive advantage through low-carbon transformation and product innovation. Sercomm will continue to incorporate risk and opportunity assessment results across different timeframes into operational management and investment decision-making, and strengthen financial resilience and response capabilities through relevant management mechanisms. Details are provided in the table below:

Type	Aspect	Driver	Name	Timeframe	Scenario Used	Operational Impact	Financial Impact	Response Strategy
 Climate Risks	Transition	Policy and Regulation, Technology	Net zero Emissions Policies and Transition Requirements	Medium- to Long-Term	NZE	Affects the energy structure, equipment replacement planning, and operational efficiency of manufacturing sites, and increases the need for cross-functional coordination and management.	Requires capital expenditures related to low-carbon equipment and energy transition, increasing operating costs in the short term. If the transition is insufficient, carbon costs or asset impairment risks may arise.	Promote energy conservation and energy transition based on the SBTi carbon reduction pathway, introduce internal carbon pricing to evaluate investment decisions, and gradually increase the use of renewable energy and energy efficiency.
 Climate Risks	Transition	Market	Changes in Customer Behavior	Medium-Term	NZE	Affects order acquisition conditions and product design direction, requiring strengthened product carbon management capabilities and customer communication mechanisms.	Meeting customer carbon reduction requirements may improve order stability and revenue; otherwise, order loss or reduced price competitiveness may occur, affecting cash flow.	Sercomm has established a product carbon footprint inventory and management mechanism, and continues to optimize data quality and calculation methods to gradually improve the accuracy and comparability of product carbon information. The Company also strengthens communication and response capabilities with key customers and applies product carbon reduction results and carbon data to business development and customer relationship management.
 Climate Risks	Transition	Market, Policy and Regulation	Supply Chain Carbon Reduction Requirements and Scope 3 Emissions Risks	Medium-Term	NZE	Raises supplier selection and management thresholds and increases the need to collect, integrate, and manage supply chain carbon data.	A low-carbon supply chain may increase procurement costs, but can reduce future compliance risks and maintain order sources.	Sercomm has established a sustainable supply chain management mechanism. Through supplier questionnaires, carbon inventory data collection, and tiered management, the Company tracks the carbon emissions status of key suppliers and continues to strengthen the quality and coverage of Scope 3 data. At the same time, Sercomm gradually promotes supplier carbon reduction and capacity building to improve the low-carbon transition capabilities of the overall supply chain.
 Climate Risks	Transition	Technology	Low-Carbon Technology Transition	Medium-Term	NZE	Affects process stability and yield, requiring technology implementation testing and production line adjustments.	Initially increases equipment investment and testing costs, but can reduce energy consumption and operating costs in the long term.	Sercomm continues to assess the feasibility and maturity of low-carbon technology implementation, reducing technology transition risks through pilot implementation and phased rollout. The Company also combines the energy management system and internal carbon pricing mechanism to evaluate the benefits of technology investments, ensuring that the transition balances operational stability and cost effectiveness.





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Type	Aspect	Driver	Name	Timeframe	Scenario Used	Operational Impact	Financial Impact	Response Strategy
 Climate Risks	Physical	Acute	Increase in Extreme Weather Events	Short-Term	SSP 2-4.5	Affects site operational stability, logistics transportation, and supply chain delivery schedules.	May result in equipment damage, shutdown losses, and additional operating costs, as well as increased insurance expenses.	Continue optimizing business continuity plans and emergency response mechanisms, and conduct rolling reviews and optimization based on climate risk scenarios. At the same time, strengthen site disaster prevention facilities, equipment protection, and backup arrangements for key supply chains to enhance overall operational resilience and response capabilities.
 Climate Opportunities	Transition	Market	Adopting Proactive Sustainability Actions to Gain Customer Preference	Medium-Term	NZE	Enhances brand image and customer trust, and strengthens cooperation with international customers.	Helps improve revenue and order stability, and may reduce financing costs.	Sercomm continues to improve the quality and credibility of sustainability information disclosure, including strengthening data management mechanisms and improving disclosure transparency and data comparability. Based on the TCFD framework, Sercomm gradually aligns with IFRS Sustainability Disclosure Standards to strengthen the connectivity and verifiability of climate-related information and financial impacts. Through continued participation in CDP assessments and maintaining strong ratings, Sercomm demonstrates the maturity of its climate governance and disclosure quality, further enhancing market trust and customer cooperation opportunities.
 Climate Opportunities	Transition	Technology	Use of Low-Carbon Technologies	Medium-Term	NZE	Improves process efficiency and energy efficiency.	Reduces energy costs and long-term operating expenses.	Sercomm continues to assess and introduce low-carbon process equipment and energy-saving technologies (such as high-efficiency equipment and process optimization technologies) to reduce carbon emissions per unit of product. At the same time, each manufacturing site has implemented the ISO 50001 energy management system and continuously monitors and optimizes energy efficiency through systematic energy management mechanisms, forming an important foundation for low-carbon transition.
 Climate Opportunities	Transition	Technology	Use of Renewable Energy	Medium-Term	NZE	Affects the energy structure and electricity procurement strategies of each site.	May increase electricity costs in the short term, but can reduce carbon costs and financing risks in the long term.	Increase the proportion of renewable energy use through diversified mechanisms such as power purchase agreements, renewable energy certificates, and self-built renewable energy systems, while gradually optimizing the energy structure of each operating site to reduce carbon emissions and strengthen energy procurement flexibility.

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Type	Aspect	Driver	Name	Timeframe	Scenario Used	Operational Impact	Financial Impact	Response Strategy
 Climate Opportunities	Transition	Market	Green Products and Innovation	Medium- to Long-Term	NZE	Green design has been incorporated into the product development process, affecting product design decisions, material selection, and R&D direction, while strengthening cross-functional collaboration among R&D, procurement, and business teams to respond to customer low-carbon requirements and environmental regulations.	Improving product environmental performance and differentiation helps strengthen market competitiveness and customer stickiness, driving revenue growth. At the same time, product design optimization can reduce material use and compliance costs, enhancing overall product value.	Sercomm has incorporated green design principles into the product development process and continues to deepen the application of product carbon footprint and environmental performance assessments. Low-carbon design is included as a basis for product development decisions. At the same time, in combination with customer carbon reduction needs and international environmental regulatory trends, Sercomm continuously optimizes product design and material selection to enhance the low-carbon competitiveness of its products.
 Water Risks	Physical	Acute	Extreme Rainfall	Short-Term	SSP 2-4.5	Affects site drainage systems and production continuity.	May result in equipment damage and shutdown losses, increasing repair and insurance costs.	Strengthen drainage and flood prevention facilities, incorporate site risk assessment and design standards under climate scenarios, and regularly review and optimize related response measures to reduce the operational impacts of extreme rainfall events.
 Water Opportunities	Transition	Technology, Policy and Regulation	Wastewater Recycling and Reuse	Medium-Term	NZE	Sercomm's water use is primarily domestic water, with limited impact on manufacturing processes. Through optimized water management and recycling measures, the Company can improve water use efficiency and strengthen the basic resilience of operating sites under water resource fluctuation scenarios.	Overall water costs account for a relatively small proportion of operations, and the financial impact is limited. However, improving water use efficiency and potential recycling measures can reduce long-term water costs and mitigate indirect operational risks arising from unstable water supply under extreme climate conditions.	Sercomm's operating sites do not involve high water-consuming processes, and wastewater generated is primarily domestic sewage. Going forward, the Company will continue strengthening water management measures, such as introducing water-saving equipment and monitoring water use, and will assess the feasibility of introducing rainwater recycling and reuse at suitable sites to improve overall water efficiency and operational resilience.





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3.2.5 Scenario Analysis

∴ 1. Scenario Selection and Analysis Method

Sercomm adopts a scenario analysis approach to assess the potential impacts of climate-related risks and opportunities on operational resilience and finance. The Company selected internationally representative climate scenarios and conducted analysis in combination with its operational characteristics.

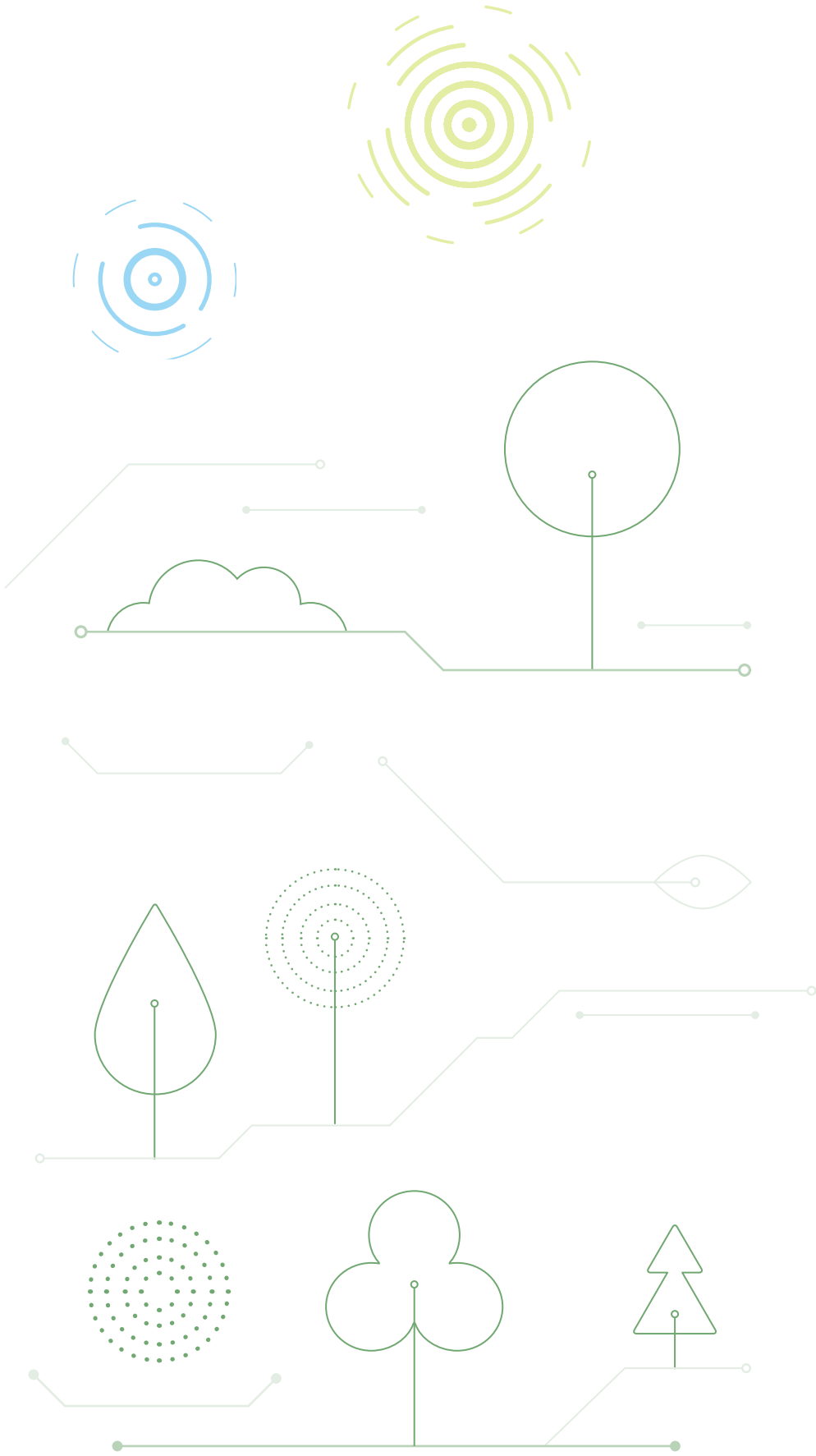
In terms of scenario selection, Sercomm adopted the Net Zero Emissions by 2050 Scenario (NZE) published by the IEA as the 1.5° C warming scenario. This reflects transition pressures arising from the global acceleration of Net zero Emissions policies and energy transition trends, and is aligned with the Company's validated SBTi 1.5° C carbon reduction targets.

At the same time, to assess potential physical risks under different climate scenarios, Sercomm refers to the Shared Socioeconomic Pathways (SSP) proposed in IPCC AR6 and selects SSP2-4.5 as a moderate warming scenario for comparative analysis, in order to assess the potential impacts of climate change on operations under a scenario in which climate policy implementation progresses more slowly.

To improve the clarity and comparability of scenario analysis, Sercomm summarizes the core characteristics of different climate scenarios, including warming scenarios, policy and regulatory environments, energy transition trends, and major risk types, as follows:

Climate Scenario Comparison and Analysis Framework

Item \ Scenario	IEA NZE Scenario	IPCC SSP2-4.5 Scenario
 Model Source	IEA	IPCC
 Global Warming Scenario	Approx. 1.5° C	Approx. 2.7° C
 Global Development Assumptions	Countries around the world actively promote carbon reduction policies, rapidly introduce renewable energy, and accelerate energy transition to achieve Net zero Emissions before 2050.	Global climate policies are implemented at a slower pace. Countries continue to take carbon reduction actions, but overall reduction efforts remain insufficient.
 Policy and Regulatory Environment	Carbon pricing mechanisms are widely established, and requirements for carbon emissions management and disclosure increase significantly.	Some countries promote climate policies, but overall regulatory intensity remains relatively low.
 Energy Transition Trends	Renewable energy grows rapidly, fossil fuel use declines substantially, and energy systems accelerate low-carbon transformation.	Renewable energy gradually increases, but fossil fuels still account for a certain proportion.
 Climate Impact Level	Global warming is controlled at a relatively low level, and extreme climate risks are relatively lower.	Climate change impacts are more significant, with increasing extreme climate events and resource pressure.
 Main Analysis Focus	Transition risks and transition opportunities (policy, technology, energy transition, supply chain carbon reduction requirements, etc.)	Physical risks (extreme climate, water resources, energy supply stability, etc.)
 Impacts on Sercomm's Operations and Finance	Aligned with the Company's validated SBTi 1.5° C carbon reduction targets, this scenario is used to assess the impacts of low-carbon transition on operations and will strengthen the evaluation of low-carbon transition investments, energy strategies, and supply chain carbon reduction management.	Used as a comparative scenario to assess potential operational impacts of climate change under a scenario of slower global carbon reduction progress, strengthening the assessment of extreme climate impacts on operational continuity, supply chain stability, and costs.



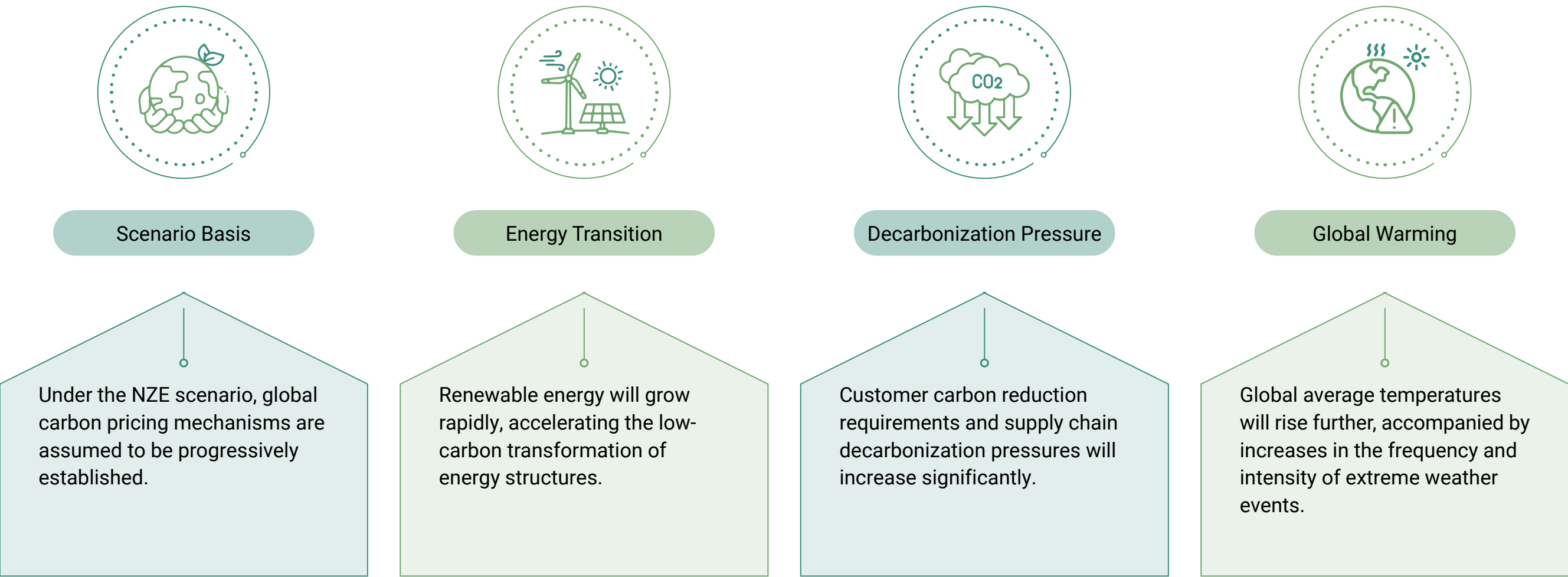
As shown in the comparison above, the NZE scenario primarily reflects policy, technology, and market changes resulting from the accelerated global transition toward Net zero Emissions, and serves as the main axis for assessing transition risks and opportunities. The SSP2-4.5 scenario focuses on physical risk assessment under intensifying climate change impacts. Through comparative analysis of the two scenarios, Sercomm comprehensively understands the potential impacts on operations and finance under different climate development pathways, thereby strengthening the completeness of climate resilience assessment.

- 3.1 Environmental and Climate Strategy
- 3.2 Climate Change Management**
- 3.3 Climate Action
- 3.4 Water Resource Management
- 3.5 Waste Management
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- 3.8 Biodiversity

∴ 2. Key Assumptions and Main Parameters

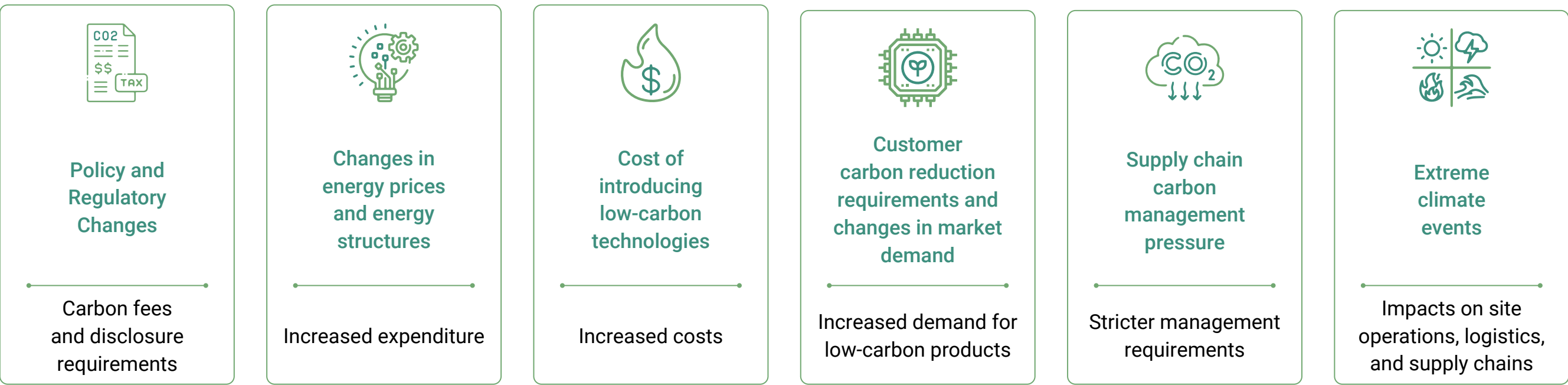
In terms of main parameters and key assumptions, under the NZE scenario, it is assumed that global carbon pricing mechanisms will gradually be established, renewable energy will grow rapidly, energy structures will accelerate low-carbon transformation, and customer carbon reduction requirements and supply chain low-carbon transition pressures will increase significantly.

Under the SSP2-4.5 scenario, it is assumed that global climate policy momentum is limited and the energy transition progresses relatively slowly, resulting in a greater increase in global average temperature, which in turn increases the frequency and intensity of extreme climate events and heightens risks related to water resources and energy supply instability.



∴ 3. Analysis Factors and Assessment Scope

In terms of analysis factors, Sercomm selects assessment factors highly relevant to operations and finance based on the types of climate risks and opportunities. These include policy and regulatory changes (such as carbon fees and disclosure requirements), changes in energy prices and energy structures, costs of introducing low-carbon technologies, customer carbon reduction requirements and changes in market demand, supply chain carbon management pressure, and the impacts of extreme climate events on site operations, logistics, and supply chains. These factors are comprehensively assessed across short-, medium-, medium- to long-, and long-term timeframes.



∴ 4. Financial Impacts and Scenario Analysis Results

In terms of financial impact analysis, the scenario analysis results show that:

Under the NZE scenario, Sercomm mainly faces transition pressures such as increased capital expenditures (e.g., investments in low-carbon equipment and renewable energy), rising operating costs (energy transition and supply chain costs), and potential carbon costs. However, through the development of low-carbon products and improvement of energy efficiency, the Company may also drive revenue growth and cost reduction, while helping reduce financing costs and enhance market competitiveness.

Under the SSP2-4.5 scenario, the main risks arise from the impacts of extreme climate events on operational continuity, including equipment damage, shutdown losses, and supply chain disruptions, which may affect revenue stability and cash flow performance.

Overall, Sercomm's analysis under different climate scenarios indicates that, in the short term, physical risks and increased transition costs are the main sources of financial impact. In the medium to long term, low-carbon transformation and product innovation will gradually translate into improved operational efficiency and competitive advantage.

Going forward, Sercomm will continue to strengthen its scenario analysis methodology and gradually introduce financial quantification assessment mechanisms, such as cost impact estimates, internal carbon pricing applications, and investment decision analyses, to improve the depth and precision of applying climate-related risks and opportunities in management decision-making.

3.2.6 Internal Carbon Pricing

To strengthen the assessment of the potential financial and operational impacts of climate change on the Company, Sercomm plans to progressively introduce an internal carbon pricing (ICP) mechanism into its internal management processes. During the initial stage, a shadow price will be adopted as a supplementary tool for investment decision-making and scenario analysis.

Sercomm has preliminarily set the shadow price at USD 50 per metric ton of carbon dioxide equivalent (USD 50/tCO₂e). This is applied in the evaluation of equipment replacement, energy-saving projects, and low-carbon technology investments to reflect the potential external costs and financial impacts of carbon emissions over the medium to long term. This price level was prudently determined by comprehensively considering the policy development direction of Taiwan's carbon fee system, practical experience in internal carbon pricing adoption among domestic and international electronics manufacturers, the trend of international companies gradually increasing carbon prices in response to the Net zero Emissions transition, and the Company's current management maturity and practical feasibility.

Going forward, Sercomm will conduct rolling reviews of internal carbon pricing and its scope of application based on regulatory developments, the materialization of carbon costs, and internal management effectiveness, gradually deepening its role in climate-related financial risk management and long-term transition strategy.

3.3 Climate Action

GRI: 2-4, 305-1, 305-2, 305-3, 305-4

3.3.1 Greenhouse Gas Management

To effectively manage GHG emissions and align with the government's promotion of GHG inventory and verification information disclosure, Sercomm has gradually built its carbon inventory and management capabilities. Since 2014, Sercomm has conducted GHG inventories with reference to ISO 14064-1 and the Greenhouse Gas Protocol, setting its organizational boundary based on the operational control approach and calculating GHG emissions accordingly. To enhance the completeness of its GHG inventory, the Company has included Scope 3 inventory items since 2021. In 2022, Sercomm introduced ISO 14064-1:2018 at its Major Manufacturing Centers. In addition to conducting inventories for Scope 1 and Scope 2 emissions, the Company is also gradually completing inventories for various Scope 3 categories. In 2025, the Taipei Headquarters and all Major Manufacturing Centers passed verification by third-party verification bodies.

GHG emissions in 2025 increased compared with the previous year, mainly due to increased production capacity and operational activities at the Philippines Manufacturing Center, which led to higher Scope 1 emissions and Scope 3 emissions from purchased goods and services and the use of sold products. In addition, starting from 2025, the Company included the Philippines Manufacturing Center in the inventory boundary for Scope 3 capital goods, which also contributed to the year-on-year increase in Scope 3 emissions. These changes not only reflect changes in the scale of operations, but also demonstrate the Company's continued expansion of its inventory boundary and improvement in the completeness of emissions data.

2025 GHG Emissions

Unit: metric tons CO₂e

Category	Parent Company		Subsidiaries	
	Taipei Headquarters	Chunan Manufacturing Center	Suzhou Manufacturing Center	Philippines Manufacturing Center
Scope 1 (Direct Emissions)	55.63	79.05	317.37	1,141.20
Scope 2 (Indirect Emissions) - Location-based	1,749.83	3,917.86	10,724.89	12,425.83
Scope 2 (Indirect Emissions) - Market-based	1,749.83	3,917.86	7,672.54	4,329.23
Total - Location-based	1,805.46	3,996.92	11,042.26	13,567.02
Total - Market-based	1,805.46	3,996.92	7,989.91	5,470.42

Notes:

The Global Warming Potential (GWP) values from the IPCC Sixth Assessment Report (AR6) were adopted.

Scope 3 GHG Emissions Over the Past Three Years

Unit: metric tons CO₂e

GHG Protocol	14064-1	Inventory Description	Emissions		
			2023	2024	2025
Scope 3	Category				
1. Purchased Goods and Services	4	Emissions from purchased goods - goods	819,483.94	330,625.19	862,471.93
		Emissions from other purchased services	680.45	628.84	712.04
2. Capital Goods	4	Capital Goods	2,957.33	1,467.85	9,206.60
3. Fuel- and Energy-Related Activities	4	Upstream emissions from purchased energy	1,112.92	3,953.30	1,338.98
4. Upstream Transportation and Distribution	3	Upstream Transportation and Distribution	5,390.91	4,823.94	3,390.62
5. Waste Generated in Operations	4	Treatment of solid and liquid waste	261.55	377.21	273.40
	4	Transportation of waste	298.98	1,424.33	1,424.33
6. Business Travel	3	Business Travel	3,074.50	489.54	7,956.26
7. Employee Commuting	3	Employee Commuting	3,229.45	2,216.92	1,485.72
8. Upstream Leased Assets	4	Use of Assets	0.00	0.00	0.00
9. Downstream Transportation and Distribution	3	Downstream Transportation and Distribution	62,595.41	36,380.58	55,992.08
10. Processing of Sold Products	5	Processing of Sold Products	0.00	0.00	0.00
11. Use of Sold Products	5	Use of sold products	6,549,989.99	3,585,449.17	5,193,843.76
12. End-of-Life Treatment of Sold Products	5	End-of-life treatment of sold products	274.98	150.23	176.19
13. Downstream Leased Assets	5	Downstream Leased Assets	0.00	0.00	0.00
14. Franchises	5	Franchises	0.00	0.00	0.00
15. Investments	5	Investments	0.00	0.00	0.00
Scope 3 Emissions			7,449,350.41	3,967,987.09	6,138,271.91

Note:

01. The Global Warming Potential (GWP) values from the IPCC Sixth Assessment Report (AR6) were adopted.

02. Restatements of information were made in this table due to corrections to the 2023 emissions data.

GHG Emissions Statistics Over the Past Four Years

Unit: metric tons CO₂e

Category	2022	2023	2024	2025
Scope 1 (Direct Emissions)	619.28	665.22	632.24	1,593.25
Scope 2 (Indirect Emissions) - Location-based	26,029.09	27,161.12	22,954.26	28,818.41
Scope 2 (Indirect Emissions) - Market-based	26,029.09	27,144.13	20,884.61	17,669.46
Scope 1 and Scope 2 - Location-based	26,648.37	27,826.35	23,586.50	30,411.66
Scope 1 and Scope 2 - Market-based	26,648.37	27,809.36	21,516.85	19,262.71
Revenue (NT\$ million)	64,574	62,584	56,789	53,999
Emissions Intensity - Market-based	0.41	0.44	0.38	0.36

Notes:

01. The Global Warming Potential (GWP) values from the IPCC Sixth Assessment Report (AR6) were adopted.
02. Emissions intensity = Scope 1 and Scope 2 emissions (metric tons CO₂e) / total revenue (NT\$ million)
03. Restatements of information were made in this table due to corrections to the 2023 emissions data.

3.3.2 Energy Management

GRI: 2-4, 302-1, 302-3, 302-4

In 2022, Sercomm gradually introduced the ISO 50001 energy management system at each production site and passed third-party verification. To effectively promote energy management, Sercomm communicates environmental protection and energy conservation concepts and practices to employees through new employee training and the internal announcement system. The Company also actively promotes energy-saving actions in offices and plants, seeking to embed green values from the enterprise level to individual employees and fully demonstrate its green spirit of energy conservation and environmental protection.

∴ Energy Consumption

Sercomm's energy consumption is mainly from conventional electricity, which accounted for 61.80% of all energy categories, a decrease of **24.36 percentage points** compared with the previous year. The share of renewable energy has continued to increase since 2023, reaching **35.91%** in 2025, representing an increase of **24.61 percentage points** compared with the previous year. This change was mainly due to the gradual introduction of renewable energy since 2023, including the purchase of renewable energy and the installation of solar panels. Details are provided in the following statistics:

2025 Energy Consumption by Type

Purchased Electricity	Conventional Electricity	61.80%	95.90%
	Renewable Energy	34.10%	
Self-generated and Self-consumed	Solar Energy	1.81%	1.81%
Fuel	Gasoline	0.80%	2.29%
	Diesel	1.03%	
	Natural Gas	0.46%	

Notes:

Renewable energy includes purchased green electricity and solar power generated and subsequently purchased back by the Company.

Total Energy Consumption in 2025

Unit: Gigajoules (GJ)

Energy Type	Taipei Headquarters	Chunan Manufacturing Center	Suzhou Manufacturing Center	Philippines Manufacturing Center	Total
Conventional Electricity	13,289.82	29,755.93	48,609.03	22,473.29	114,128.08
Purchased Green Electricity	0.00	0.00	13,311.21	42,029.92	55,341.13
Purchased Solar Power (generated and subsequently purchased back)	0.00	0.00	7,638.33	0.00	7,638.33
Solar Power (self-generated and self-consumed)	0.00	491.51	0.00	2,843.88	3,335.39
Gasoline	601.72	5.37	489.54	371.88	1,468.51
Diesel	0.66	133.41	639.78	1,128.19	1,902.04
Natural Gas	0.00	0.00	855.84	0.00	855.84
Total Energy Consumption	13,892.21	30,386.22	71,543.74	68,847.16	184,669.32
Renewable Energy Consumption	0.00	491.51	20,949.54	44,873.80	66,314.85
Renewable Energy Ratio	0.00%	1.62%	29.28%	65.18%	35.91%

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Energy Consumption Statistics Over the Past Four Years

Unit: Gigajoules (GJ)				
Energy Type	2022	2023	2024	2025
 Purchased Electricity	169,301.75	164,618.66	135,584.00	114,128.08
 Purchased Green Electricity	0	0	11,124.73	62,979.46
 Solar Energy (self-generated and self-consumed)	0	0	6,663.39	3,335.39
 Gasoline	867.5	1,075.92	2,133.36	1,468.51
 Diesel	1,419.01	1,925.61	1,076.52	1,902.04
 Natural Gas	0	12.24	772.48	855.84
 Renewable Energy Consumption	0.00	0.00	17,788.11	66,314.85
 Total Energy Consumption	171,588.26	167,632.43	157,354.47	184,669.32
 Renewable Energy Ratio	0.00%	0.00%	11.30%	35.91%
 Revenue (NT\$ million)	64,574	62,584	56,789	53,999
 Energy Intensity	2.66	2.68	2.77	3.42

Notes:

01. Renewable Energy includes purchased green electricity and solar power generated and subsequently purchased back by the Company.
02. Energy Intensity = total energy consumption (GJ) / revenue (NT\$ million).

Energy Consumption by Site Over the Past Two Years

Year \ Site	2024		2025	
	Energy Consumption (GJ)	Proportion	Energy Consumption (GJ)	Proportion
 Taipei Headquarters	13,152.52	8.37%	13,892.21	7.53%
 Chunan Manufacturing Center	27,274.57	17.33%	30,386.22	16.45%
 Suzhou Manufacturing Center	72,877.20	46.31%	71,543.74	38.74%
 Philippines Manufacturing Center	44,050.19	27.99%	68,847.16	37.28%
Total Energy Consumption	157,354.47	100.00%	184,669.32	100.00%

Notes:

01. The heating value coefficients refer to the 2025 heating values for motor gasoline, diesel, liquefied petroleum gas, and natural gas announced by Taiwan's Ministry of Environment: the lower heating value of motor gasoline is 7,586 kcal/L, the lower heating value of diesel is 8,636 kcal/L, and the lower heating value of NG1 natural gas is 8,067 kcal/m³. These values were converted into GJ based on 1 kcal = 4.1868 kJ.
02. Unit conversions refer to publicly available information on the website of Taiwan's Bureau of Standards, Metrology and Inspection, Ministry of Economic Affairs, and the Guidelines for the Use of Legal Units of Measurement: electricity (1 kilowatt-hour) 1 kWh = 3,600 kJ = 3.6 × 10⁶ joules (J); 1 gallon = 3.785 liters.
03. According to CPC Corporation, Taiwan's conversion table for petroleum product volume and weight units, 1 kiloliter (kL) of motor gasoline equals 0.747 metric tons, 1 kL of premium diesel equals 0.825 metric tons, and 1 kL of regular diesel equals 0.84 metric tons.
04. For the Suzhou Manufacturing Center, the average gasoline fuel consumption adopts the typical value for passenger vehicles in China: 7.4 L/100 km.
05. Diesel used at the Suzhou Manufacturing Center is for boiler combustion and heating. The heating value of diesel is based on the 2022 China Energy Statistical Yearbook and is 42,652 kJ/kg.
06. Restatements of information were made in this table. All percentages were calculated based on the original data and rounded to the nearest whole number. To ensure that the total equals 100%, certain percentages have been adjusted for rounding differences.

3.3.3 Renewable Energy Use and Strategy

∴ Renewable Energy Adoption

To reduce the carbon footprint of its operations, Sercomm has implemented various renewable energy adoption initiatives at its Major Manufacturing Centers since 2023. These initiatives mainly include purchasing renewable electricity, obtaining local supporting documents for renewable energy consumption, and installing rooftop solar power generation systems, thereby gradually increasing the share of renewable energy use. The relevant renewable energy adoption initiatives have gradually taken effect or been connected to the grid for power generation since December 2023, serving as an important foundation for the Company's efforts to promote low-carbon manufacturing and achieve its carbon reduction targets. In 2025, purchased renewable electricity amounted to 17,494.29 MWh (62,979.46 GJ), accounting for 34.11% of the Group's total energy consumption. The total power generated by solar power generation systems reached 3,048.26 MWh (10,973.72 GJ).

The Suzhou and Philippines Manufacturing Centers have purchased renewable electricity. The Suzhou Manufacturing Center purchases renewable electricity through the local green electricity trading mechanism and obtains Green Electricity Consumption Certificates (GECs) as supporting evidence for green electricity use. The Philippines Manufacturing Center purchases renewable electricity from local renewable energy suppliers and obtains Renewable Energy Consumption Certification as supporting evidence for renewable energy consumption. These documents are used to support the confirmation of renewable electricity consumption at each site and serve as a reference basis for market-based GHG emissions calculations.

However, renewable energy procurement mechanisms, supporting documents for electricity consumption, and certificate systems vary across regions, and may differ in nature from internationally recognized renewable energy certificate systems, such as I-REC and T-REC. To ensure consistency between renewable energy usage and the reporting period, Sercomm confirms full-year electricity consumption data and relevant supporting documents with local electricity suppliers, and incorporates the final confirmed results into renewable energy usage and GHG emissions calculations.

Looking ahead, Sercomm will continue to establish a systematic management mechanism for renewable energy consumption and certificates. The Company will uniformly collect, retain, and track renewable energy procurement contracts, electricity consumption certificates, certificate documents, and related supporting materials for each site, and gradually incorporate them into its carbon management system. This will enhance the consistency and traceability of Scope 2 emissions calculations, renewable energy use disclosures, and internal management. At the same time, Sercomm will continue to optimize renewable energy allocation in accordance with its SBTi carbon reduction targets and internal carbon pricing strategy, strengthen the transparency and strategic benefits of renewable energy use, and advance toward its net zero target.

∴ Moving Toward 100% Green Electricity Use – Philippines Manufacturing Center

In 2023, the Sercomm Philippines Manufacturing Center signed a 10-year power purchase agreement with a renewable energy electricity supplier, with official power supply commencing on December 26. Under the Green Energy Option Program (GEOP) initiated by the Department of Energy (DOE) of the Philippines, Sercomm selected a licensed renewable energy supplier and entered into a procurement agreement. Under the agreement, green electricity will be supplied to meet 100% of the Manufacturing Center's demand over the next 10 years.

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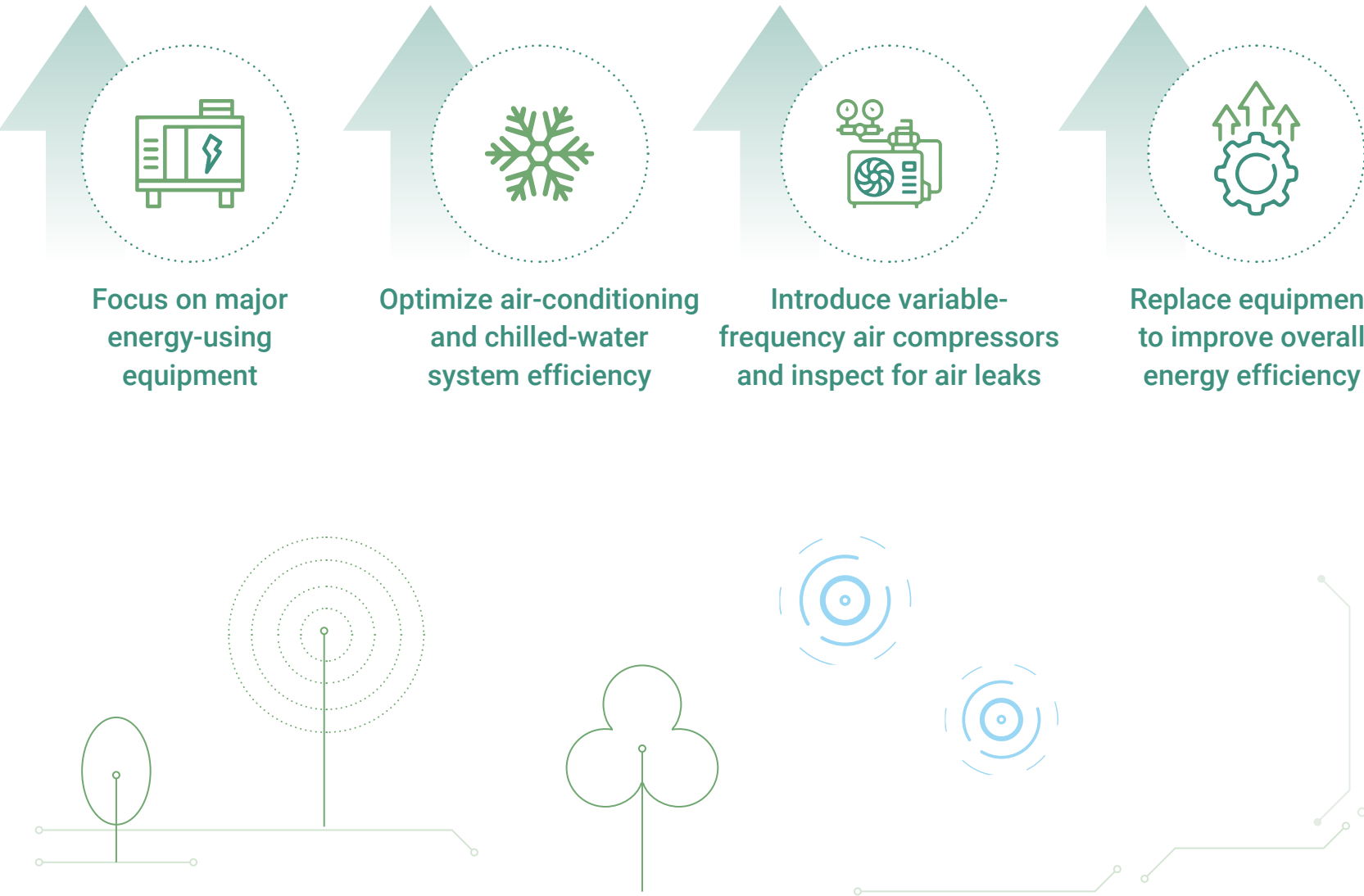
∴ Installation of Solar Power Generation Systems

Sercomm has installed solar power generation systems at its Major Manufacturing Centers, which have been connected to the grid and commenced power generation. The statistics are presented in the table below:

Manufacturing Center	Power Generation (kWh)
Chunan	136,530.00
Suzhou	2,121,758.40
Philippines	789,966.80
Total	3,048,255.20

∴ Energy Conservation Measures

Through the implementation of the energy management system, Sercomm focuses on major energy-using equipment with the goal of improving energy efficiency and reducing energy consumption. For air conditioning systems, the Company implements cleaning and maintenance of cooling towers to lower cooling water temperature and reduce chiller power consumption. Climate changes are closely monitored to adjust the combination of chillers, chilled water pumps, and cooling water pumps, with the objective of meeting supply requirements using the lowest power. For air compressor systems, variable-frequency air compressors are selected to reduce electricity use, and air leakage sources are regularly inspected to avoid waste. In addition to ongoing projects, key energy-saving measures implemented by major manufacturing centers in 2025 included an investment of NT\$**570,000** by the Chunan Manufacturing Center to replace cooling tower fill, improving heat dissipation efficiency and saving **232,043** kWh of electricity annually.



3.3.4 Internal and External Initiatives

∴ Supporting Earth Hour

Sercomm headquarters supported the Earth Hour activity organized by Nankang Software Park by turning off unnecessary lighting and electrical equipment on March 22, taking concrete action to support energy conservation and carbon reduction and reduce energy consumption.



Earth Hour

∴ Supporting Taiwan Earth Day

Sercomm's Taipei headquarters and Chunan Manufacturing Center supported the Taiwan Earth Day campaign initiated by the Taiwan Environmental Information Association (TEIA) by participating in the "Million Green Actions" initiative. Employees were encouraged to join 56 green actions and practice green living in daily life. In 2025, the cumulative number of actions reached 815,175.

In addition to the above initiatives, Sercomm also encourages employees to participate in environmental protection and community well-being through creek cleanups, community environmental cleaning, and corporate volunteering. For representative charitable and community engagement actions, please refer to Section 4.4.2 Community Engagement Performance.



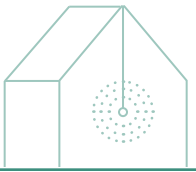
Supporting Taiwan Earth Day



3.4

Water Resource Management

 GRI: 2-4, 303-1, 303-2, 303-3, 303-4, 303-5



Based on its industry characteristics, Sercomm's main operating activities do not involve water-intensive processes. Water withdrawal is primarily used for employees' domestic use, drinking water, cleaning, air-conditioning systems, and general facility operations. Each operating site mainly obtains third-party water through municipal authorities, water supply companies, or industrial park water supply systems. The Company does not directly withdraw water from natural water sources such as rivers, lakes, or groundwater.

Specifically, tap water used by the Taipei Headquarters is supplied by Taiwan Water Corporation. The Chunan and Suzhou Manufacturing Centers use municipal or industrial park water supply, while the Philippines Manufacturing Center obtains water through the industrial park and water supply systems. Sercomm continues to reduce its dependence on and potential impact on water resources from operating activities through measures such as water use monitoring, water conservation management, equipment improvement, and water recycling and reuse.

In 2025, Sercomm's total water withdrawal was 229.39 million liters, representing an increase of 24.25% compared with the previous year. This was mainly due to increased operating activities, which led to higher water demand. The Company will continue to improve water use efficiency and promote water conservation and equipment optimization measures based on water use conditions at each site.

Water Consumption Statistics Over the Past Four Years

Unit: megaliters				
Category	2022	2023	2024	2025
 Water Withdrawal	240.85	214.21	184.63	229.39
 Water Discharge	197.53	176.71	151.92	188.68
 Water Consumption	43.32	37.50	32.71	40.71
 Water Intensity	0.0037	0.0034	0.0033	0.0042

- Notes:
01. 1 megaliter = 1,000 kiloliters.

02. For water, 1 metric ton = 1,000 liters.

03. 1 cubic meter (m³) = 1,000 liters; therefore, 1 megaliter = 1 thousand cubic meters (1,000 m³).

04. In terms of calculation methodology, for Taiwan sites, wastewater discharge is estimated at 90% of total water withdrawal with reference to the wastewater treatment fee calculation method of the Guangyuan Technology Park. For Mainland China and the Philippines, wastewater discharge is estimated at 80% of total water withdrawal in accordance with the requirements of environmental impact assessment reports. Due to adjustments to the wastewater discharge calculation methodology, the Company has retrospectively restated relevant data from 2022 to 2024 based on the new calculation basis to enhance the consistency and comparability of annual data.

05. Water consumption = water withdrawal – wastewater discharge.

06. Water intensity = total water withdrawal (megaliters) / revenue (NT\$ million).

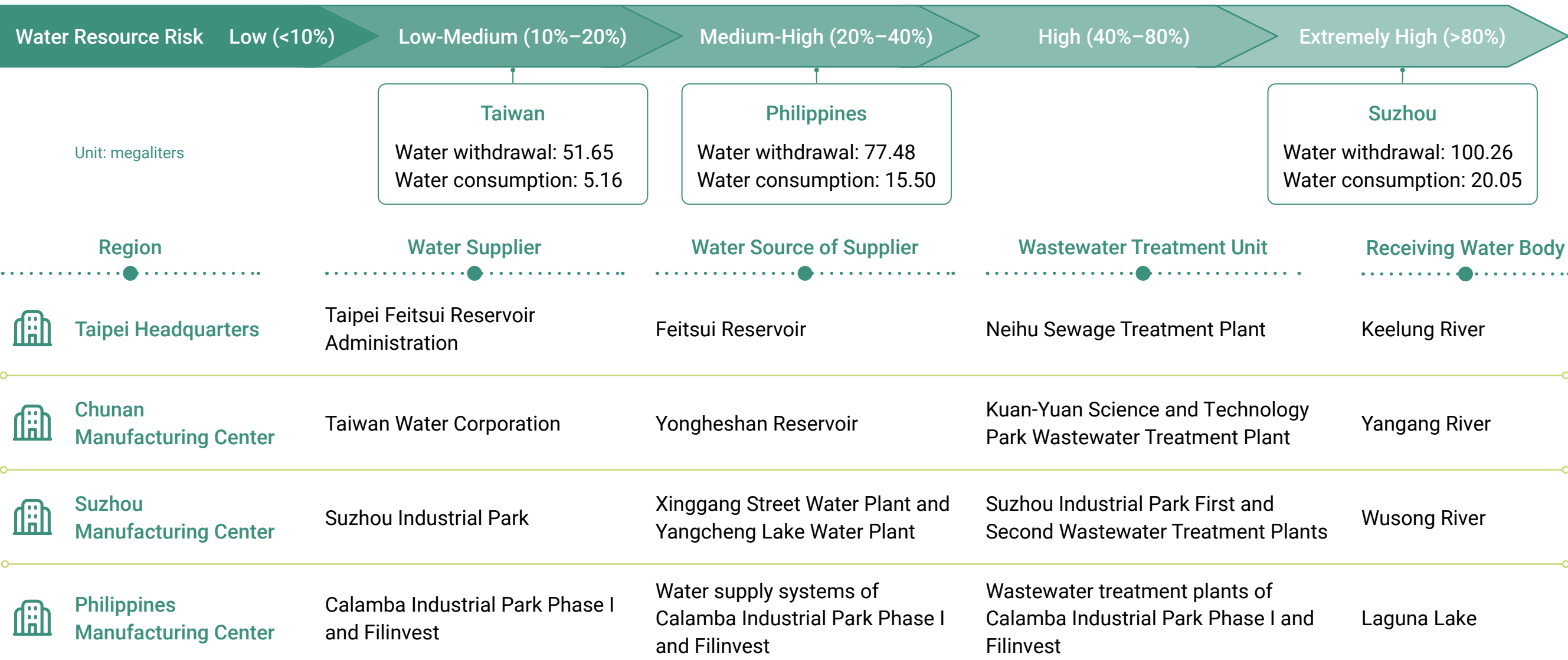
∴ Overview of Water Resource Risks and Water Withdrawal and Discharge Management

Sercomm uses the World Resources Institute (WRI) Aqueduct Tools to identify water resource risks in the locations where its operating sites are located. The Company also assesses the interaction between its operating activities and shared water resources, as well as potential impacts, by considering water withdrawal, water consumption, and wastewater discharge. Based on the assessment results, the Suzhou Manufacturing Center is located in an area with relatively higher water stress. The Company has implemented water use monitoring, equipment optimization, and water conservation measures, and will continue to monitor local water resource conditions to reduce potential impacts on surrounding communities and the environment.

Sercomm prioritizes internal water recycling and reuse, and reduces water withdrawal demand and wastewater discharge through equipment management and water efficiency improvement measures. For wastewater that cannot be recycled or reused, each operating site establishes minimum water quality management requirements for wastewater discharge in accordance with local water pollution prevention and control regulations, requirements of competent authorities, and the connection standards and discharge limits of municipal or industrial park wastewater treatment systems. Monitoring, treatment, and management are then implemented accordingly.

Sercomm's wastewater discharge mainly consists of domestic wastewater and general facility wastewater, and does not involve highly polluted process wastewater. The Company identifies and manages priority substances of concern that may be present in wastewater discharge in accordance with water pollution prevention and control regulations at each operating site, lists of regulated substances announced by competent authorities, and industrial park drainage management requirements. Based on the nature of wastewater discharge, applicable regulations, and discharge destinations, Sercomm confirms that wastewater treatment and discharge methods comply with relevant water quality standards, management requirements for priority substances of concern, and local effluent discharge standards or connection limits of wastewater treatment systems. For example, the standard for total suspended solids (TSS) is 100 ppm, which is approximately equivalent to 100 mg/L.

After necessary internal treatment and monitoring at each site, wastewater is confirmed to comply with local effluent discharge standards or the connection standards of municipal or industrial park wastewater treatment systems based on its discharge destination, before being discharged into approved discharge systems or wastewater treatment systems for treatment. As most Sercomm sites do not discharge directly into natural water bodies, the protection requirements for receiving water bodies are mainly incorporated into management through competent authorities, industrial park wastewater treatment systems, and relevant discharge management requirements. During the reporting period, there were no incidents of wastewater discharge failing to comply with local effluent discharge standards, connection limits, or management requirements for priority substances of concern.



∴ Water-Saving Measures

The Chunan Manufacturing Center implemented ultrapure water recycling and reuse in 2025, saving a total of 3,871 metric tons of water during the year.

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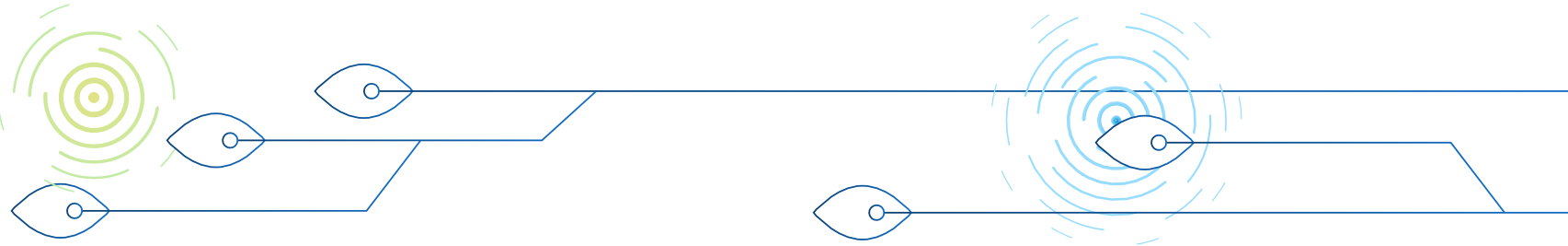
3.5

Waste Management

GRI: 2-4, 306-1, 306-2, 306-3, 306-4, 306-5

Sercomm has established the Waste Management Procedure, which clearly defines management requirements for each waste treatment process. The Company's waste is mainly generated from packaging materials used in production and manufacturing, including waste plastics, waste paper, and waste wood, all of which are recyclable waste. Currently, waste is handled by qualified waste clearance and treatment contractors. Sercomm also arranges at least one annual on-site visit to audit waste treatment practices, including whether dedicated personnel have been assigned, whether personnel qualifications meet requirements, and whether there are any abnormalities such as irregular discharges in contractors' waste treatment processes. In 2025, a total of seven on-site visits were conducted, and no violations were identified.

To reduce the environmental impact of waste, Sercomm focuses on reducing waste generation and actively implementing resource recycling and reuse. Proper classification is carried out at each stage, from procurement at the source to disposal after use in the manufacturing process. Waste that ultimately cannot be recycled is treated through incineration or landfill. Looking ahead, Sercomm's waste management policy will focus on increasing the resource reuse rate and promoting closed-loop resource circulation to maximize resource utilization.



Hazardous Waste Treatment Data Over the Past Four Years

Unit: metric tons

Category		Treatment Method	2022	2023	2024	2025
 Waste Diverted from Disposal	Recovery	Reuse	165.60	148.13	112.98	109.29
		Recycling	0	0	8.33	18.06
	Subtotal			165.60	148.13	121.31
 Waste Directed to Disposal	Incineration		41.89	12.76	23.48	20.94
	Landfilling		0	11.59	0	1.11
	Subtotal			41.89	24.35	23.48
 Total Hazardous Waste			207.49	172.48	144.79	149.41
 Recycling Rate			79.81%	85.88%	83.78%	85.24%

Notes:

01. The statistical scope covers the Chunan, Suzhou, and Philippines manufacturing centers.

02. All waste treatment operations included in the statistics were conducted off-site.



Non-Hazardous Waste Treatment Data Over the Past Four Years

Unit: metric tons							
Category		Treatment Method		2022	2023	2024	2025
 Waste Diverted from Disposal	Recovery	Reuse	0	602.81	452.11	459.13	
		Recycling	3,408.91	1,930.95	1,651.46	2,302.67	
	Subtotal		3,408.91	2,533.76	2,103.57	2,761.79	
 Waste Directed to Disposal	Incineration		228.70	43.59	139.14	181.74	
	Landfilling		817.90	252.81	70.07	527.26	
	Subtotal		1,046.60	296.40	209.21	709.00	
 Total Non-Hazardous Waste Treated			4,455.51	2,830.16	2,312.79	3,470.80	
 Recycling Rate			76.51%	89.53%	90.95%	79.57%	

Notes:

01. The statistical scope covers the Chunan, Suzhou, and Philippines Manufacturing Centers.

02. All waste disposal operations included in the statistics were treated off site.

03. This table involves restatements of information due to corrections to the total amount and recycling rate of non-hazardous waste in 2023.

Total Weight of Waste in 2025

Item	Weight
Waste Diverted from Disposal	2,889.15
Waste Directed to Disposal	731.05
Total Weight	3,620.20

Total Waste Weight and Intensity Over the Past Four Years

Category	2022	2023	2024	2025
Total Hazardous Waste Weight	207.49	172.48	144.79	149.41
Total Non-Hazardous Waste Weight	4,455.51	2,830.16	2,312.79	3,470.80
Total Weight of All Waste	4,663.00	3,002.64	2,457.58	3,620.20
Waste Intensity (Hazardous Waste)	0.0032	0.0028	0.0025	0.0028
Waste Intensity (Non-Hazardous Waste)	0.0690	0.0452	0.0407	0.0643
Waste Intensity (All Waste)	0.0722	0.0480	0.0433	0.0670

Notes:

01. The statistical scope covers the Chunan, Suzhou, and Philippines Manufacturing Centers.

02. Waste intensity = total weight of the category (metric tons) / revenue (NT\$ million).

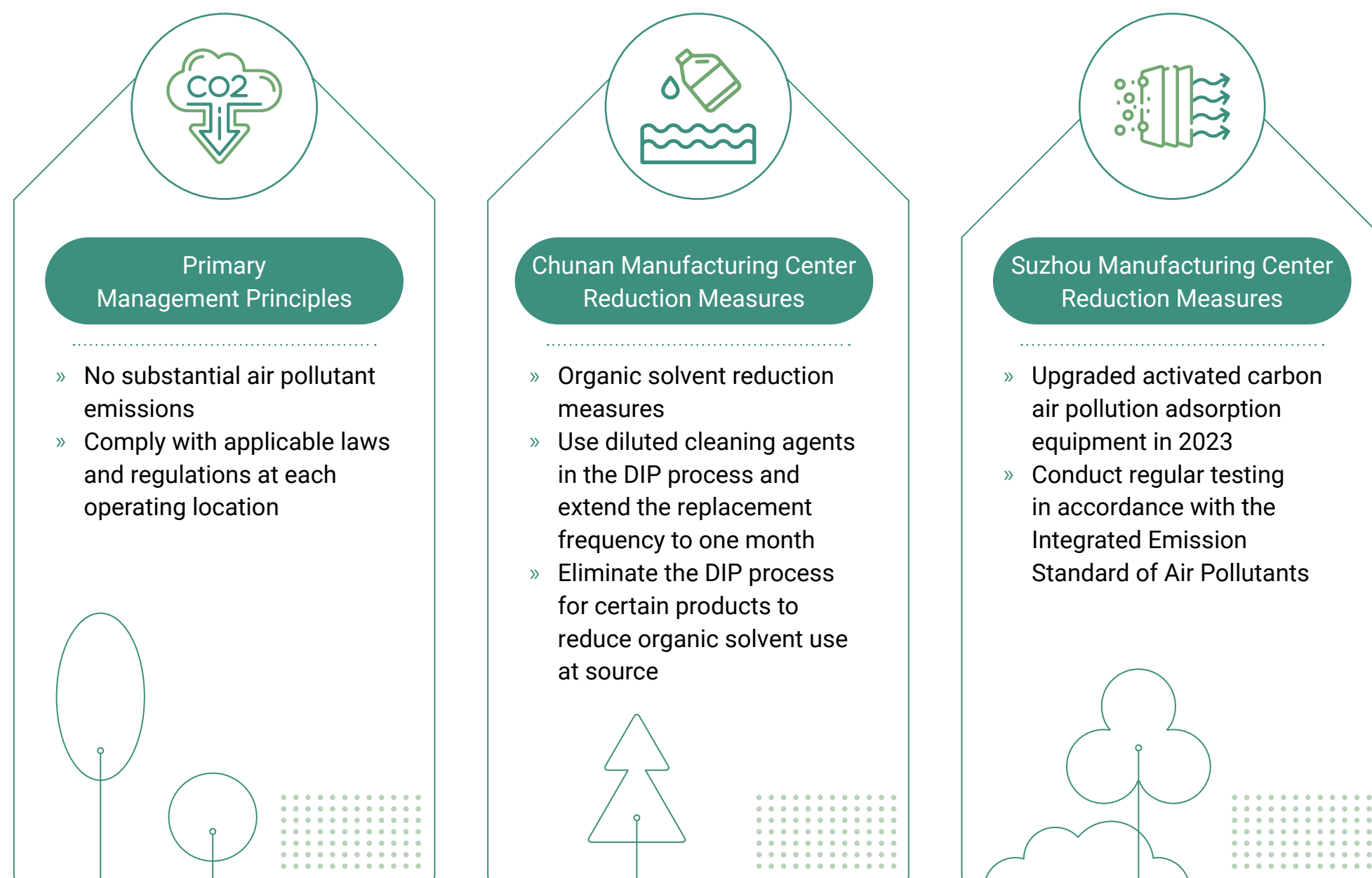


3.6 Air Pollutant Management

Sercomm's manufacturing processes do not involve substantial air pollutant emissions. Compliance with relevant laws and regulations of the governments where each operation is located serves as the primary management principle.

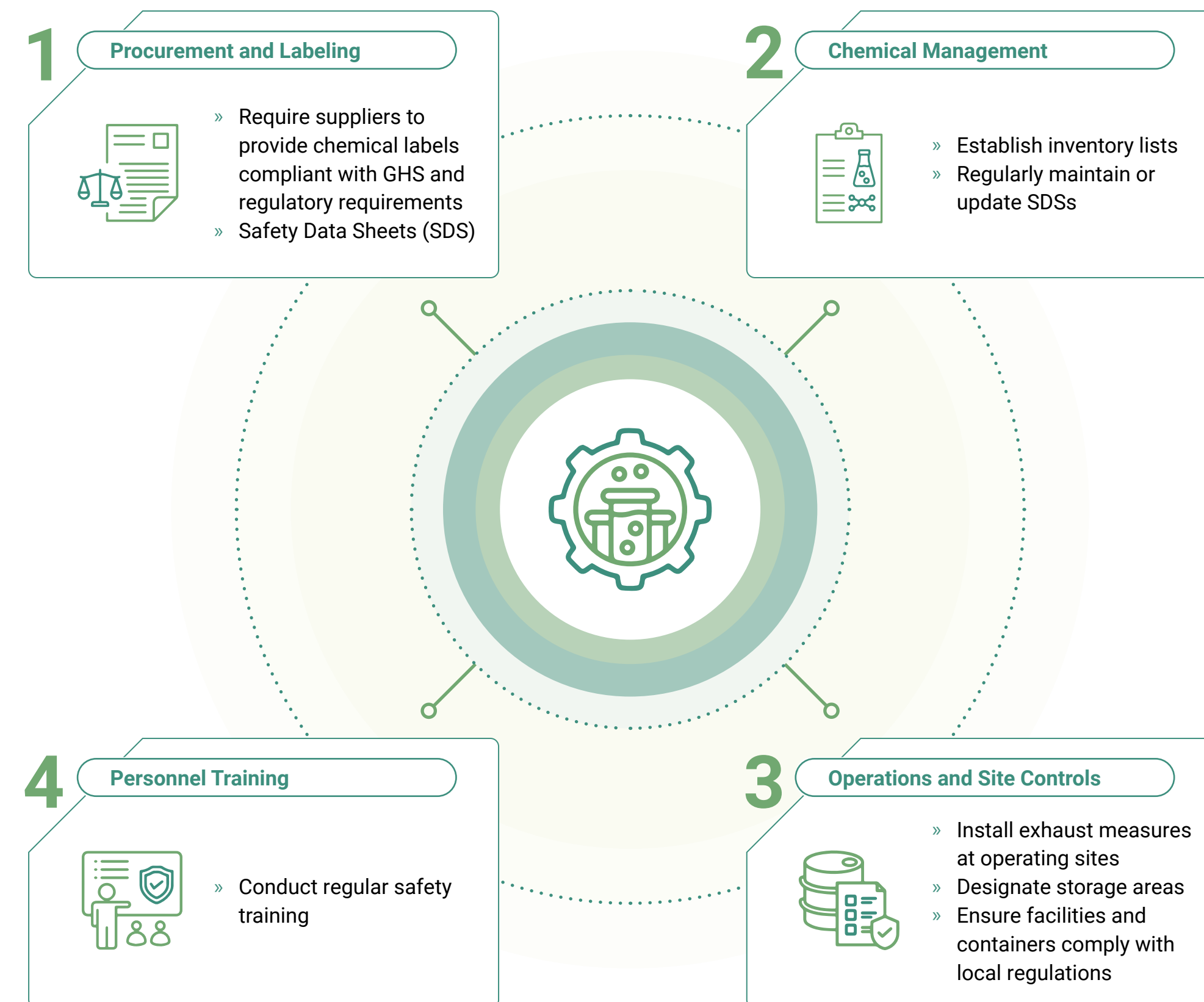
The operating activities of the Chunan Manufacturing Center are not classified as emission sources subject to control under air pollution-related regulations. Nevertheless, Sercomm has introduced organic solvent reduction measures in existing operations to reduce air pollutant emissions. For carriers used in the Dual In Line Package (DIP) process, the ultrasonic cleaning process was changed from using a cleaning agent at a fixed concentration to using a diluted cleaning agent prepared from the original solution. The replacement frequency of the cleaning agent was also extended from two weeks to one month. This is estimated to reduce cleaning agent use by 2 metric tons per year. In addition, Sercomm has currently eliminated the DIP process for certain products, reducing the use of organic solvents related to the DIP process at the source and thereby reducing pollutant gas emissions. Going forward, the Company will continue working toward process elimination to expand reduction benefits.

At the Suzhou Manufacturing Center, activated carbon air pollution adsorption equipment was upgraded in 2023 to reduce air pollutant emissions. In addition, because organic solvents such as flux and cleaning agents are used in the manufacturing process, and because site operating equipment such as reflow ovens, wave soldering ovens, spray equipment, and printing machines is operated, small amounts of Volatile Organic Compounds (VOC) are emitted. For VOC control, the plant conducts regular testing in accordance with the requirements of relevant regulations such as the Integrated Emission Standard of Air Pollutants.



3.7 Chemical Management

Sercomm's product manufacturing processes involve only small amounts of chemical use. During procurement, suppliers are required to provide chemical labels and Safety Data Sheets (SDS) that comply with the Globally Harmonized System of Classification and Labelling of Chemicals (GHS) and regulatory requirements. During use, chemical management lists are established for inventory management, SDSs are maintained and updated promptly when changes occur to prevent safety impacts, and exhaust measures are installed at operating sites to reduce workplace hazards. In addition, Sercomm has designated storage areas, and the facilities and containers at these locations are established in compliance with local regulations at the manufacturing sites. Employees whose work involves chemicals receive chemical safety training to strengthen safety awareness, including chemical hazard characteristics, storage, handling, precautions for use, response to spills, and reporting and emergency response procedures, thereby ensuring chemical use safety at operating sites and among personnel.



3.8

Biodiversity

In 2025, Sercomm revised its Sustainable Development Best Practice Principles to incorporate provisions related to reducing the impacts of its operating activities on biodiversity. The Company is also gradually strengthening management practices related to the conservation of marine and terrestrial biodiversity and ecosystems, the sustainable use of resources, and the fair and equitable sharing of benefits arising from the utilization of genetic resources.

Sercomm's major operating activities do not involve highly polluting or ecologically sensitive processes, and their direct impacts on biodiversity and ecosystems are relatively limited. Nevertheless, the Company reduces the indirect impacts of its operations on the natural environment through measures such as carbon reduction, energy transition, and improved resource efficiency. Sercomm has also preliminarily inventoried the environmental characteristics surrounding its operating sites and potential ecologically sensitive areas as a foundation for deepening biodiversity management in the future. At the same time, with reference to the Taskforce on Nature-related Financial Disclosures (TNFD) framework, Sercomm is gradually identifying and assessing nature-related risks and opportunities.

Sercomm indirectly reduces impacts on the ecological environment through measures such as energy, resource, and product management. Relevant actions and assessments are as follows:

Ecological Environment Impact Management Measures and Self-Assessment

Ecological Environment Protection Indicators	Reduce Resource and Energy Consumption	Reduce Pollution and Waste Emissions	Improve Recycling and Reuse	Increase Use of Renewable Resources	Extend Product Durability	Improve Product Efficiency	Biodiversity and Ecological Conservation
Corresponding Current Sercomm Actions	Promote energy efficiency improvement, introduce ISO 50001, and optimize processes.	No high-pollution processes; proper waste treatment, reduction, and classification management.	» Hazardous waste recycling rate: 85.24% » Non-hazardous waste recycling rate: 79.57%	» Renewable energy use (target of 90% by 2030) » Green electricity procurement.	Product design complies with international standards and improves equipment stability and service life.	Improve product energy efficiency and introduce green design.	No processes with direct ecological impacts; reduce ecological impacts indirectly through carbon reduction, energy conservation, and resource efficiency.
Corresponding Sustainability Topics Managed by Sercomm	Climate Change Mitigation and Adaptation / Greenhouse Gas and Energy Management	Waste Management	Waste Management	Greenhouse Gas and Energy Management	Green Products	Green Products	Greenhouse Gas and Energy Management / Biodiversity
Self-Assessment	Compliant Continuous improvement	Compliant	Compliant Continuous improvement	Compliant Continuous improvement	Compliant	Compliant	Compliant

Going forward, Sercomm will continue to monitor international trends related to biodiversity, gradually strengthen nature-related risk assessments, and evaluate the disclosure requirements for adopting the TNFD framework, thereby enhancing the Company's management capabilities regarding natural environment issues.



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- » Total global employee training hours reached **39,883.95** hours, with an average of **5.10** training hours per employee.
- » The proportion of women in management positions reached **30.67%**.
- » The implementation rate of Group-wide human rights training increased to **72.12%**.
- » Recognized by FinanceAsia magazine with the "**Most Committed to DE&I**".
- » Received **the Gold Award for "Best Employer Brand on LinkedIn"** in the 2025 LinkedIn Talent Awards Taiwan.

Management Approach



Target Readers

Employees, Customers, Government Agencies

Policy Commitments

Sercomm continues to uphold the principles of respect for diversity and inclusion, creating a friendly workplace environment while complying with applicable labor laws and regulations to ensure that employee working conditions meet regulatory requirements. At the same time, we follow international human rights initiatives, actively safeguard labor and human rights, and continue to implement occupational health and safety management to protect employees' work environment, safety, and health. To enhance employees' overall competitiveness, the Company integrates internal and external learning resources and promotes talent development in alignment with operational goals, supporting continuous growth in knowledge and competencies.

Material Topic	Management Approach and Evaluation Mechanism	2025 Management Implementation Results	Short-Term Goals	Medium-Term Goals	Long-Term Goals
 Human Resource Management	The Human Resources unit reviews and discusses changes in key workforce indicators.	✓ Became a Strategic HR Partner, using talent strategies to support organizational development and drive business growth. ✓ Through diversified recruitment channels, Sercomm's global workforce increased by 21.33% . ✓ Reviewed and optimized key HR processes, including recruitment, onboarding and offboarding, and performance management, and introduced digitalized and standardized operations. ✓ Strengthened working hours and overtime management through system, process, and management mechanism optimization to ensure regulatory compliance, improve transparency, and protect employees' right to rest and physical and mental health.	2026 △ Introduce or optimize HR data analytics and AI tools (HRAI Search) to improve decision-making efficiency and transparency of company systems. △ Establish a basic talent inventory and succession pipeline for key positions. △ Strengthen employee experience management and optimize onboarding, offboarding, and feedback mechanisms. △ Pilot flexible benefits and employee support programs to improve retention and satisfaction.	2027~2029 » Establish a competency-based talent development system. » Improve succession planning and leadership development mechanisms (Leadership Pipeline). » Optimize the HR Operation Model to balance global standardization with local flexibility. » Expand AI and digital tools in talent management, such as turnover prediction and recruitment analytics. » Increase internal mobility and cross-regional talent development (Global Mobility & Internal Movement).	2030 » Establish a complete AI-driven human resources management ecosystem (End-to-End Digital HR Ecosystem). » Establish a globally consistent and efficient HR Operating Model, including governance and shared services. » Build a competitive employer brand. » Establish global talent deployment and an agile organizational structure to support internationalization and expansion. » Promote continuous optimization of organizational structures and processes (Agile Organization & Process Excellence).



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Material Topic	Management Approach and Evaluation Mechanism	2025 Management Implementation Results	Short-Term Goals	Medium-Term Goals	Long-Term Goals
 Human Rights Management	Conduct RBA Self-Assessment Questionnaires (SAQ) and RBA third-party Validated Assessment Program (VAP) assessments.	- Developed Human Rights Due Diligence (HRDD) procedures and incorporated them into the revision of the Group's human rights policy. - The implementation rate of Group-wide human rights training increased to 72.12%.	2026 - Continue introducing Human Rights Due Diligence (HRDD) to identify potential human rights risks within the Group and across the supply chain. - Gradually revise the Labor and Human Rights Policy to align with international trends and regulatory requirements. - Gradually increase the coverage rate of human rights-related training. - Establish and publish the Supplier Zero Recruitment Fee and Ethical Recruitment Commitment Letter.	2027~2029 » Obtain RBA VAP Platinum Certification for all Major Manufacturing Centers. » Integrate the HRDD mechanism with the internal risk assessment mechanism to systematically assess human rights risks within the Group. » Establish a supply chain human rights risk tiering and management mechanism to continuously reduce human rights risks among high-risk suppliers. » Disclose the results of human rights due diligence.	2030 » Fully implement the HRDD mechanism across the Group's operating sites and major supply chains. » Regularly disclose human rights due diligence results to improve information transparency and align with international trends. » Ensure no material human rights violations occur and maintain effective grievance and remediation mechanisms.
 Occupational Health and Safety	Passed follow-up verification by a third-party verification provider.	✓ Established occupational injury reporting and emergency response procedures, and conducted regular drills.	2025~2026 Promote mental health awareness and implement Employee Assistance Programs (EAP) to enhance psychological safety.	2027~2029 Deepen implementation of ISO international management standards and achieve standardization of management systems across major global operating sites.	2035 Realize the vision of zero major occupational injuries and continuously strengthen safety management and prevention mechanisms.

Note: 2025 Performance Status — "✓" Achieved; "△" Ongoing Progress.



4.1

Happy Workplace

4.1.1 Workforce Structure

GRI: 2-7, 2-8, 202-2, 401-1, 405-1

SASB: TC-HW-330a.1

As of the end of 2025, Sercomm had a total global workforce of 6,586 employees, comprising 3,492 direct employees and 3,094 indirect employees. This represented an increase of 1,158 employees, or 21.33%, compared with 2024. The workforce growth was primarily driven by increased staffing needs arising from the Company's global business development and adjustments to its production footprint. By strengthening talent deployment at key operating sites, Sercomm enhanced its manufacturing capacity, technology R&D capabilities, and operational support functions to support sustainable business growth and meet the service needs of its global customers.

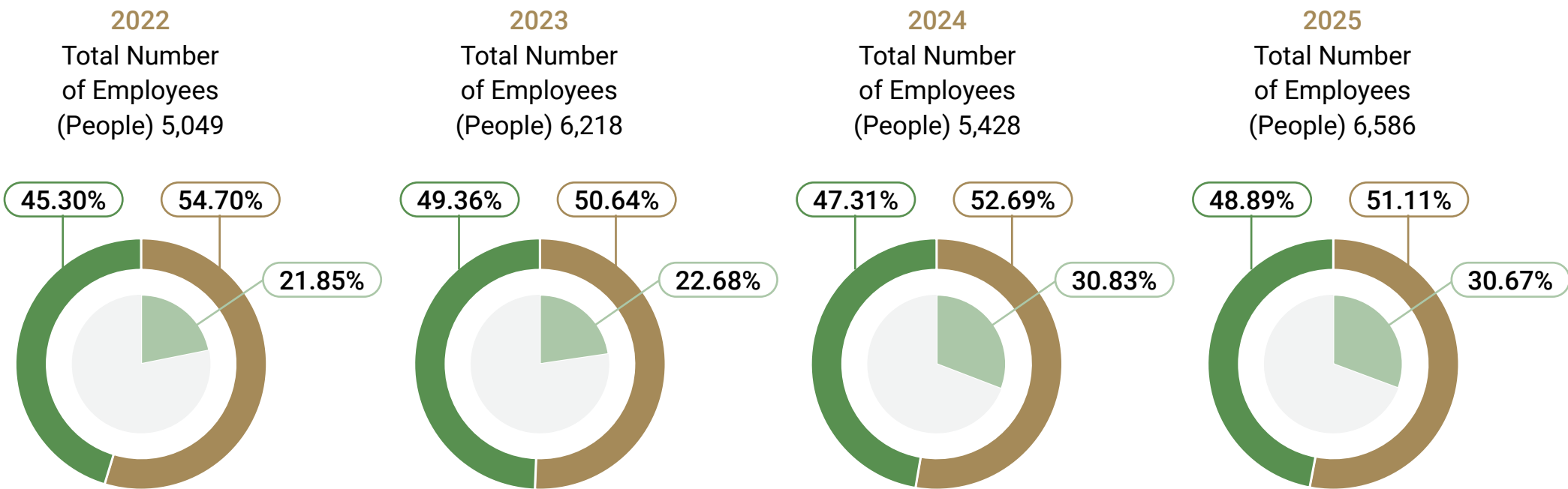
During the same period, the number of workers who were not employees was 4,679, an increase of 2,639 compared with 2024. The increase mainly reflected the appropriate use of external workforce resources in response to adjustments in production scale and project requirements, thereby enhancing organizational flexibility and operational efficiency. This workforce strategy helps strengthen supply chain resilience and improve the Company's ability to respond to market changes.

Sercomm embraces diversity and values workplace equality and inclusion. Employees come from 20 nationalities, including Taiwan, the Philippines, China, the United States, and India. Globally, men and women accounted for 51.11% and 48.89%, respectively, showing an almost balanced gender distribution. The average age was 34.37 for men and 34.83 for women, with no significant difference. The average tenure was 5.07 years for men and 4.18 years for women. The proportion of women in global management positions reached 30.67%, showing steady improvement over the past three years.

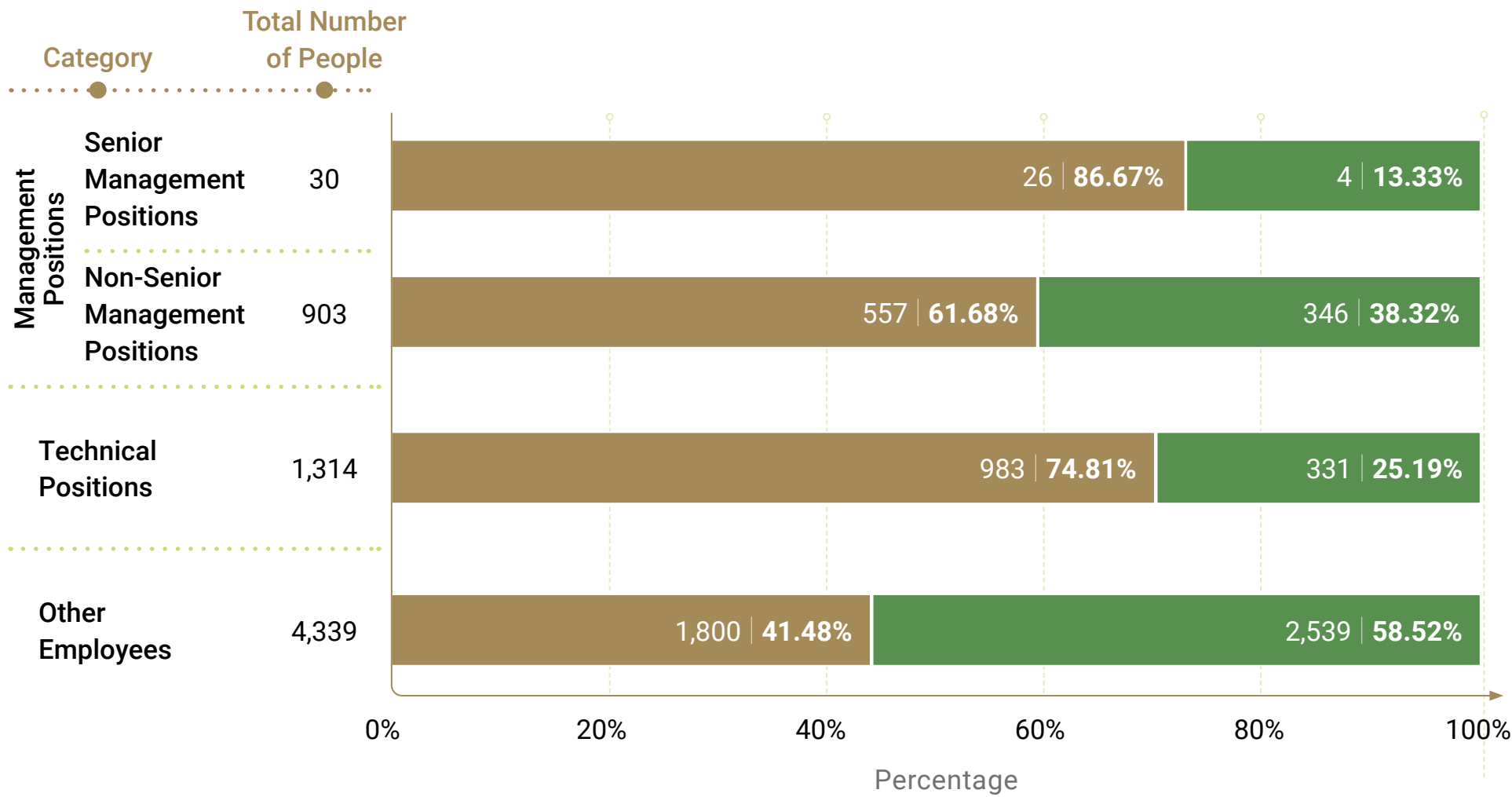
In terms of protecting and providing equal employment opportunities for vulnerable groups, Sercomm hires persons with disabilities in accordance with regulatory requirements. Since 2025, the Company has also introduced massage services provided by visually impaired massage therapists, supporting employment for persons with disabilities and promoting social inclusion, while enhancing employee workplace health and well-being through professional physical and mental relaxation services. As of the end of 2025, the Company was one person short of the statutory hiring requirement; however, the statutory requirement was met starting in January 2026.

In the event of major operational changes that may affect employees' labor rights, the Company provides advance notice based on employees' tenure in accordance with the Labor Standards Act and other applicable laws and regulations, allowing employees sufficient time and psychological preparation.

Global Workforce Structure



Management, Technical, and Other Employees — by Gender



Male

Female

Proportion of Women in Management Positions

Note:
The statistics are based on personnel employed as of the end of the reporting year and include permanent and contract employees. They exclude dispatched workers, outsourced contractors, and other personnel who have not entered into employment contracts directly with Sercomm (workers who are not employees).

Male(Number of People/Percentage)

Female(Number of People/Percentage)

Note:
01. Senior management positions include personnel at the vice president level and above.
02. Technical positions include engineering and technical personnel in fields such as electrical engineering, electronics, mechanical engineering, computer engineering, information technology, and data science.
03. The statistics in this table are classified according to employees' job functions. Where an employee holds both a management position and a technical position, the employee is classified as technical personnel on a priority basis. The number of employees in management positions is therefore calculated based on the remaining employees who meet the definition of management positions after technical personnel have been excluded. Accordingly, the number of employees in management positions disclosed in this table may differ from figures calculated based on organizational grade or managerial responsibilities elsewhere in this report.



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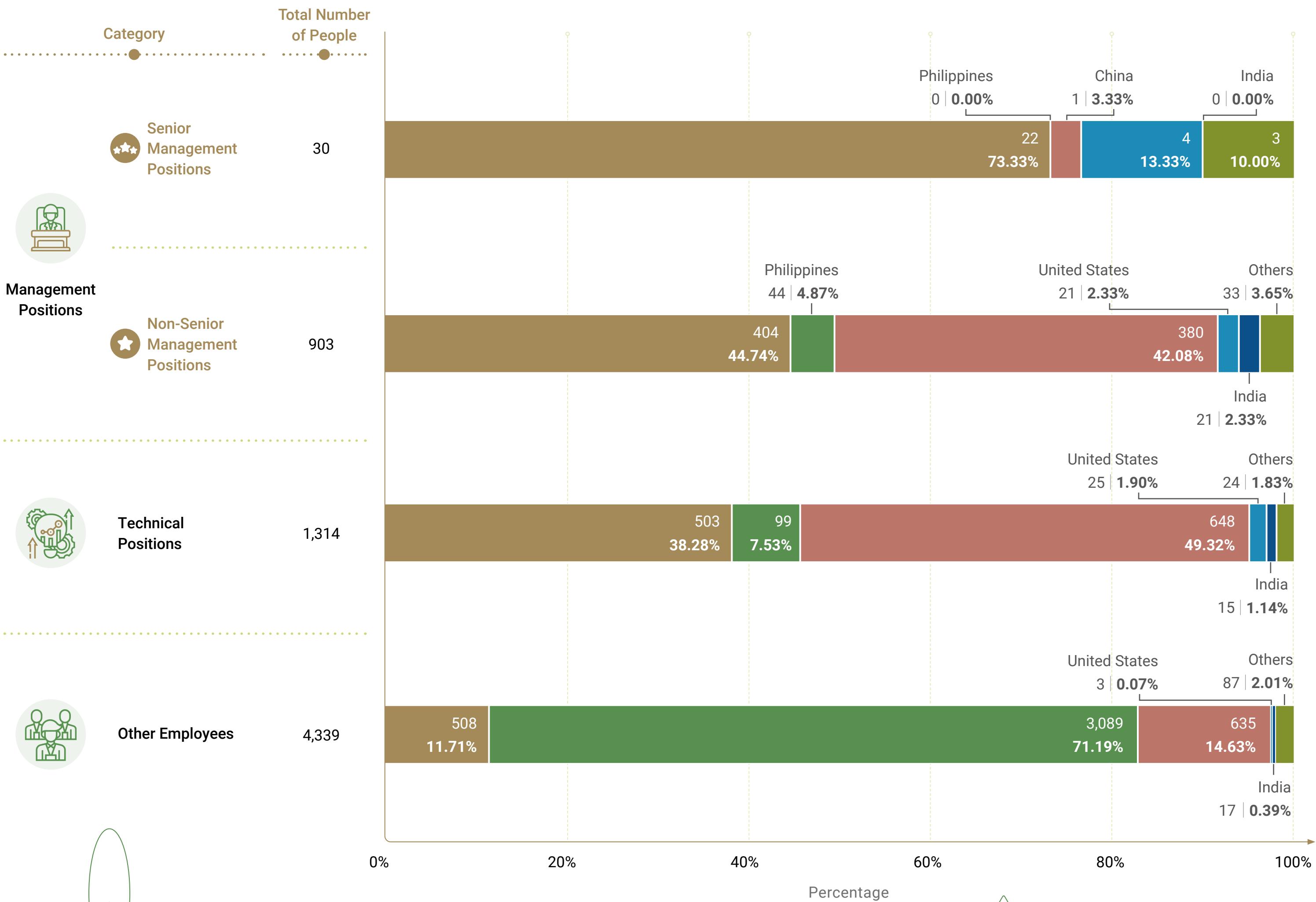
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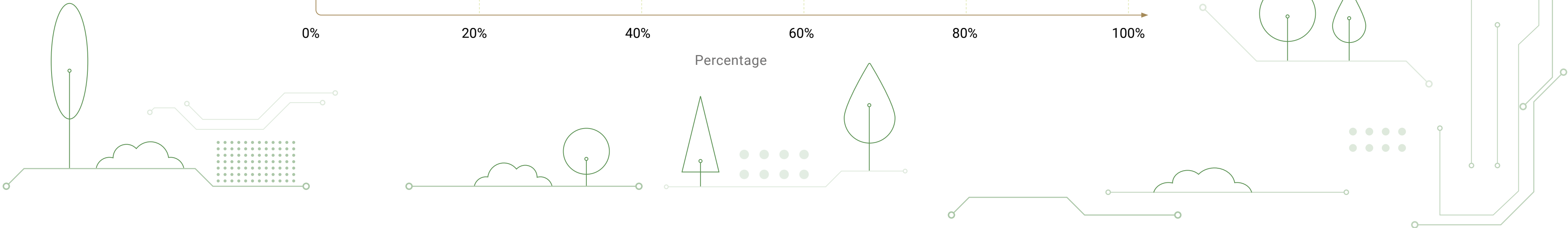
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Management, Technical, and Other Employees — by Nationality



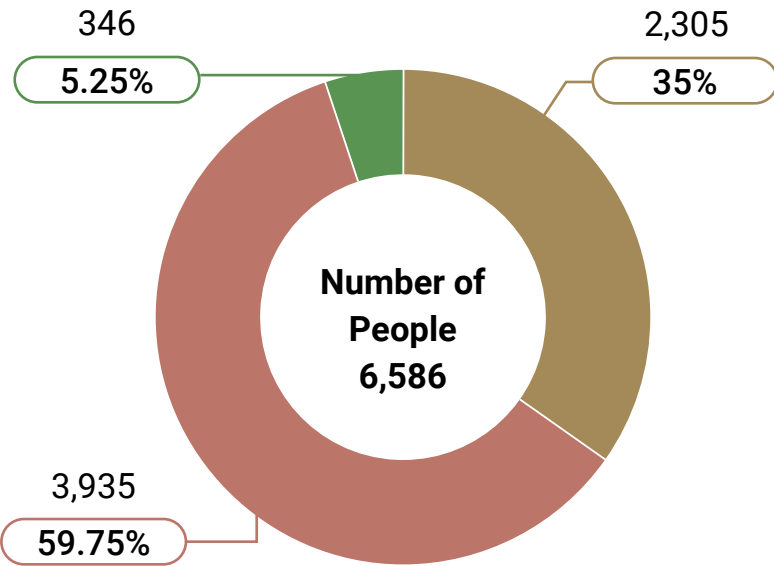
- Taiwan
- Philippines
- China
- United States
- India
- Others

- Note:
- 01. This table presents the five most prevalent nationalities within the Sercomm Group based on the number of employees.
 - 02. The Group's employees represent a total of 20 nationalities. The remaining 15 nationalities not included among the top five are classified as "Other," including Japanese, French, Italian, Vietnamese, Singaporean, Malaysian, Indonesian, Canadian, Mexican, Brazilian, Russian, British, German, Spanish, and Greek.
 - 03. For employees who hold dual nationality or permanent residency status, nationality is classified based on the location where the employee is primarily based for work.
 - 04. Senior management positions include personnel at the vice president level and above.
 - 05. Technical positions include engineering and technical personnel in fields such as electrical engineering, electronics, mechanical engineering, computer engineering, information technology, and data science.
 - 06. The statistics in this table are classified according to employees' job functions. Where an employee holds both a management position and a technical position, the employee is classified as technical personnel on a priority basis. The number of employees in management positions is therefore calculated based on the remaining employees who meet the definition of management positions after technical personnel have been excluded. Accordingly, the number of employees in management positions disclosed in this table may differ from figures calculated based on organizational grade or managerial responsibilities elsewhere in this report.

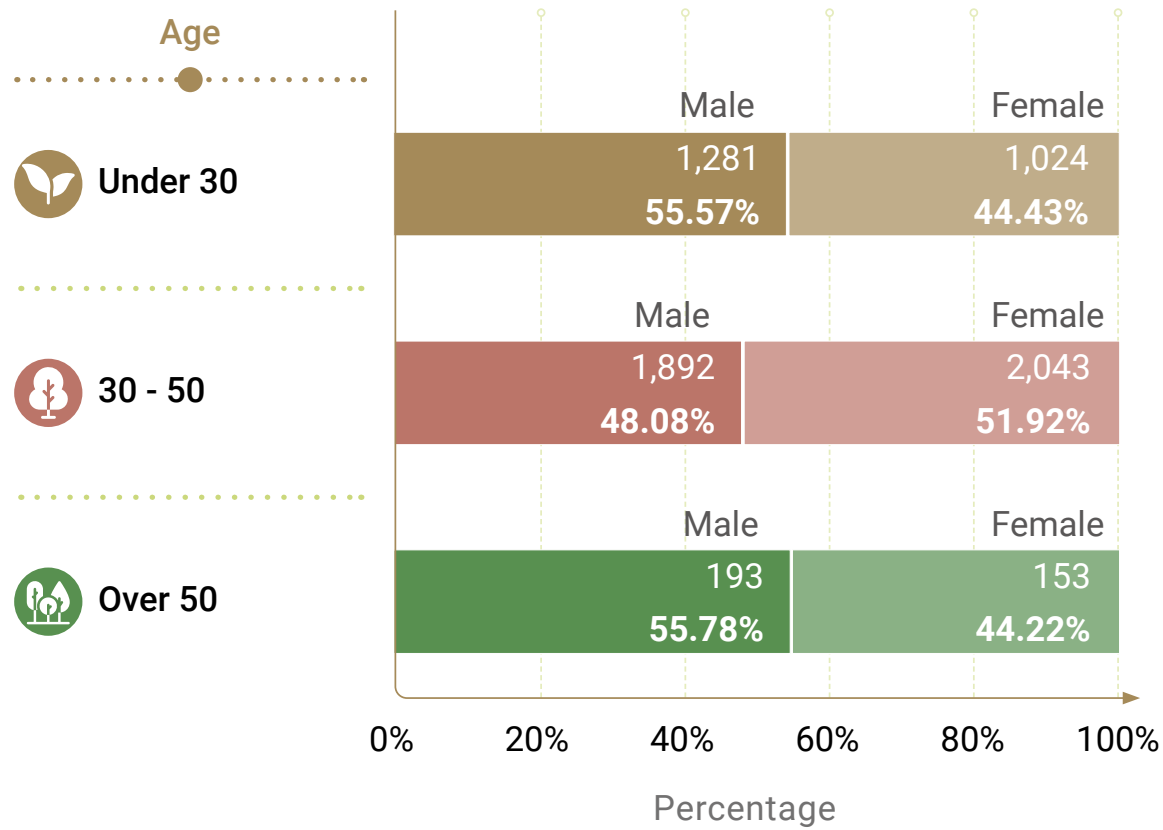


By Age

Age ● Under 30 ● 30 - 50
 ● Over 50

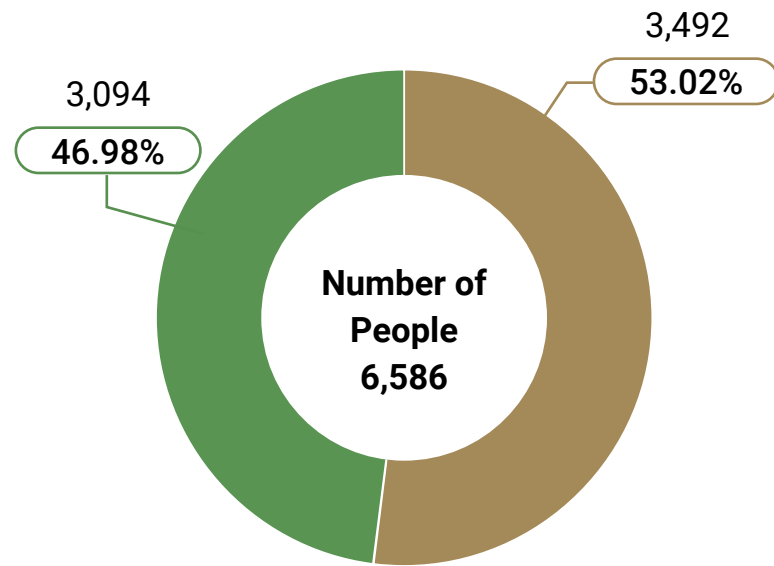


Note:
The 30–50 age group includes employees aged 30 to 50, inclusive.

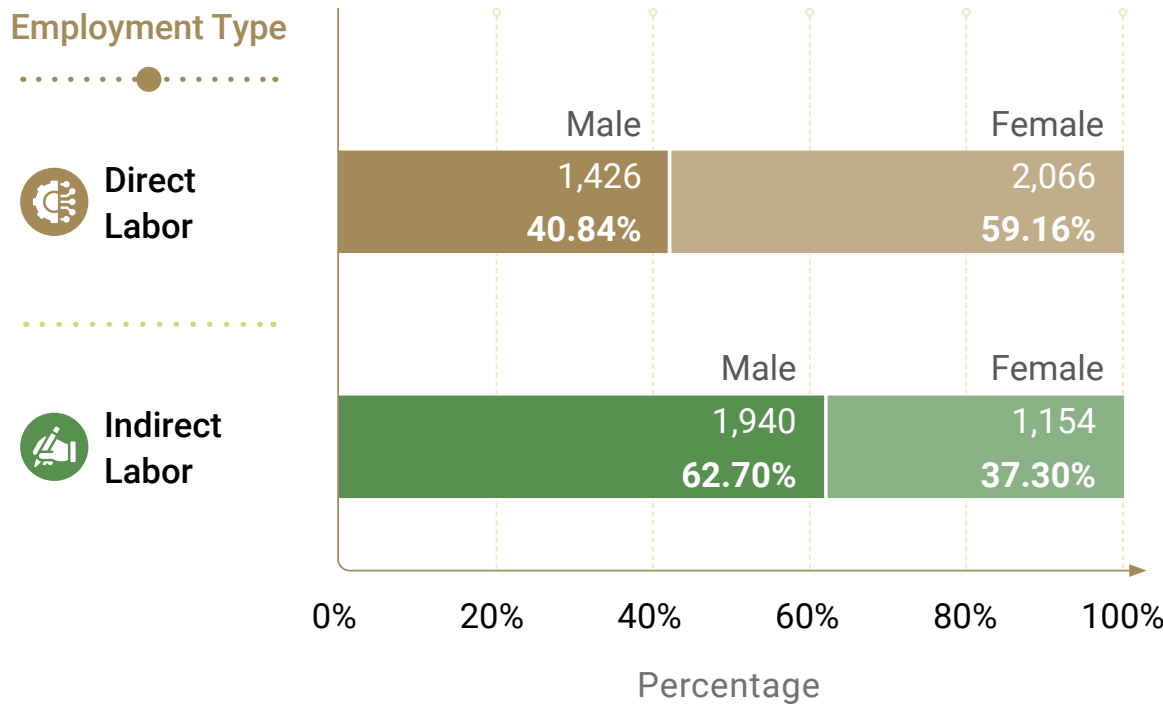


By Workforce Category

Employment Type ● Direct Labor ● Indirect Labor

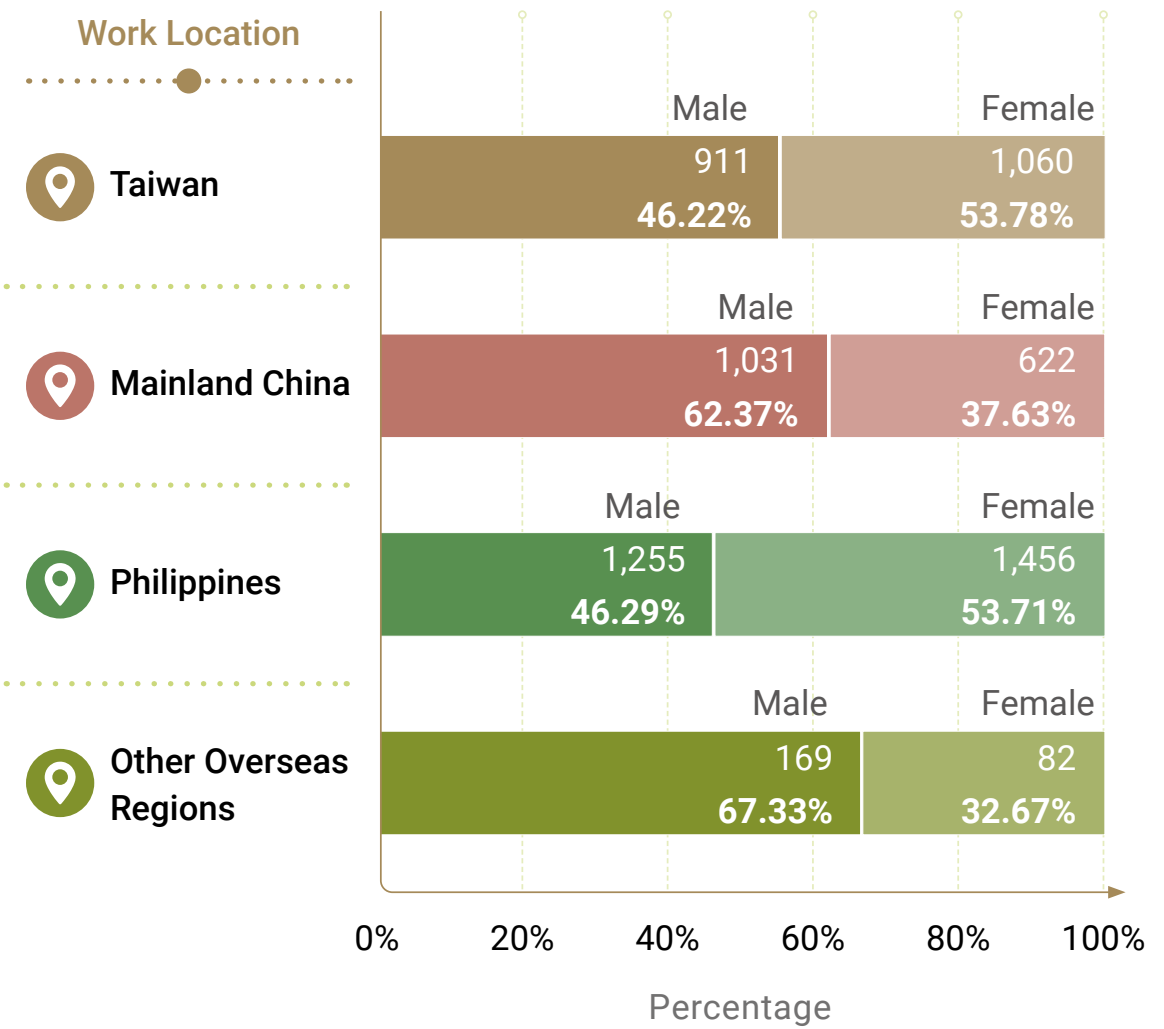
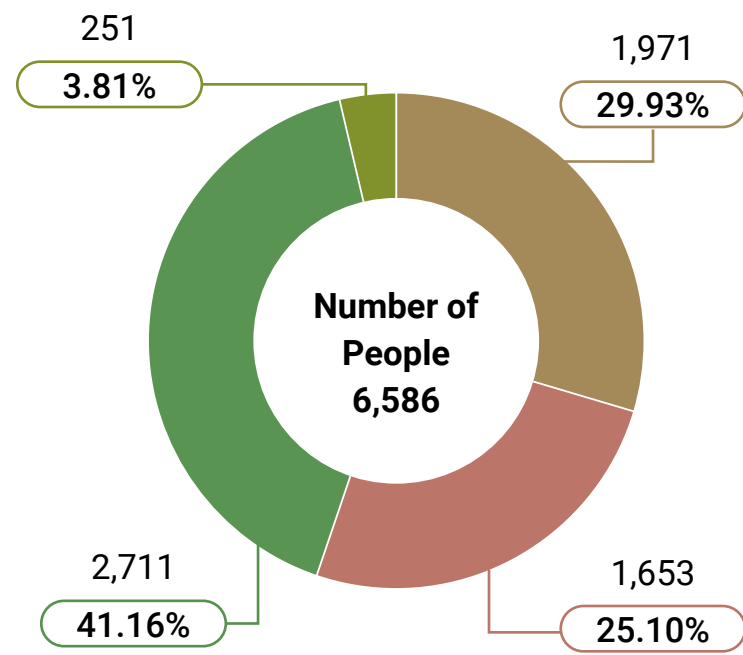


Note:
01. Direct labor (DL) employees include employees whose work is directly related to manufacturing production lines, such as assembly workers and production equipment operators.
02. Indirect labor (IDL) employees include employees whose work is not directly related to manufacturing production lines, such as personnel engaged in R&D, sales, project management, and administrative functions.



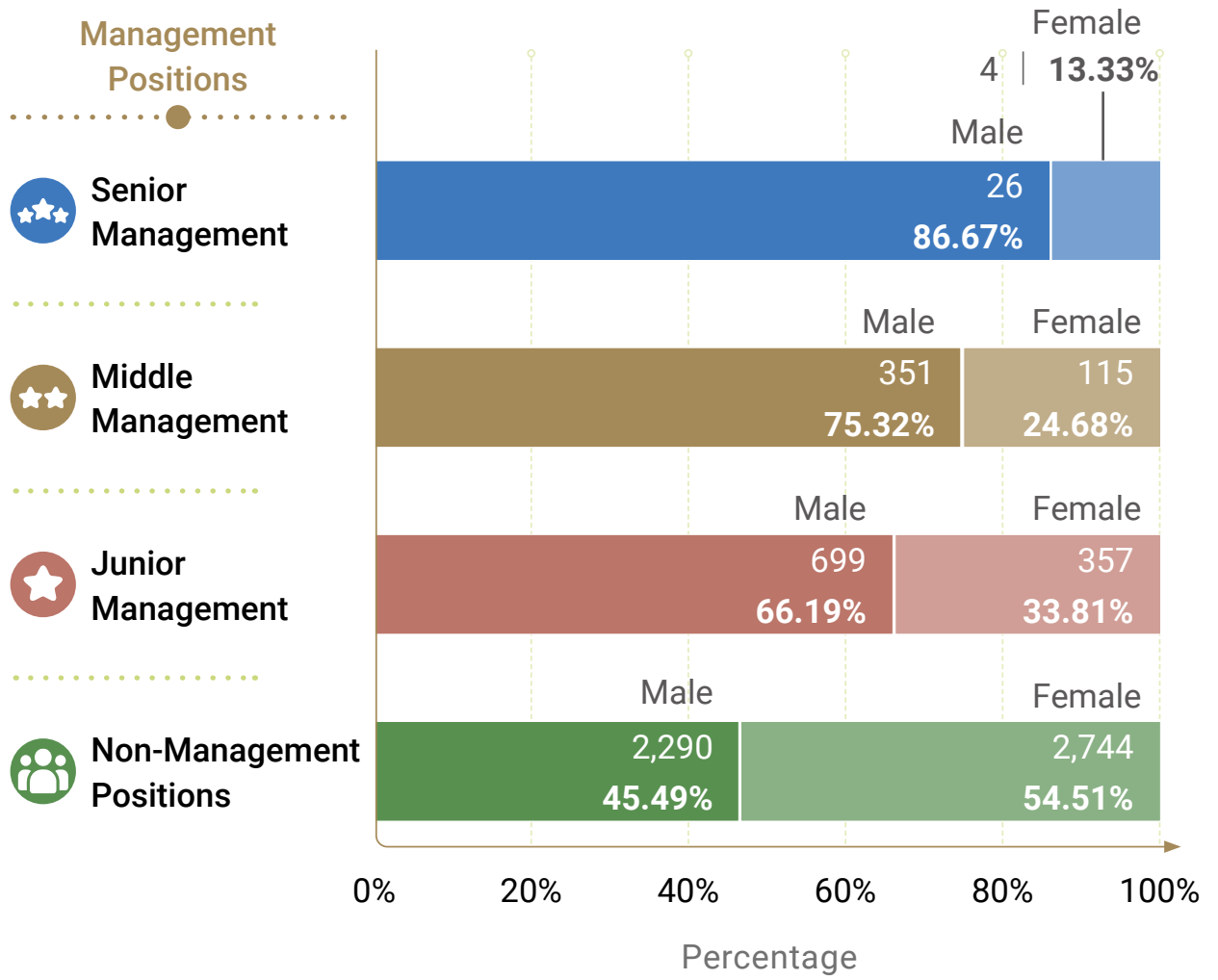
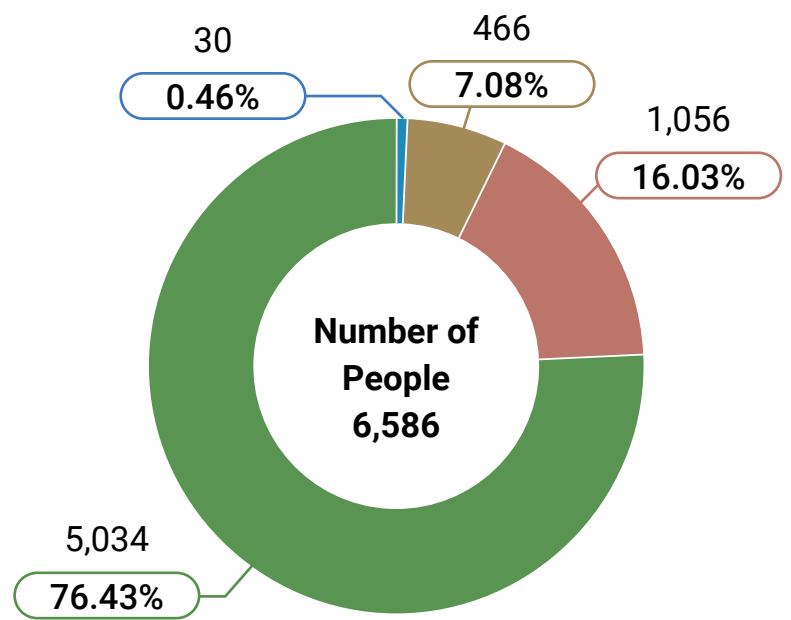
By Work Location

Work Location ● Taiwan ● Mainland China
 ● Philippines ● Other Overseas Regions



By Job Function

Management Positions ● Senior Management ● Middle Management ● Junior Management ● Non-Management Positions



Note:
Junior management includes assistant section managers and section managers; middle management includes assistant managers, managers, senior managers, directors, and senior directors; and senior management includes personnel at the vice president level and above.

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By Contract Type

Region / Gender	Taiwan		Mainland China		Philippines		Other Overseas Regions		Total	
Contract Type	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
 Permanent	907	1,050	1,030	621	1,245	1,453	165	81	3,347	3,205
 Fixed-term	4	10	1	1	10	3	4	1	19	15

Note:

01. Permanent employees: Full-time or part-time employees who have entered into employment contracts with no fixed end date.

02. Fixed-term employees: Employees who have entered into employment contracts with a specified end date. Their work includes packaging and finished-goods boxing, production-line assembly support, warehouse receiving and shipping support, cleaning, and environmental maintenance.

By Employment Type

Region / Gender	Taiwan		Mainland China		Philippines		Other Overseas Regions		Total	
Employment Type	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
 Full-time	911	1,060	1,031	622	1,255	1,456	169	82	3,366	3,220
 Part-time	0	0	0	0	0	0	0	0	0	0

Note:

01. Full-time employees: Employees whose working hours per week, month, or year are defined as full-time in accordance with applicable national laws and practices concerning working hours.

02. Part-time employees: Employees whose working hours per week, month, or year are fewer than those of full-time employees.

03. Sercomm does not employ any non-guaranteed hours employees.

Workers Who Are Not Employees

Sercomm's workers who are not employees include agency workers and contracted labor engaged to meet short-term or specific task requirements, as well as service personnel employed by other contractors who are regularly stationed at Sercomm's manufacturing sites or offices, such as cleaning staff, security personnel, and employee cafeteria catering staff.

Region / Gender	Taiwan		Mainland China		Philippines		Other Overseas Regions		Total	
Type of Workers Who Are Not Employees	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
 Agency Workers or Contracted Labor	61	111	768	273	1,317	1,985	13	1	2,159	2,370
 On-Site Personnel Employed by Other Contractors	0	0	80	69	0	0	0	1	80	70

Note:

The statistics are based on personnel working as of the end of the reporting year.



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4.1.2 Talent Recruitment and Employment

∴ Recruitment Strategy

Sercomm continues to systematically build its employer brand by integrating digital platforms, in-person activities, and global recruitment strategies to strengthen long-term connections with potential talent. In 2025, in addition to maintaining its presence on international professional networking platforms, the Company actively participated in talent matching events, such as recruitment activities organized by Cake, and combined campus recruitment with diversified recruitment channels to expand talent reach and enhance overall recruitment effectiveness.

In digital recruitment management, Sercomm continues to optimize talent communication mechanisms and employer brand content, strengthening the delivery of information on corporate culture and career development. As of the preparation of this report, the Company's LinkedIn followers reached 99,536, representing growth of approximately 19% compared to 83,630 at the end of 2024. This demonstrates the steady improvement of Sercomm's visibility and brand influence in the talent market. The Company was also recognized with the Gold Award for "Best Employer Brand on LinkedIn" in the 2025 LinkedIn Talent Awards Taiwan.

In addition, as Sercomm's global operations continued to expand, the Company actively promoted large-scale local recruitment in the second half of 2025 to support the development needs of its Mexico plant, covering diverse job categories such as manufacturing, engineering, and logistics. Through localized talent recruitment and global resource integration, the Company effectively supported the establishment and operational development of overseas sites while continuously strengthening organizational flexibility and international competitiveness.

Looking ahead, Sercomm will continue to refine its employer branding strategy and recruitment processes, integrating digital tools and data analytics to enhance recruitment efficiency and quality and support the Company's long-term growth and sustainable development goals.



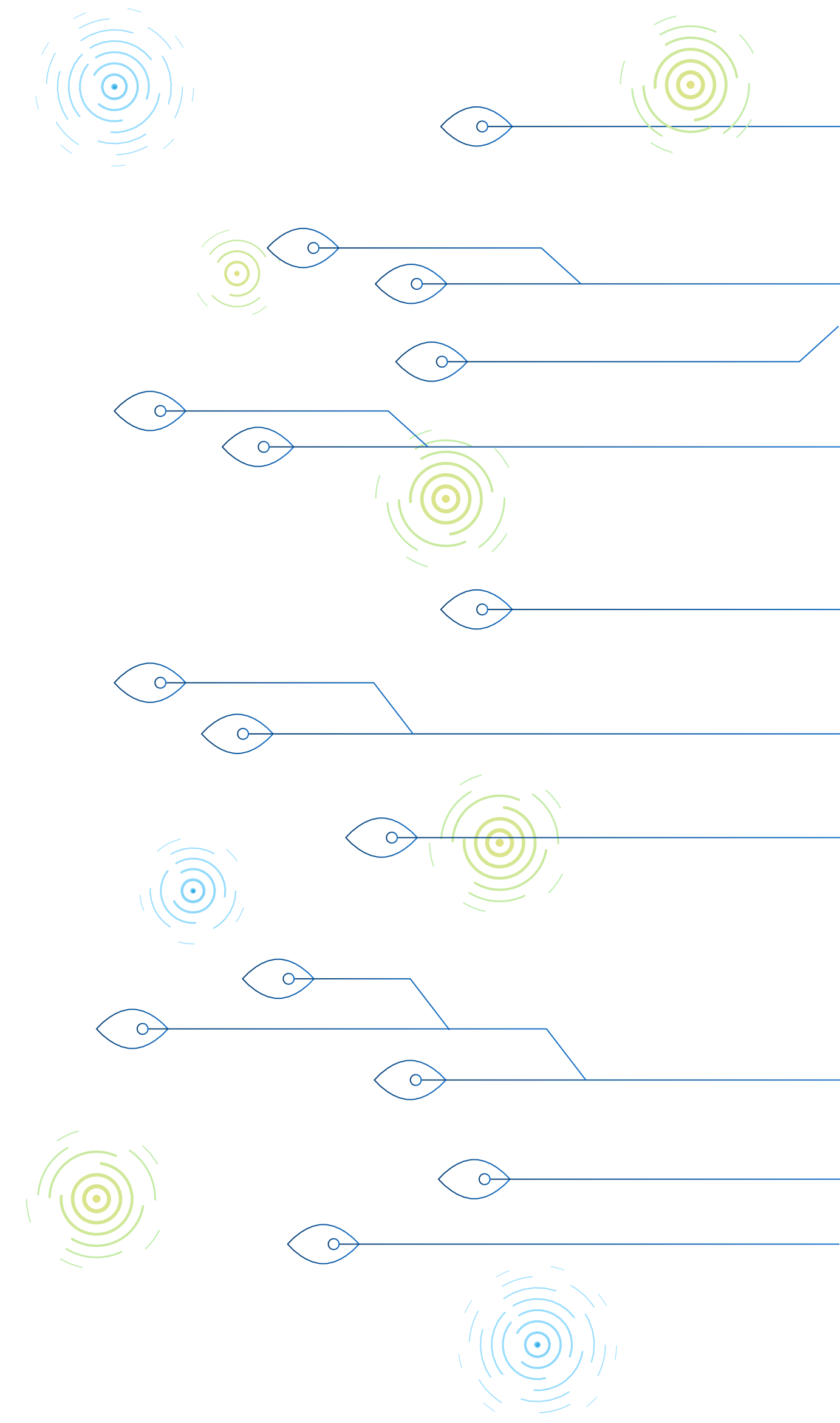
2025 Taiwan Campus Recruitment Event (National Taiwan University)



2025 Cake Campus Recruitment Event
(National Yang Ming Chiao Tung University)



2025 Suzhou Campus Information Session
(Soochow University)



∴ Talent Recruitment

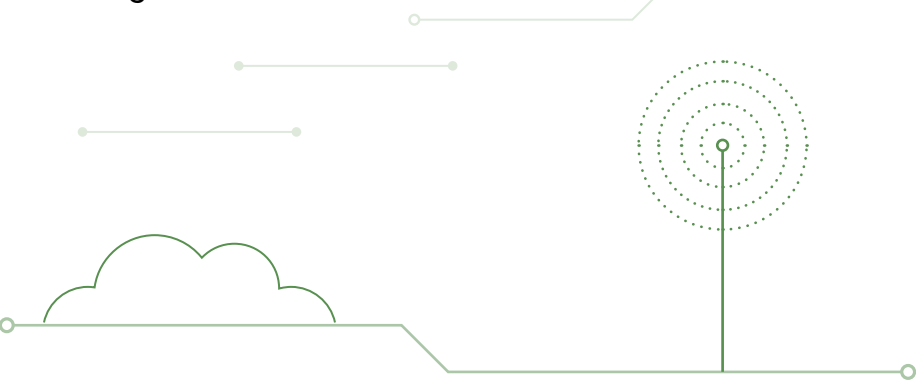
In 2025, Sercomm hired a total of 2,377 new employees. By workforce category, direct labor employees accounted for 70.72% of all new hires, indicating that the Company continued to strengthen its frontline manufacturing and operational workforce. Indirect labor employees accounted for the remaining 29.28%.

By gender, male employees accounted for 48.51% of new hires, while female employees accounted for 51.49%. A further breakdown by job category shows that male direct labor employees accounted for 30.04% of all new hires, while female direct labor employees accounted for 40.68%. This reflects a diverse workforce composition in the Company's staffing arrangements.

By age group, employees under the age of 30 accounted for 53.68% of all new hires and represented the Company's primary source of newly recruited talent. Among new hires under the age of 30, direct labor employees accounted for 68.25%, indicating that the Company continued to attract young talent to its operational and manufacturing functions.

By work location, new hires were primarily concentrated in the Philippines, where 1,341 employees were hired, accounting for 56.42% of all new hires. Taiwan followed with 674 new hires, accounting for 28.36%, while Mainland China recorded 206 new hires, accounting for 8.67%, and other overseas regions recorded 156 new hires, accounting for 6.56%. Overall, the Company's new workforce in 2025 was primarily deployed across its major manufacturing and overseas operating sites to support its global operations and production capacity planning.

For new employees, Sercomm continues to implement onboarding support and employee care programs. For example, the Philippines operations have introduced the Angel Buddy System, under which experienced employees assist new colleagues in adapting to the work environment, integrating into the organization, and applying their strengths. Based on the three-month retention rate, the global retention rate for newly hired indirect labor employees was 92.53% in 2025, remaining stable compared with the previous year. This indicates that the Company's new employee support mechanisms continued to contribute to a supportive workplace and the stable development of the organization.



2025 New Employee Statistics-By Gender

Gender and Employment Type

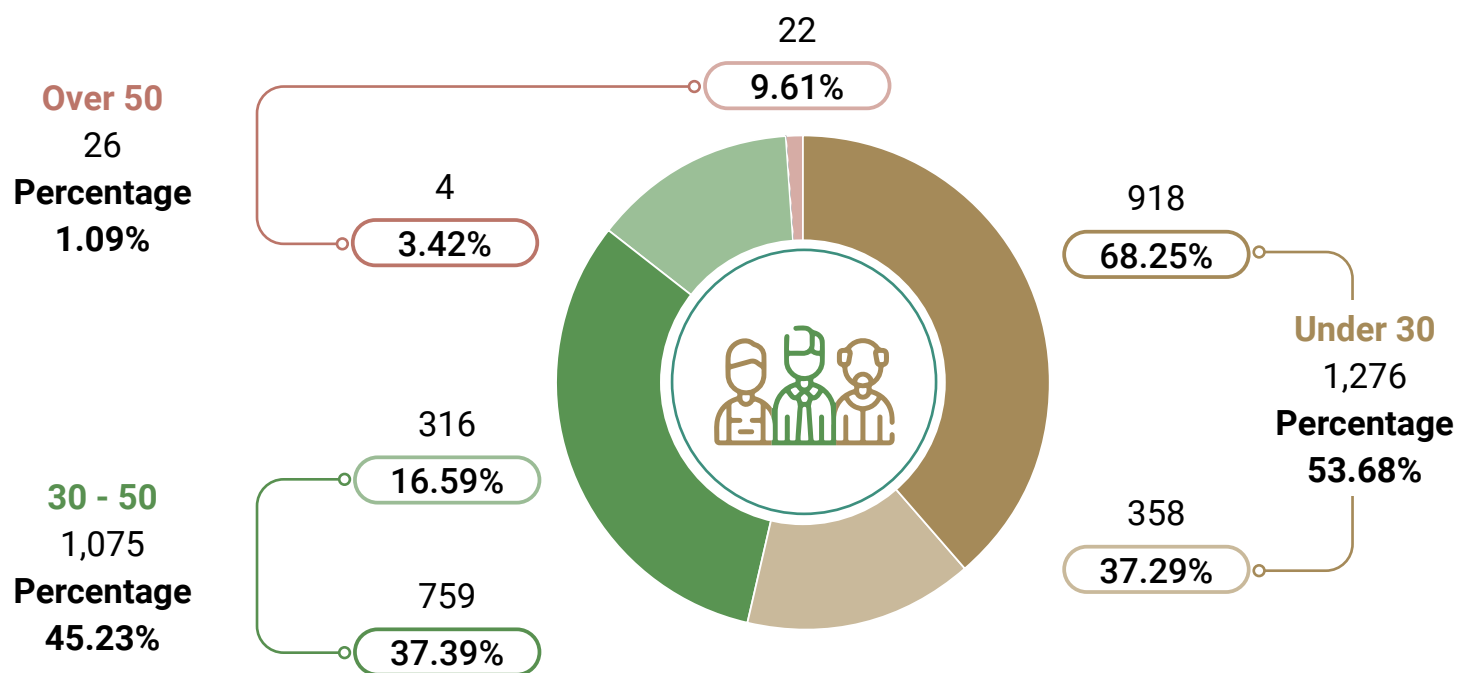
- Direct Labor - Male
- Indirect Labor - Male
- Direct Labor - Female
- Indirect Labor - Female



2025 New Employee Statistics-By Age

Age and Employment Type

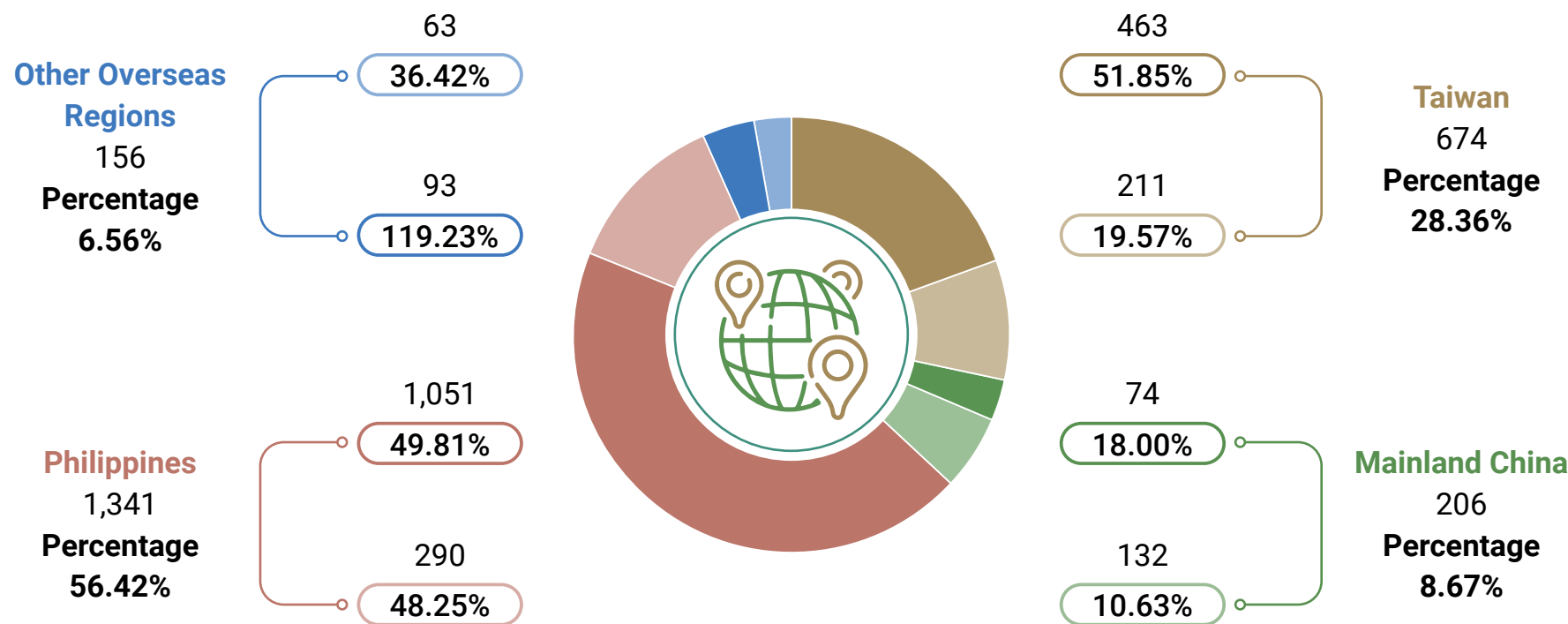
- Direct Labor - Under 30
- Indirect Labor - Under 30
- Direct Labor - 30 - 50
- Indirect Labor - 30 - 50
- Direct Labor - Over 50
- Indirect Labor - Over 50



2025 New Employee Statistics-By Work Location

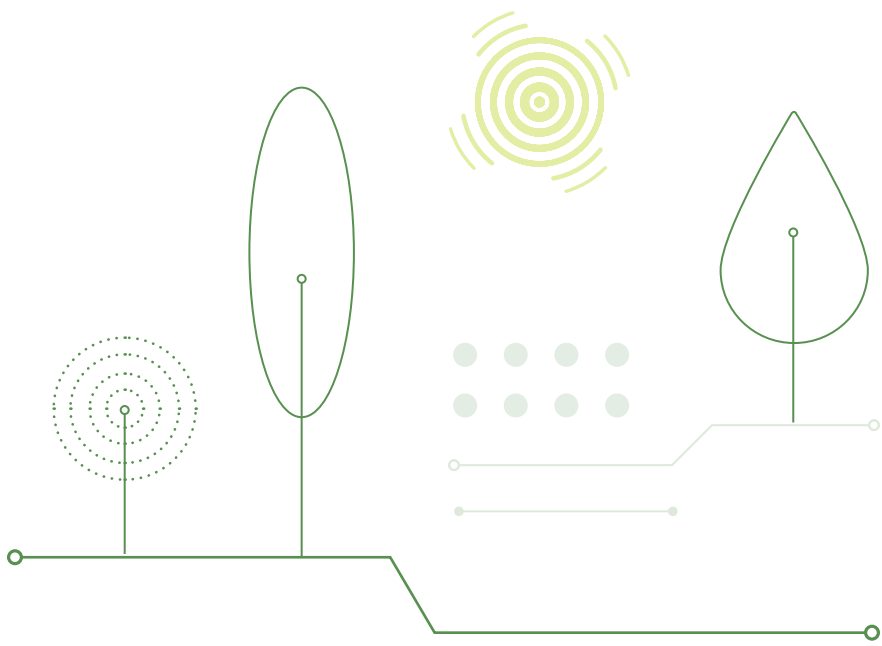
Work Location and Employment Type

- Direct Labor - Taiwan
- Indirect Labor - Taiwan
- Direct Labor - Mainland China
- Indirect Labor - Mainland China
- Direct Labor - Philippines
- Indirect Labor - Philippines
- Direct Labor - Other Overseas Regions
- Indirect Labor - Other Overseas Regions



Note:

01. The new hire rate is calculated by dividing the number of new hires in each group during the reporting year by the number of employees in that group at year-end. The same calculation methodology applies to all new hire statistics.
02. The 30–50 age group includes employees aged 30 to 50, inclusive.



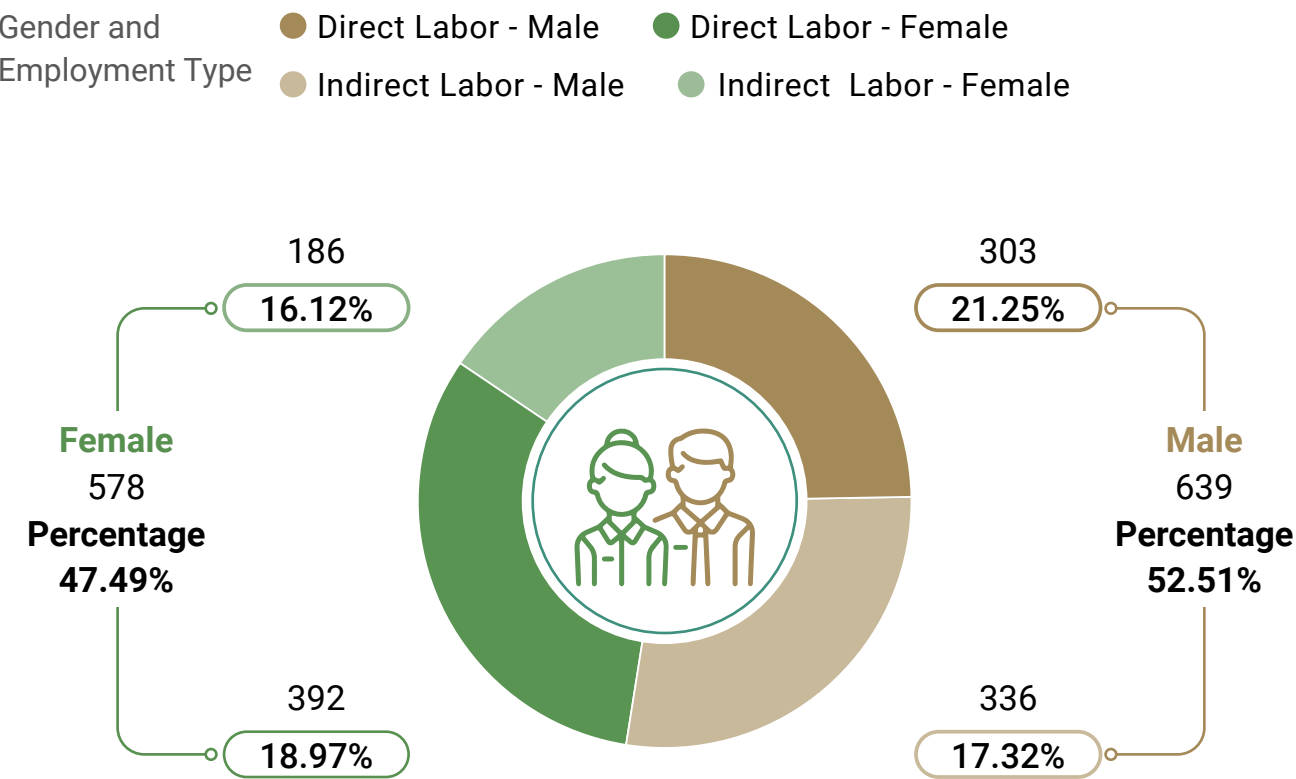


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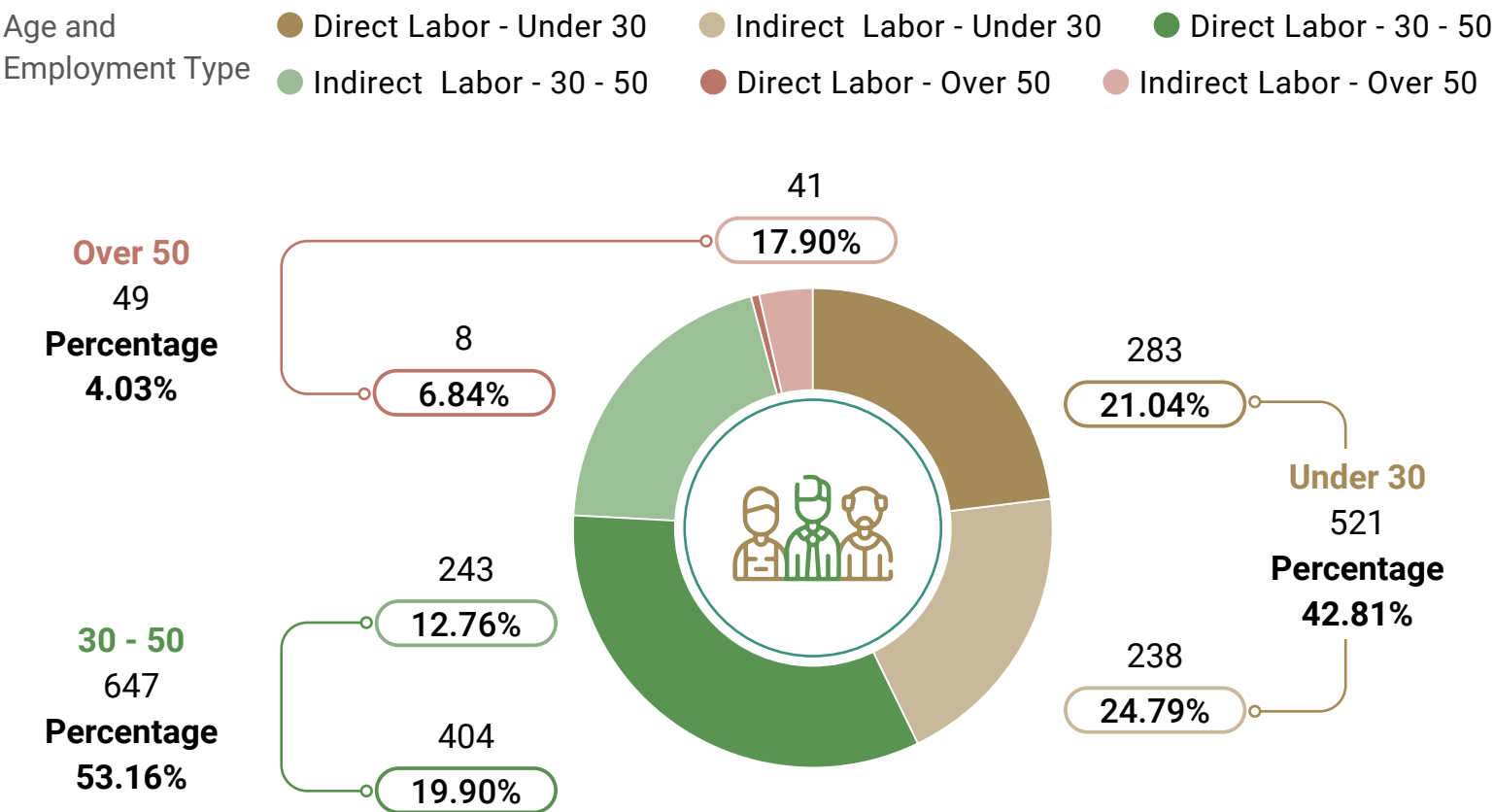
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For resignation management, the Company arranges one-on-one interviews with employees who apply to resign as needed to understand the reasons for leaving and to provide retention support and care. Information collected through exit interviews serves as a basis for continuous improvement of Sercomm's internal management and human resources systems. For all involuntary separations, Sercomm provides advance notice and handles severance procedures in accordance with local labor laws, and also proactively provides employees with necessary information on legal rights and relevant assistance.

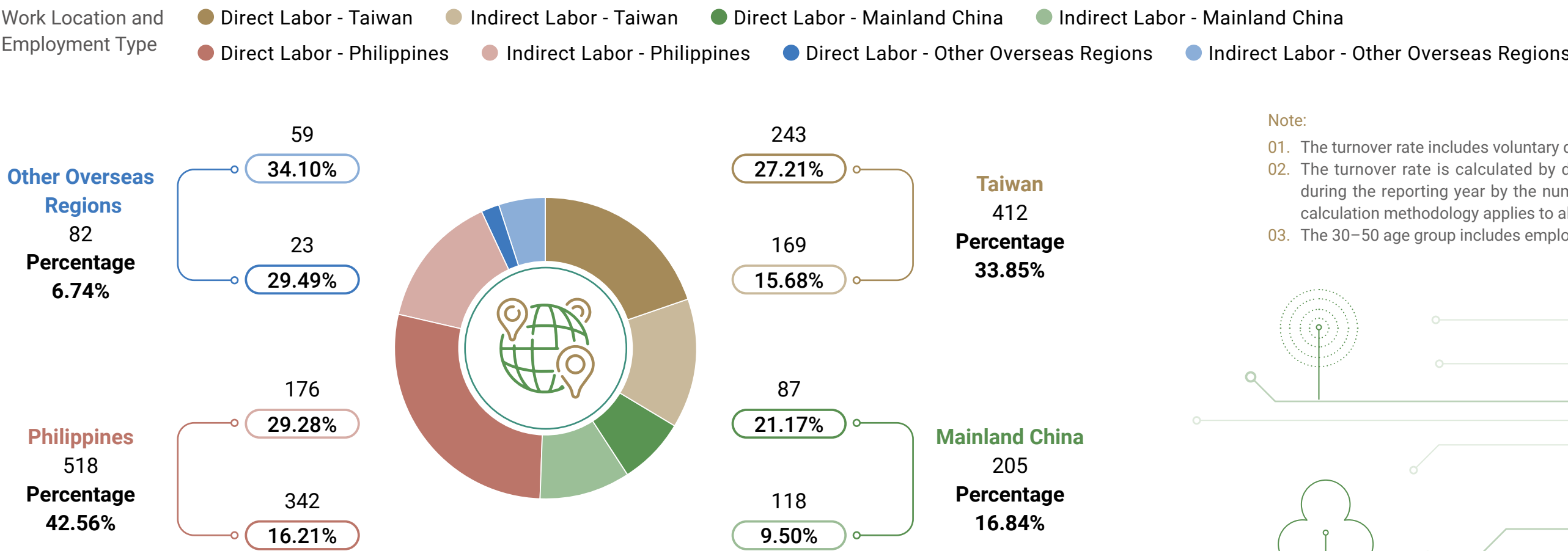
2025 Employee Turnover Statistics-By Gender



2025 Employee Turnover Statistics-By Age



2025 Employee Turnover Statistics-By Work Location

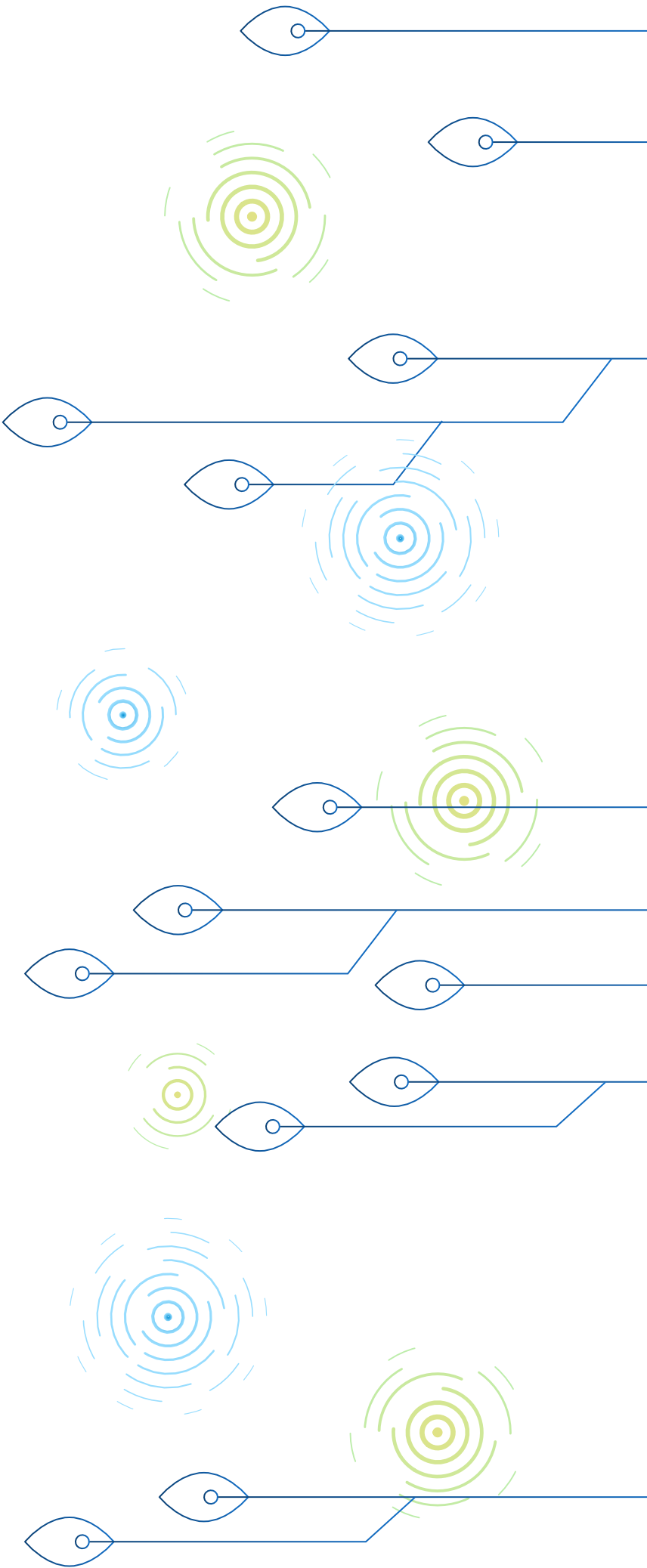


Note:

01. The turnover rate includes voluntary departures, retirements, and involuntary departures.

02. The turnover rate is calculated by dividing the number of employees who left each group during the reporting year by the number of employees in that group at year-end. The same calculation methodology applies to all employee turnover statistics.

03. The 30-50 age group includes employees aged 30 to 50, inclusive.





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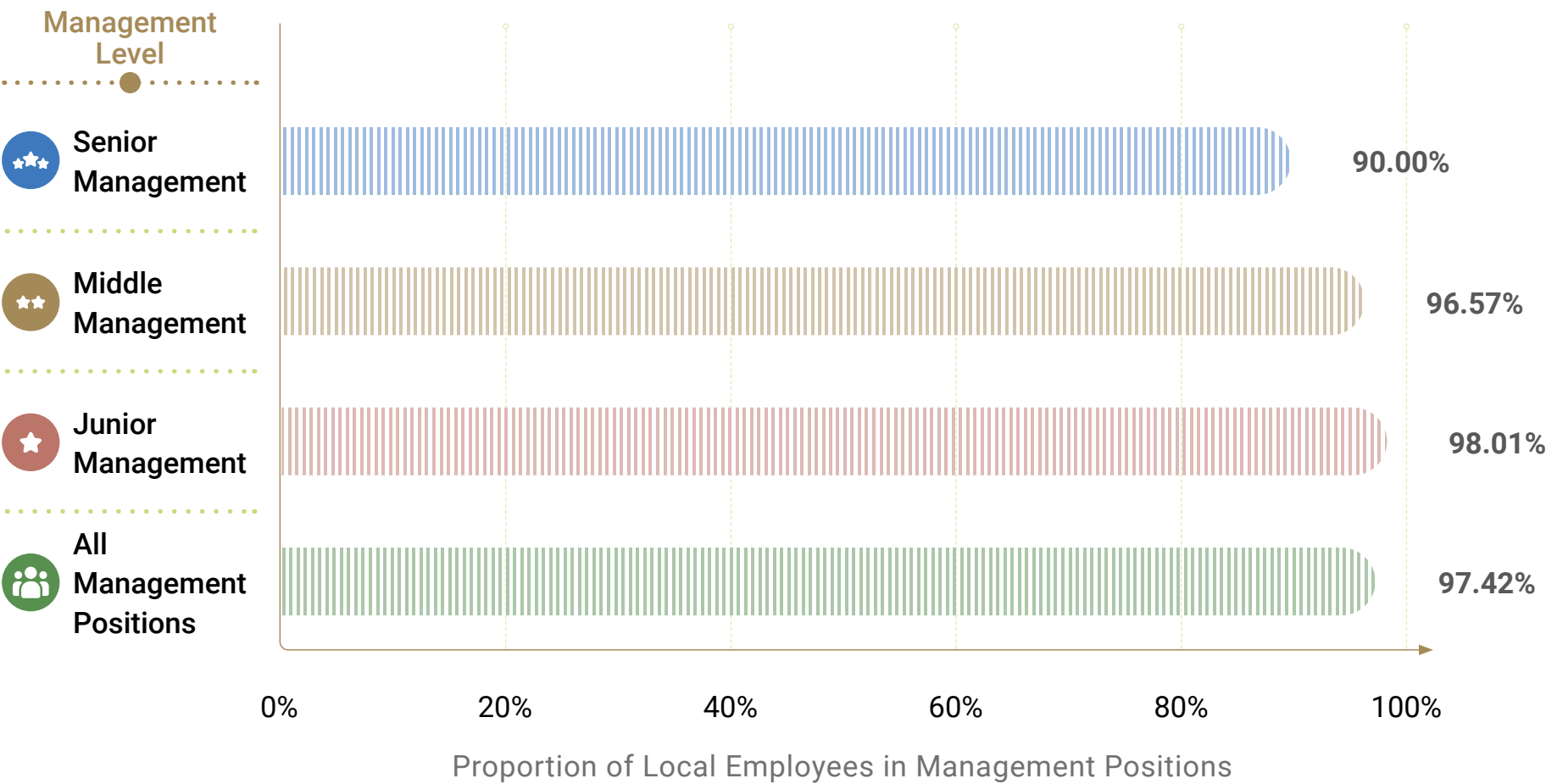
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∴ Localization Management

To accelerate Sercomm's development goals and demonstrate its core corporate values, the Company recruits local talent as part of a localized management system, maintaining organizational flexibility and vitality in each location. Across global sites, the local hiring ratio for management positions reached 97.42% in 2025. This ratio has remained above 90% for the past three years, reflecting strong adaptability and team performance. Sercomm will continue to implement localization management, deepen local human capital, and strengthen the stability of long-term operations.

Localization by Management Level



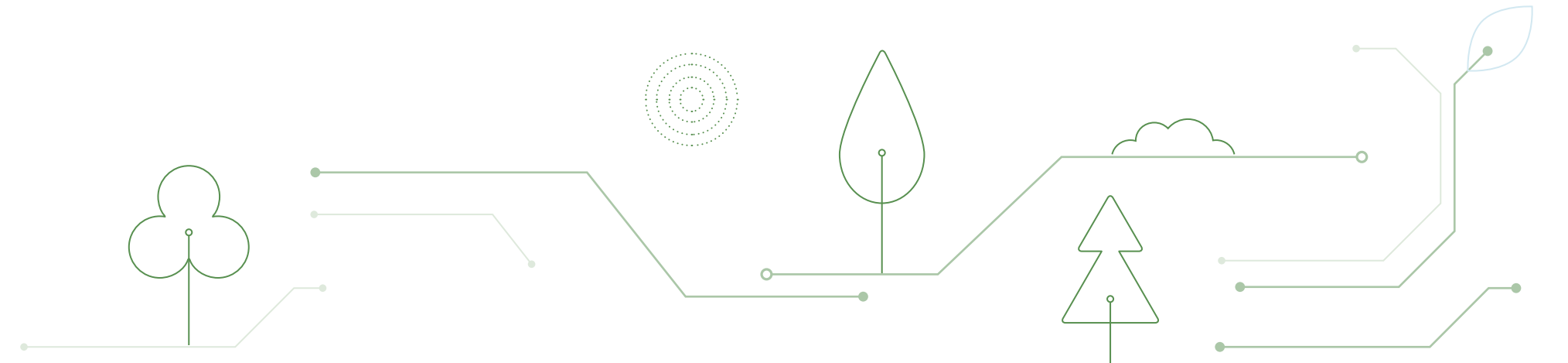
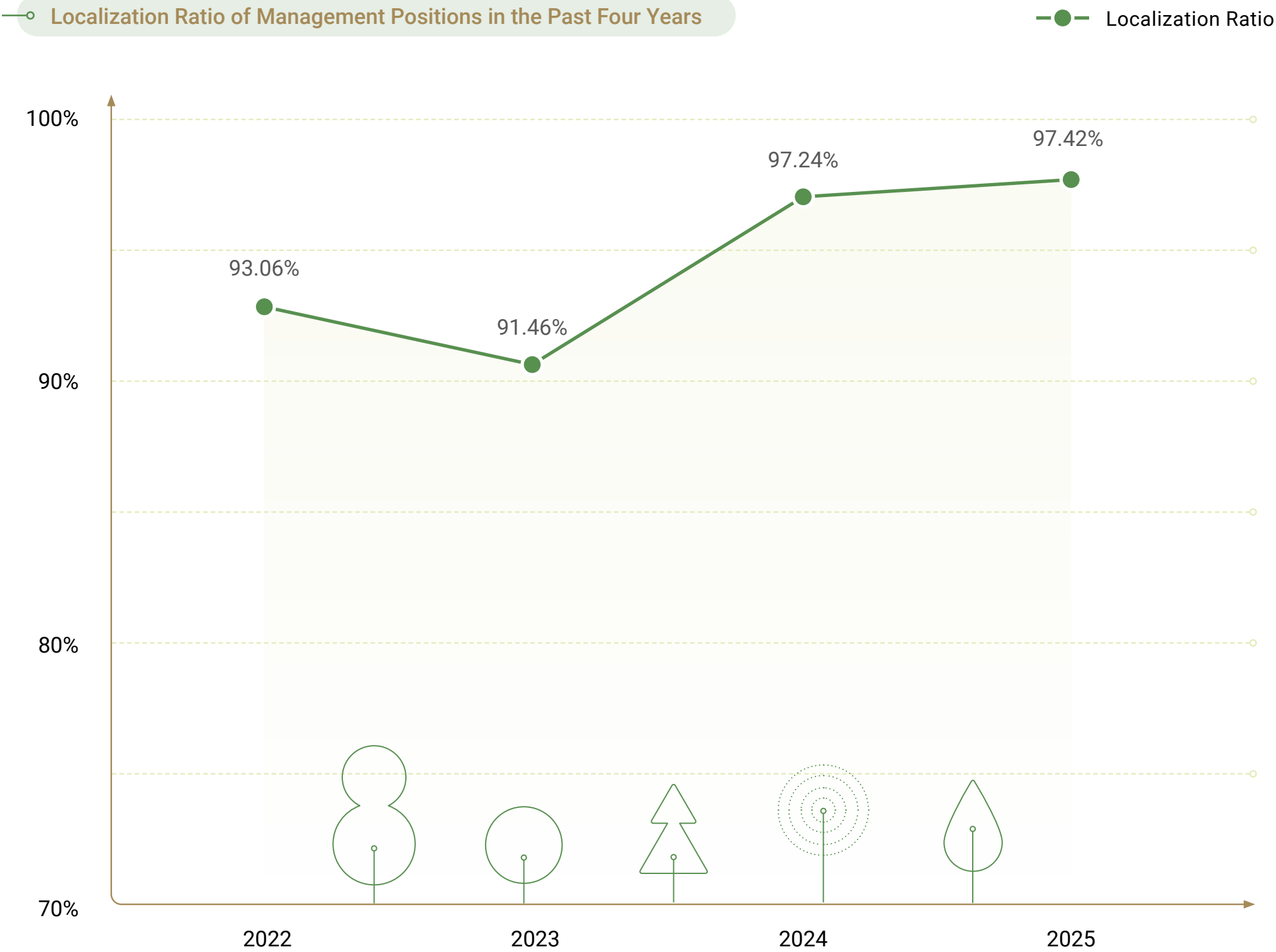
Note:
Junior management includes assistant section managers and section managers; middle management includes assistant managers, managers, senior managers, directors, and senior directors; senior management includes vice president level and above.

Local Residents in Senior Management Positions as a Percentage of Full-Time Employees

Work Location	Number of Local Residents in Senior Management Positions	Number of Full-Time Employees	Percentage
Taiwan	21	1,971	1.07%
Mainland China	1	1,653	0.06%
Philippines	0	2,711	0.00%

- Notes:
- 01. Senior management includes personnel at the vice president level and above.
 - 02. Local residents refer to individuals who were born in the country or region where the relevant operating site is located, or who have an indefinite legal right to reside there, such as naturalized citizens or permanent residents. For the purposes of this table, "local" is defined based on the geographic location of each operating site, namely Taiwan, Mainland China, and the Philippines.
 - 03. Percentage = Number of local residents in senior management positions ÷ Total number of full-time employees in the relevant location × 100%.
 - 04. This table presents the employment of local residents in senior management positions at Sercomm's major operating locations in Taiwan, Mainland China, and the Philippines. Other locations are not included due to their relatively limited scale of operations and staffing levels. Employment practices in those locations remain subject to applicable local laws and the Company's human resource management policies.

Localization Ratio of Management Positions in the Past Four Years



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4.1.3 Employee Care

GRI: 2-19, 2-21, 202-1, 401-2, 401-3, 405-2

∴ Compensation and Benefits

Equal Compensation

The Company is committed to creating harmonious labor-management relations within the scope of laws and regulations. Employee compensation is not differentiated or discriminated against based on gender, race, age, religion, or political position. In 2025, the standard salary of entry-level employees at Sercomm's major operating sites met or exceeded local statutory levels, and there was no gender-based difference for employees performing the same type of work (direct and indirect labor). In terms of annual compensation, including base salary, annual allowances, and annual bonuses, the overall trend shows higher annual compensation for men than women, mainly because R&D positions account for a high proportion of roles and are relatively more represented by men.

Female-to-Male Annual Compensation Ratio

Excluding R&D Positions						
Region / Gender	Taiwan		Mainland China		Philippines	
Employment Type	Male	Female	Male	Female	Male	Female
 Direct Labor	1	0.97	1	0.82	1	0.93
 Indirect Labor	1	0.77	1	0.74	1	0.62

R&D Positions						
Region / Gender	Taiwan		Mainland China		Philippines	
Employment Type	Male	Female	Male	Female	Male	Female
 Indirect Labor	1	0.85	1	0.84	1	0.6

Note:
The female-to-male ratio is calculated by using the male average as the baseline value of 1 and calculating the relative ratio of the female average.

Ratio of Entry-Level Standard Salary to Local Statutory Minimum Wage

Region / Gender	Taiwan		Mainland China		Philippines	
Employment Type	Male	Female	Male	Female	Male	Female
 Direct Labor	1.05	1.05	1.18	1.18	1.0	1.0
 Indirect Labor	1.16	1.16	1.72	1.72	1.12	1.10

Note:
Calculated based on the statutory minimum wage under local laws.

Compensation of Full-Time Employees Who Do Not Hold Supervisory Positions in Taiwan

Unit: NT\$ thousand			
Category	2024	2025	Year-on-Year Difference (%)
 Number of Employees	1,782	1,786	 0.2%
 Total Salary	1,930,978	1,855,238	 -3.9%
 Average Salary	1,084	1,039	 -4.2%
 Median Salary	767	752	 -2.0%

Note:
The number of "full-time employees who do not hold supervisory positions" refers to employees who are not classified as managerial personnel as prescribed in Letter No. 92-Taiwan-Financial-Securities-III-001301 of the Securities and Futures Commission, Ministry of Finance, and whose working hours meet the Company's standard working hours or the statutory working hours. Such employees are included within the statistical scope. This information is reported in accordance with applicable regulatory requirements. As this definition differs from the definition of non-managerial employees used in the workforce structure statistics in Section 4.1.1, differences may arise between the two sets of statistics. The information disclosed in the table above is also available on the website of the competent authority in Taiwan: <https://esggenplus.twse.com.tw/>

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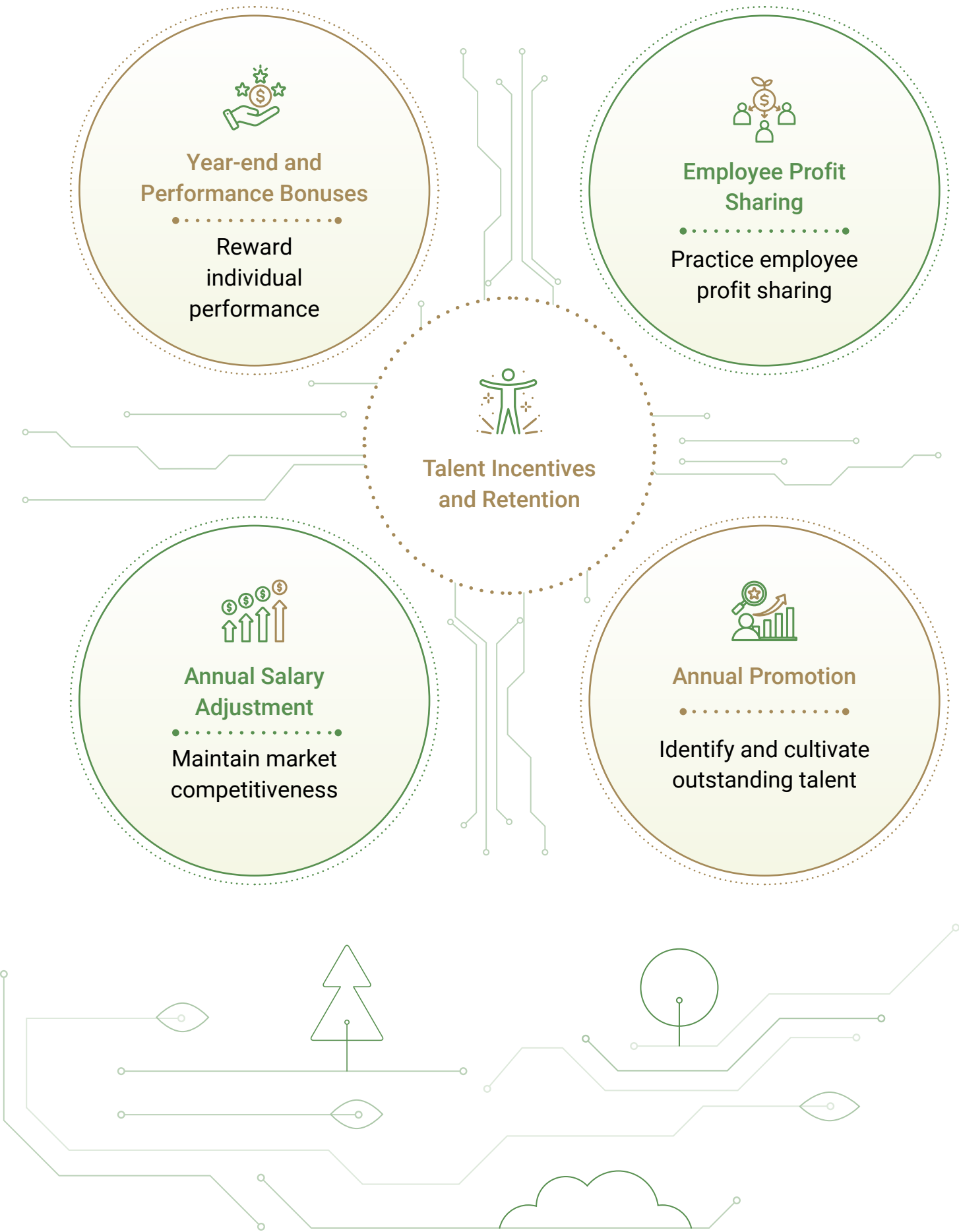
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Competitive Compensation

Sercomm values employee compensation and benefits. The Company adopts market-competitive compensation and benefits policies across all operating locations, with reference to industry salary levels and macroeconomic indicators. Starting salaries are determined based on each employee's professional capabilities, educational background, seniority, and work experience. Subsequent compensation adjustments are assessed based on individual performance, market value, contribution, and other relevant factors. For employees in overseas locations, Sercomm establishes reasonable and competitive salary levels based on local labor market conditions. The Company also considers local laws and regulations, industry practices, and operating performance when providing long-term and short-term incentive bonuses, with the aim of encouraging employees' long-term contributions and shared growth with the Company.



Bonus and Incentive Measures	Eligibility	Implementation Method	Applicable Sites
 Cash Reward Policy	Employees who provided services during the performance calculation period and remain employed on the payout date	Based on annual operating performance, the Company allocates a certain proportion and distributes year-end bonuses and profit-sharing bonuses according to performance contributions.	Taiwan, Mainland China, and the Philippines
 Stock Incentive Plan	The Company grants treasury shares, stock warrants, or restricted shares to employees with outstanding performance contributions.	The Company allocates stock-based rewards to employees for consideration. The shares vest in installments in accordance with applicable stock plans, and employees may obtain the shares only after meeting operating performance indicators and individual performance indicators.	Taiwan and Mainland China
 Patent Bonus	Employees of the Company, including affiliates, who make creative contributions to the substantive features of patent proposals	To encourage inventions, incentives are divided into: 1. Patent application bonuses issued after the application number is granted by the competent authority; and 2. Patent approval bonuses issued after approval by the competent authority.	Taiwan, Mainland China, and the Philippines
 Project Bonus	For projects involving innovative technologies that are submitted for review and application	Projects involving innovative technologies are reviewed by the Industrial Development Bureau, Ministry of Economic Affairs. If the project is recognized as innovative, it will pass the review and be granted a project bonus.	Taiwan
 Long-Service Employees	Employees with 10, 20, or 30 years of service	At the end of each year, all long-service employees are recognized with a trophy and a customized commemorative pen.	Taiwan, Mainland China, and the Philippines
 Talent Retention Incentive	Based on employees' years of service and performance, supervisors nominate key talent and enter into retention plans.	Under two- to five-year plans, retention bonuses are paid in installments monthly or annually; employees who resign are required to return the bonuses.	Mainland China and the Philippines



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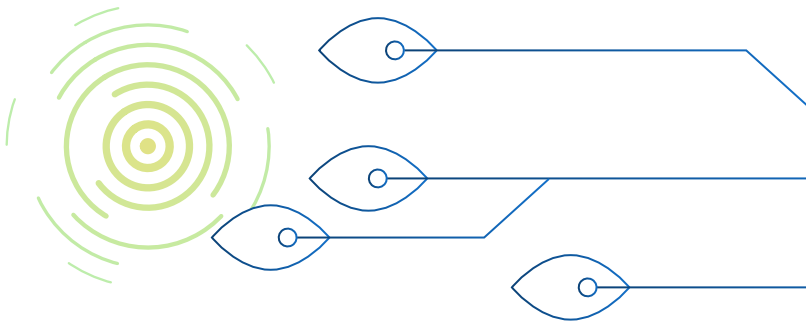
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Diverse Employee Benefits

Sercomm enhances employee well-being through diverse benefit programs and recreational activities. The Company provides travel allowances and encourages employees to participate in group trips and club activities organized by the Employee Welfare Committee, allowing employees and their family members to enjoy leisure activities together, relieve work-related stress, and achieve physical and mental well-being as well as work-life balance.

Sercomm has established an Employee Welfare Committee, funded by the Company's annual revenue and employee welfare funds, to organize regular annual activities. The Company also respects employees' freedom of assembly and association and encourages and supports the establishment of diverse employee clubs for the development of personal interests. These include basketball, swimming, badminton, tennis, yoga, hiking, cooking, handicrafts, photography, mixology, painting, and floral arrangement clubs.

To foster collegial relationships among employees, Sercomm organizes family days, team-building activities, and afternoon tea gatherings in connection with various festivals and occasions, including the Dragon Boat Festival, Mid-Autumn Festival, Lantern Festival, Christmas, New Year, and year-end parties, bringing employees together to celebrate.



Global Operations Sites – Online Annual Meeting



Taipei HQ – New Year Event



Taipei HQ – Reserved Movie Screening in Support of Taiwanese Films



Taipei HQ – Festival Catering



Taipei HQ – Magic Show



Suzhou R&D Center – Walking Event



Philippines R&D Center – Year-End Gathering



Philippines R&D Center – Women's Month Event



Philippines R&D Center – Team-Building Activity



Insurance Benefits

In accordance with applicable laws and regulations in Taiwan, Sercomm enrolls all employees in labor insurance and National Health Insurance on their first day of employment and makes pension contributions as required by law. In addition, the Company provides group insurance coverage for employees, including life insurance, accident insurance, hospitalization insurance, cancer insurance, and accident medical insurance.

For expatriate employees, the Company provides enhanced group insurance coverage to offer additional protection while they are working overseas. Social insurance arrangements for employees in overseas locations are administered in accordance with applicable local laws and regulations.

The Company also arranges on-site services provided by its insurance provider, enabling employees to conveniently access insurance consultation and claims assistance. Information sessions on insurance coverage, claims procedures, and related employee rights are also provided from time to time to help employees better understand the scope and substance of their insurance protection.



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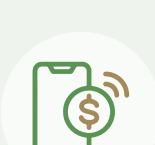
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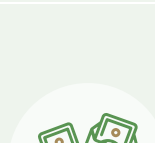
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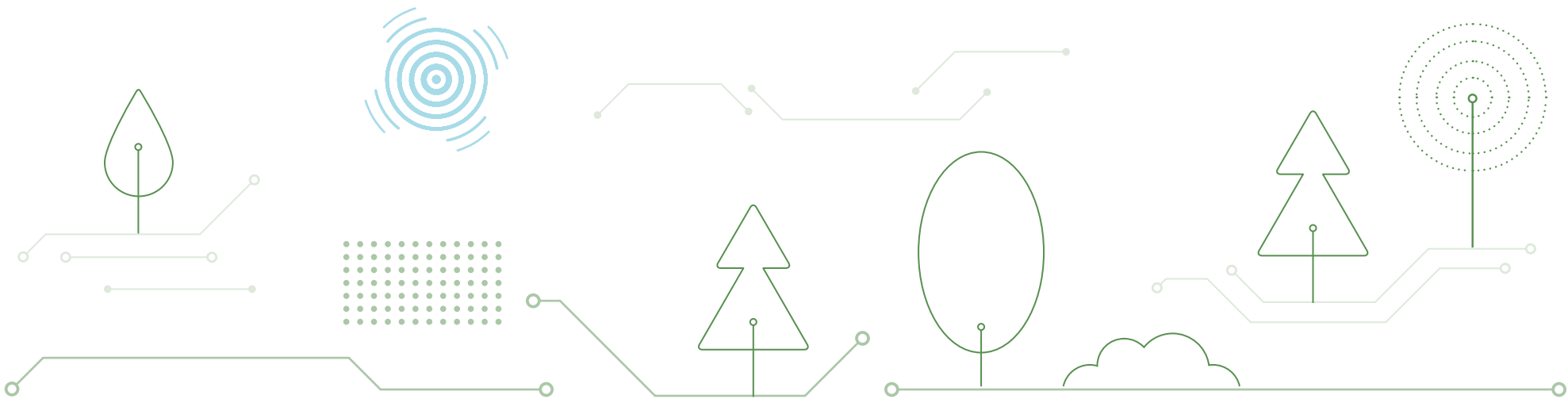
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2025 Full-Time Employee Benefits Summary

Item	Taiwan	Mainland China	Philippines
 Insurance 1. Group insurance for employees 2. Group insurance for dependents 3. Occupational accident insurance	✓	✓	✓
 Parental Leave	✓	✓	-
 Employee Shareholding	✓	✓	-
 Pension	✓	✓	-
 Birthday Cash Gift / Gift	✓	✓	✓
 Holiday Cash Gifts / Gifts	✓	✓	✓
 Club Subsidies	✓	✓	-
 Factory Lunch Subsidies	✓	✓	✓
 Digital Welfare Points	✓	-	-

Item	Taiwan	Mainland China	Philippines
 Reserved Movie Screening (including dependents)	✓	-	-
 Team Building Activities	✓	✓	✓
 Dormitory Subsidies for Employees from Other Counties/Cities	✓	-	-
 Department Gatherings	✓	✓	✓
 Health Checkups	✓	✓	✓
 Other Welfare Measures	» Lunar New Year Back-to-Work Cash Gift » Wedding and Bereavement Allowances	» Lunar New Year Back-to-Work Cash Gift » Wedding and Bereavement Allowances	-





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Retirement System and Implementation Status



Sercomm's retirement benefit system is implemented in accordance with applicable local laws and regulations. For example, employees in Taiwan are covered by the pension system under the Labor Standards Act, under which retirement reserves are regularly contributed to a statutory account. Employees in Mainland China are enrolled in endowment insurance in accordance with local regulations, ensuring that employees can enjoy secure protection after retirement. The retirement plan coverage rate across Taiwan and Mainland China currently reaches 100%. In Taiwan, employees who joined on or before June 30, 2005 are entitled to service years under the old pension system in accordance with the Labor Standards Act and the Labor Pension Act. For the old pension system, 2% of the monthly salary of each employee with old-system pension service years is contributed monthly to the old pension reserve account at the Bank of Taiwan. In 2025, the pension amount recognized was NT\$104,017 thousand, which is sufficient to meet retirement payment needs over the next six years and is adjusted annually based on actuarial reports to meet employees' retirement needs. Under the new pension system, 6% of monthly wages is contributed to employees' individual pension accounts for those eligible. In addition to the employer's fixed monthly contribution of 6%, employees may voluntarily contribute 0% to 6% to their individual pension accounts.

Workplace Equality, Diversity, and Inclusion

Friendly Workplace

Sercomm is committed to fostering a friendly workplace culture grounded in respect, inclusion, and trust. Guided by the core spirit of "welcoming others with a smile, communicating with care, working in harmony, and creating a friendly environment together," the Company strives to create a workplace where employees feel secure, engaged, and mutually supported.

To safeguard employees' fundamental rights and interests, the Company has established policy documents such as the Written Statement on the Prohibition of Workplace Violence, the Measures for the Prevention, Complaint Handling, and Discipline of Workplace Sexual Harassment, and the Workplace Ethics Code Promotion Guidelines. These documents clearly define prevention mechanisms and grievance procedures to proactively prevent improper treatment and harassment, promote workplace fairness and interpersonal harmony, and implement the Company's people-oriented corporate values.

Maternal Health Protection Program and Parental Leave System

To enhance its maternal health protection program, Sercomm adopts a people-centered approach and provides comfortable nursing rooms at its operating sites. The Company also offers female employees menstrual leave, maternity leave, family care leave, paternity leave, and unpaid parental leave, while ensuring that the use of such leave does not affect employees' full-attendance bonuses, performance evaluations, or result in any other unfavorable treatment.

With respect to parental leave statistics, all Sercomm operating sites provide parental leave-related applications in accordance with applicable local laws and regulations.

2025 Parental Leave Statistics for Employees in Taiwan

Item	2024			2025		
	Female	Male	Total	Female	Male	Total
Number of employees eligible to apply for parental leave (A)	21	25	46	11	20	31
Number of employees who applied for parental leave (B)	18	7	25	7	2	9
Number of employees scheduled to return to work after parental leave (C)	7	3	10	7	2	9
Number of employees who returned to work as scheduled after parental leave (D)	7	3	10	4	1	5
Return-to-work rate after parental leave (D/C)	100%	100%	100%	57.14%	50.00%	55.56%
Number of employees who returned to work after parental leave in the previous year (E)	8	1	9	7	3	10
Number of employees who returned to work after parental leave and remained employed for at least one year (F)	7	1	8	6	2	8
Retention rate of employees who returned to work after parental leave and remained employed for at least one year (F/E)	87.50%	100%	88.89%	85.71%	66.67%	80.00%

Note:
This table covers only employees in Taiwan who applied for unpaid parental leave in accordance with the Gender Equality in Employment Act. Parental leave and other family-friendly leave arrangements in Mainland China and the Philippines differ from those in Taiwan and are therefore not included in this table. The Company nevertheless provides relevant parental support and statutory leave entitlements in accordance with applicable local laws and internal policies.

Career Support Program for Foreign Migrant Workers

In response to its global manufacturing footprint and customer requirements, and in active alignment with government policies, Sercomm upholds the spirit of diversity and inclusion. As of the end of 2025, the Chunan Manufacturing Center in Taiwan employed 519 foreign migrant workers. The Company provides a quality work environment, professional job training, and barrier-free communication channels, allowing migrant workers to work with confidence and enhancing overall manufacturing workforce stability, thereby becoming a long-term and stable source of productivity for the Company.

Use of Legal Labor Agencies

Sercomm engages legal labor agencies and regularly audits the agencies' labor introduction programs. To provide migrant workers with a stable work environment, Sercomm pays all overseas recruitment fees, visa fees, medical examination fees, insurance premiums, air tickets, and domestic management fees.

Provision of Bilingual Orientation Courses

To help new foreign migrant workers adapt quickly, Sercomm provides comprehensive orientation courses covering job functions, daily life, equipment, cafeterias, dormitories, and fire safety, fully supporting their adjustment to life and work.

Barrier-Free Communication

Together with legal labor agencies, Sercomm has established communication and feedback platforms for foreign migrant workers. Labor-management meetings and migrant worker forums are held quarterly, and employee grievance hotlines, mailboxes, and suggestion boxes are provided to ensure that migrant workers can express opinions with confidence and to strengthen two-way labor-management communication.

Diverse Living Support

Sercomm provides dormitories for migrant workers and daily group meals at the plant, including buffet, vegetarian, noodle-based, and Filipino meal options. In the spirit of promoting labor-management harmony and cultural integration, Sercomm gives red envelopes to foreign migrant workers during the Lunar New Year to express care and blessings, enhancing their sense of belonging and holiday participation.

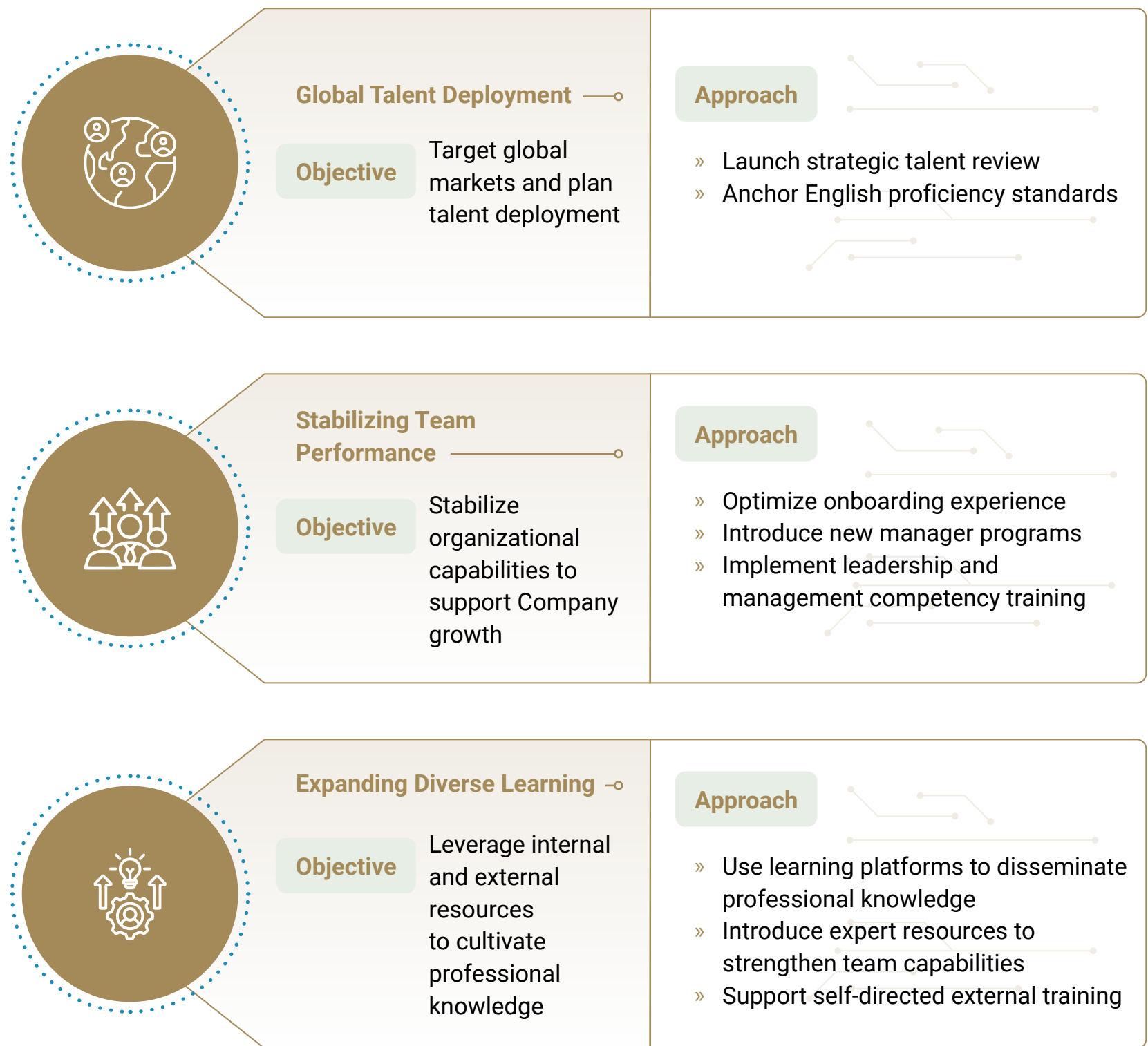
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4.1.4 Talent Development

GRI: 404-1, 404-3, 205-2

∴ Human Capital Development Strategy

Guided by a people-oriented philosophy, Sercomm has established a human capital development strategy centered on three dimensions: international talent deployment, stable team performance, and diversified learning. The strategy aims to integrate internal and external learning resources, support the Company's operational goal of accelerating international market expansion, and cultivate employees' personal knowledge and competencies, enabling employees and the Company to grow together.



— Launch Strategic Talent Inventory

In response to market expansion and organizational growth, Sercomm launched a talent inventory, initially focusing on three key job categories: R&D, sales management, and mid- to senior-level manufacturing management positions. Through interviews, HR guided managers in discussing leadership potential, competencies, professional expertise, and performance, thereby defining talent readiness and generating a list of high-potential talent as an important basis for organizational talent deployment.

— Establish English Proficiency Standards

Sercomm employees come from 20 nationalities, and the Company actively operates in international markets. Fluent English communication has therefore become an essential capability for talent. Accordingly, the Company defines TOEIC score standards based on the business needs of each position and job grade. In addition to internal announcements, Sercomm provides English learning resources, a full subsidy for one TOEIC test per employee per year, and on-site TOEIC testing services to encourage employees to continuously improve their English proficiency.

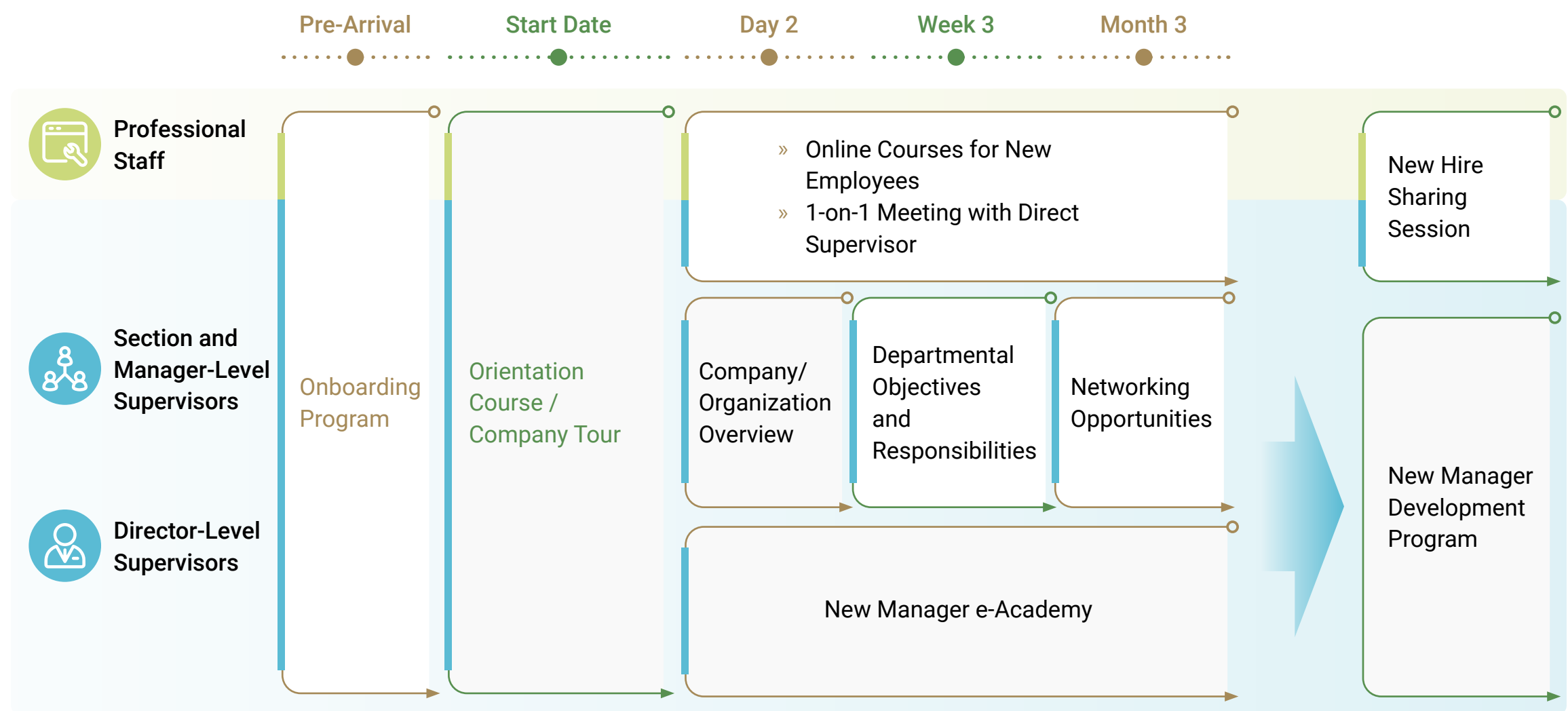
— Optimize New Employee Onboarding Experience

Sercomm comprehensively plans the full onboarding journey before, on, and after new employees' first day. In addition to a company introduction, workplace orientation, and a one-month online onboarding program on the first day, the Company has established customized onboarding guidance plans for different job levels. Automated workflows enable real-time communication with hiring managers and new employees to ensure that information is fully delivered. In addition, quarterly new employee sharing sessions invite senior executives to explain the Company's vision, current operations, organization, and product categories, helping new employees gain a cross-functional understanding of the Company and enhancing their confidence and willingness to stay and grow. In 2025, Taipei Headquarters held four sharing sessions, with 114 employees completing the onboarding journey and a completion rate of 94.21%.

Note:

The completion rate is calculated based on new employees who joined in 2025 and were required to complete the onboarding journey.

— Comprehensive onboarding experience planning for new employees





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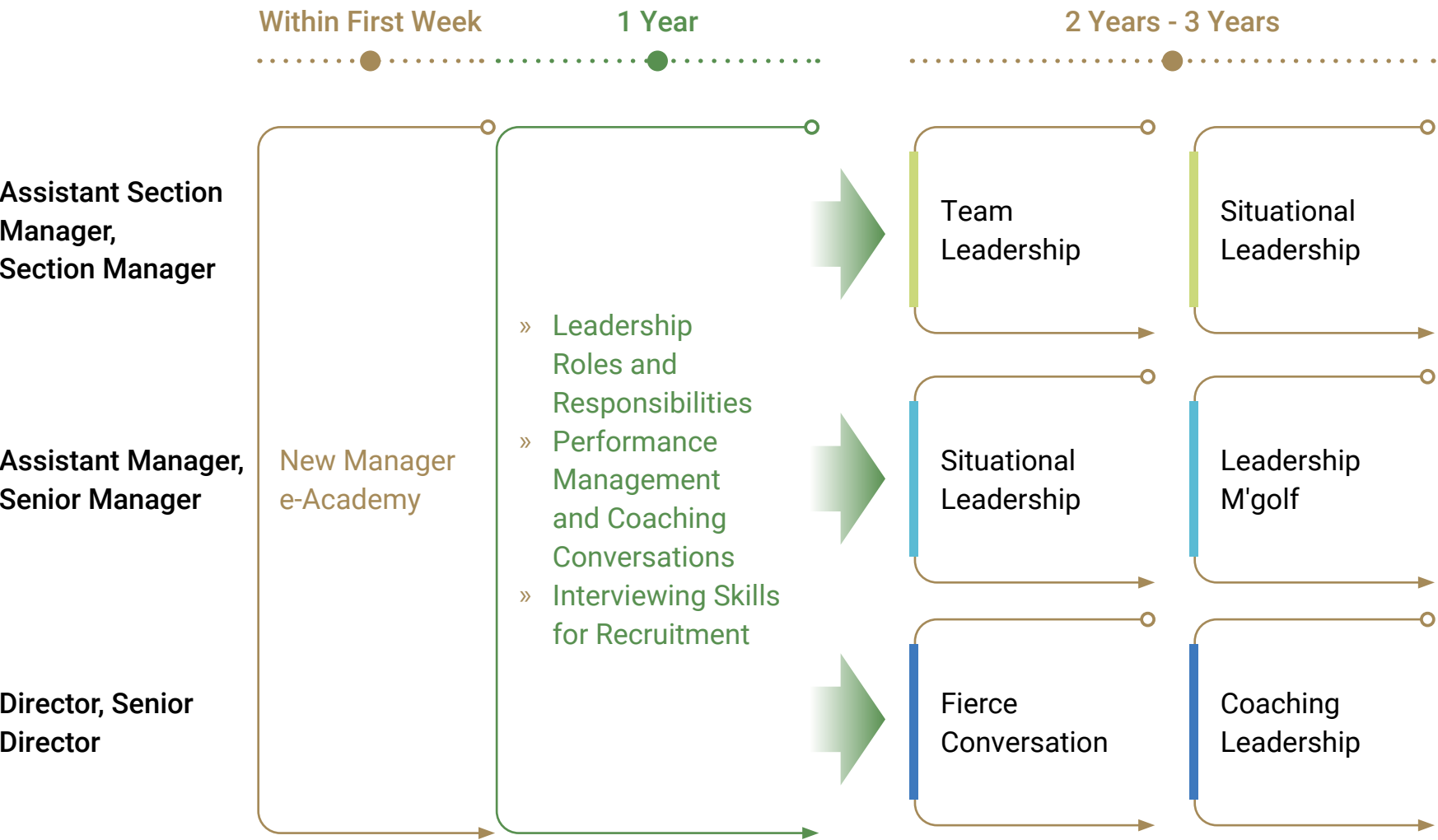
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Introduce New Manager Learning Program

Sercomm has designed a two-year new manager learning program to build the essential capabilities and internal knowledge required by newly appointed managers and first-time management personnel at different levels. The program includes a series of in-person courses and learning resources such as the New Manager e-Academy, New Manager Starter Kits, and New Manager Onboarding Guide. Automated workflows provide immediate information on the first day of appointment, while HRBPs (HR Business Partners) and direct supervisors jointly support new managers within the first three months in becoming familiar with company policies, strengthening key competencies, and building internal networks. In 2025, Sercomm delivered five new manager courses, including one newly introduced course, with 171 managers participating and an average satisfaction score of 4.74 out of 5.

Note:
Average satisfaction is calculated based on satisfaction scores from in-person courses.

New Manager Program Planning



Implement Leadership and Management Competency Training

To fully support each department in improving operational effectiveness, Sercomm conducts annual training needs interviews to align with departmental operational needs and team status, and plans a series of leadership competency training topics. In 2023, the Company launched an inventory of management competencies and training blueprints across all job families, serving as the foundation for future assessment, training, and talent development for management positions. In 2025, the Company focused on leadership development for junior and middle managers, with courses implemented as shown in the table below.

Target Participants	Course Topic	Number of Participants Completed	Total Training Hours	Average Satisfaction
 Junior and middle managers	Leadership Training - Selection Interview Skills	28	224	4.89
	Leadership Training - Situational Leadership Training	20	160	4.42
	Leadership Training - Team Leadership	28	224	4.68
	Leadership Training - Roles and Responsibilities of Managers	18	90	4.85
	Leadership Training - Performance Management	155	1,240	4.87
	Leadership Training - Performance Management Coaching Workshop	25	200	4.73
	Leadership Training - Performance Management Coaching Workshop	36	270	4.70
Total	7 courses in 12 sessions	310	2,408	4.73

Note:
Average satisfaction is calculated based on the 15 data points listed in the table.

Hold Diversified Work Management Lectures

To promote diversified learning and strengthen a culture of self-directed learning, Sercomm plans lectures related to work needs and encourages employees to participate based on their own career development direction to enhance professional capabilities and practical application. In 2025, Taipei Headquarters held lectures on two topics, with 95 employees participating and an average satisfaction score of 4.68 out of 5.

Lecture Topic	Number of Participants Completed	Total Training Hours	Average Satisfaction
Presentation Logic and Communication Skills	43	86	4.73
No More Overwhelming Stress: Essential Workplace Stress Relief and Emotional Regulation	52	156	4.63
Total	95	242	4.68

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∴ Training and Education

— Use Learning Platforms to Popularize Professional Knowledge

Since introducing its learning platform in 2017, Sercomm has been committed to disseminating internal professional knowledge by supporting experts in R&D, project management, production, and manufacturing in developing online courses, which are made available for employees across countries to take independently. By the end of 2025, a total of 73 self-developed digital courses had been completed, with annual cumulative learning hours reaching 14,607 hours.

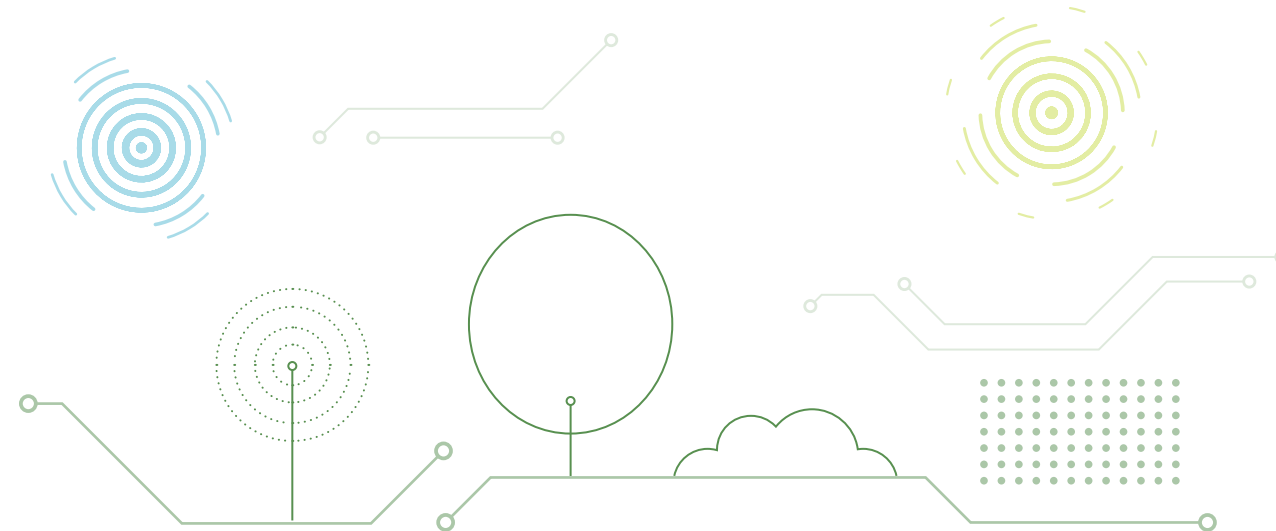
Year		2022	2023	2024	2025
	Cumulative Number of Self-developed Online Courses	449	515	638	711
	Cumulative Learning Hours	26,787	35,588	45,159	59,766

— Introduce Expert Resources to Strengthen Team Capabilities

In response to a rapidly changing market environment, in addition to using the learning platform to accelerate the dissemination of internal professional knowledge, Sercomm actively encourages departments to introduce external expert courses to help employees acquire new domain knowledge and strengthen professional capabilities. In 2025, departments independently introduced 36 professional courses, with 1,339 employees completing the training.

— Support Self-Directed External Training

Sercomm allocates an annual external training budget based on the needs of each unit and encourages employees to apply independently according to business and development needs. Through a clear external training management process, employees share learning outcomes internally in different formats after completing training to expand learning benefits. The Company also records external training records in detail on the learning platform as a reference for teams to review talent skills and development plans. In 2025, 56 employees participated in external training, totaling 875.5 training hours, and the Company invested NT\$302,007 in employee external training.



— Global Employee Training Hours

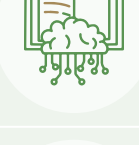
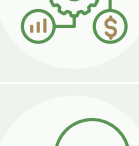
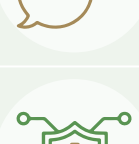
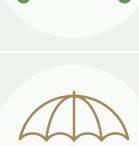
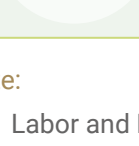
Category		Taiwan		Mainland China		Philippines		Other Overseas Regions	
		Cumulative Hours	Average Hours	Cumulative Hours	Average Hours	Cumulative Hours	Average Hours	Cumulative Hours	Average Hours
Gender	Male	11,197.79	10.44	3,308.23	2.82	3,850.41	2.50	152.08	0.67
	Female	16,691.21	12.62	1,574.91	2.30	3,103.75	1.84	5.57	0.05
Employment Type	Direct Labor	15,845.63	13.95	1,620.37	3.25	1,954.79	0.79	0	0.00
	Indirect Labor	12,043.37	9.56	3,262.77	2.40	4,999.37	6.54	157.65	0.68
Managerial Levels	Senior Executives	792.3	33.01	8.88	8.88	0	0	60.87	7.61
	Middle Management	4,451.17	13.95	954.42	5.75	17.58	2.20	71	0.95
	Junior Management	1,186.1	21.57	389.71	5.41	266.07	9.17	0.88	0.11
Non-Managerial Employees		0	11,197.79	10.44	3,308.23	2.82	3,850.41	2.50	152.08
Total Global Training Hours		39,883.95							
Average Global Training Hours per Employee		5.10							
Total Global Training Expenditure		NT\$ 8,669,367							

Note:

01. The scope primarily covers permanent and fixed-term employees and excludes agency workers, outsourced contractors, and other workers who have not entered into an employment contract directly with Sercomm (workers who are not employees).
02. To provide a complete representation of training performance, the number of trainees includes employees who left the Company or took leave of absence during the reporting year.

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Global Employee Training Hours — by Course Category

Course Category	Course Hours	Training Participants	Number of Trainees	Ratio
 Labor and Human Rights Management	190.86	4,803	4,750	72.12%
 Business Ethics	199.26	5,091	4,737	71.93%
 General Knowledge	9,402.54	7,788	2,716	41.24%
 Professional Skills	16,179.88	24,971	2,008	30.49%
 Environmental Sustainability	830.82	1,704	1,207	18.33%
 Business Management	4,032.36	3,026	2,205	33.48%
 Occupational Health and Safety	8,056.00	8,006	1,848	28.06%
 Language Learning	172.61	922	232	3.52%
 Information Security Management	585.62	10,615	4,779	72.56%
 Risk Management	234.00	26	23	0.35%

Note:

01. Labor and Human Rights Management: includes courses related to RBA, gender equality, and sexual harassment prevention.

02. Business Ethics: includes courses on ethical corporate management, prevention of insider trading, anti-money laundering, anti-corruption, conflicts of interest, fair trade and competition, and promotion of company internal regulations.

03. Occupational Health and Safety: includes occupational safety-related training and health promotion courses.

04. Professional Skills: includes courses on quality management, production management, product R&D, hardware design, software and firmware design, legal affairs, financial accounting, and intellectual property rights.

∴ Performance Evaluation

At the beginning of each year, Sercomm's departments set organizational goals based on the Company's strategy. Managers help employees clearly understand their job responsibilities and further establish individual goals accordingly. During the implementation of performance goals, managers and employees use real-time communication and feedback, in-depth coaching, and guidance to continuously calibrate goal achievement and adjust execution methods, ensuring employee progress and goal attainment.

Sercomm's performance evaluation system is based on work objective assessment and core competency assessment. One-on-one performance reviews are conducted at the end of each year to review employee performance through two-way communication or adjust work content in a timely manner. This not only promotes competency development but also serves as a basis for appropriate rewards or promotion opportunities. In 2025, all active employees serving at Sercomm during the performance evaluation period were required to undergo performance evaluation, with a coverage rate of 100%. A total of 235 indirect labor employees were promoted, with male and female proportions of 63% and 37%, respectively, and a promotion rate of 7%. Sercomm focuses on professional performance and future development, and promotions are not affected by gender. Promoted employees continue to contribute and grow in their professional fields.

Note:
The promotion rate is calculated as the total number of promotions in the year divided by the number of active employees in the previous year.





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4.1.5 Multi-Channel Communication



Sercomm values employee feedback and provides multiple communication channels. Employees may obtain relevant contact information and updates through announcements and notices on the Company's internal systems. They may also raise concerns or file complaints through the employee grievance mailbox at hr_help@sercomm.com regarding matters such as significant management deficiencies, discrimination, forced labor, sexual harassment, and occupational safety and health issues.

In 2025, the Company received a total of 12 grievance cases, as detailed in the following table. None of the cases involved discrimination, forced labor, or harassment.

∴ Employee Communication and Grievance Channels

Channel	Frequency	Topic Category
Management Team Meeting	Once per month	Feedback from current employees
Labor-Management Meeting	At least once per quarter	Feedback from current employees
Health Management	Once per month	Employee health
Employee Welfare Committee	Once per month	Employee benefits
New Employee Sharing Session	Once per quarter	Corporate culture adaptation and feedback from new employees
Global Annual Meeting	Once per year	Annual review and future outlook shared by the management team Employee feedback exchange and Q&A session Recognition of outstanding employees and teams Employee participation activities and interactive exchanges
Internal EIP system announcements	Permanent	Employee-related information and policy announcements
Employee Training	Permanent	Employee knowledge or skills development
Global Employee Satisfaction Survey	Permanent	Employee needs
Employee Grievance Mailbox hr_help@sercomm.com	Permanent	Grievances related to management deficiencies or human rights issues
Whistleblowing Mailbox audit@sercomm.com	Permanent	Business ethics reporting
HR Coffee Chat	Permanent	A channel for immediate employee consultation and feedback.

∴ Reporting, Grievance, and Whistleblower Protection Mechanism

Sercomm has established the Whistleblower Policy to build a comprehensive reporting and grievance mechanism applicable to all employees, suppliers, contractors, customers, and other stakeholders. This ensures timely reporting of violations of business ethics or improper workplace conduct, thereby maintaining transparency and fairness in the Company's operations.

We provide independent and dedicated reporting channels. Whistleblowers may report orally, in writing, or by e-mail. Anonymous reporting is allowed; however, sufficient information, such as the date of occurrence, persons involved, and relevant details, should be provided to facilitate investigation.

To protect whistleblowers' rights and interests, the Whistleblower Policy clearly establishes a whistleblower protection mechanism to protect reporters from improper treatment or retaliation due to reporting. Sercomm also commits to strict confidentiality for all reported cases to ensure fairness in the reporting and investigation mechanism.



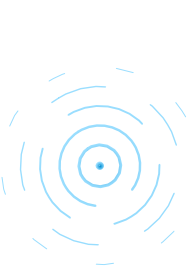
Scope of Reporting and Grievances

- Including but not limited to:
- » Violations of the Ethical Corporate Management Best Practice Principles or Corporate Social Responsibility Guidelines
 - » Unlawful workplace conduct (human rights violations, discrimination, sexual harassment, or other harassment)
 - » Damage to individual legal rights caused by company management rules, systems, or business activities
 - » Any illegal or unethical conduct



Reporting and Grievance Channels

- All stakeholders may use the following channels to report or file grievances:
- » audit@sercomm.com (Head of Finance and Audit at headquarters)
 - » HR_help@sercomm.com (Head of Human Resources, Finance, and Audit at headquarters)





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∴ 2025 Reporting and Grievance Cases

In 2025, the Company received two valid reports and 12 grievance cases. All cases were investigated and handled in accordance with relevant systems, and corresponding improvement measures were implemented to protect workplace safety and employee rights. A summary is provided below:

Type	Case Category	Number of Cases	Description	Follow-up Handling and Improvement Measures
 Whistleblowing	Violation of internal policies or management procedures	1	Personnel failed to comply with document approval process requirements.	The system process has been optimized and is now implemented in accordance with approval authority rules.
	Violation of Business Ethics	1	Outsourced personnel covered for relatives and received improper compensation.	» Salaries of the violating personnel were deducted, the outsourcing vendor was fined, and relevant personnel were disciplined. » Management of outsourcing vendors was strengthened.
 Grievance	Unlawful workplace infringement	5	Improper treatment in the workplace	Handled in accordance with relevant procedures, including establishing a handling team, investigating whether infringement occurred and its type, conducting consultation and mediation, adjusting work assignments or imposing disciplinary actions in accordance with the law, and providing necessary assistance to the parties involved.
	Management Issues	2	Poor employee work discipline, improper management by supervisors, etc.	Conducted internal investigations and appropriate handling.
	Salary and Benefits Disputes	2	Disputes related to Company leave, overtime, and resignation systems	Handled in accordance with government regulations and Company systems, with the reasonableness of each case reviewed.
		1	A former employee requested payment of overtime wages during employment.	Although the employee did not apply for overtime pay in accordance with procedures, to protect the employee's rights and interests, the Company reviewed historical overtime records and subsequently compensated overtime pay within the past five years.
	Employee Inquiry	1	Inquiries regarding Company systems	Provided explanations and communication regarding Company systems.
	Others	1	Feedback related to working hours workload	» Confirmed that the employee's overtime hours complied with regulations and actively coordinated work content to reduce overtime hours. » Follow-up tracking was conducted, with feedback indicating improvement.

∴ Employee Satisfaction Survey

Sercomm values employees' professional capability development, physical and mental health, and work engagement. To understand employees' overall perceptions of training courses and employee care activities, in 2025 the Human Resources Department distributed satisfaction questionnaires after each course and activity to collect participant feedback as a reference for subsequent course planning, activity design, and optimization of employee care measures.

In 2025, Sercomm's training courses covered topics such as leadership for managers, talent recruitment, performance management, communication and presentation, and new employee training. Through systematic course planning, the Company helped managers strengthen management capabilities while improving employees' professional skills and organizational effectiveness. The average satisfaction score for annual training was 94%, indicating that employees generally gave positive evaluations of course content, instructor performance, and overall arrangements.

In terms of employee care and soft activities, Sercomm organized activities such as Family Day, movie screenings, canoe river cleanups, stress-relief massage services, and physical and mental health seminars. These activities covered family interaction, mental health, physical and mental relaxation, teamwork, and environmental protection, with the aim of helping employees balance work and life and strengthening team cohesion. In 2025, the average satisfaction score for soft activities was approximately 91%, indicating that these activities had positive benefits for employees' physical and mental health, interaction, and sense of organizational belonging.

Based on the survey results, Sercomm will continue to optimize training and employee care measures. For training, future courses will be planned according to different competencies and job levels, while explanations of company systems and employee benefits will be strengthened to help new employees become familiar with the organization more quickly. For soft activities, Sercomm will continue to increase activity diversity and, where needed, add more sessions and participation slots so that more employees and family members can participate. The Company will continue to review implementation effectiveness through satisfaction surveys and adjust relevant measures on a rolling basis to support employee growth, health and well-being, and organizational sustainability.





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4.2 Human Rights Management

 **GRI: 2-23, 2-30, 406-1, 407-1, 408-1, 409-1**

4.2.1 Human Rights Policy

Sercomm has established a Group-wide Labor and Human Rights Policy. The latest version was approved by the Chairman on January 16, 2026, and incorporates the Human Rights Due Diligence (HRDD) framework, serving as the Company's highest guiding principle for human rights management.

The Company supports the United Nations Global Compact (UNGC) and is committed to supporting international human rights standards, including the Universal Declaration of Human Rights, the United Nations Guiding Principles on Business and Human Rights, the International Labour Organization Conventions, and the Responsible Business Alliance (RBA). The Company also complies with applicable laws and regulations in the locations where it operates, including the UK Modern Slavery Act 2015, the Australian Modern Slavery Act 2018, and the U.S. Uyghur Forced Labor Prevention Act.

Sercomm strictly prohibits the use of child labor and all forms of forced labor across its operations. The Company also protects employees' freedom of expression and right to raise grievances, and is committed to fostering an open, transparent, and human rights-respecting workplace. Relevant human rights management requirements are also extended to suppliers, contractors, and other business partners in response to the expectations of international customers and stakeholders regarding the protection of human rights.

In terms of human rights governance, the Sustainable Development Committee under the Board of Directors oversees the implementation of human rights management. Major operating and manufacturing sites have also established CSR implementation manuals and grievance procedures for human rights violations to ensure effective implementation and continuous improvement of human rights policies.

∴ Protection of Freedom of Association and the Right to Collective Bargaining

Sercomm's Labor and Human Rights Policy expressly recognizes employees' rights to freedom of association, to form or join labor organizations, to seek representation, and to engage in collective bargaining. The Company supports employees in lawfully establishing and joining trade unions and maintains open communication channels with such unions.

A trade union has been established at the Suzhou site in accordance with local laws. Through collective bargaining agreements, the union and the Company negotiate matters including compensation, working hours and leave, occupational safety and health, maternity protection, and insurance benefits. At other operating sites, Sercomm gathers and responds to employee feedback on working conditions and the workplace environment through multiple channels, including labor-management meetings, the employee grievance mailbox, satisfaction surveys, internal announcements, and training programs.

The Company prohibits intimidation, discrimination, or retaliation against employees for expressing opinions, participating in labor organizations, or exercising related rights. These principles are also incorporated into supplier management and human rights risk assessments.

∴ Prohibition of Child Labor

Sercomm strictly prohibits the employment of child labor. During recruitment and hiring, the Company verifies applicants' age eligibility in accordance with applicable local laws and internal procedures to ensure compliance with local legal requirements and international labor standards.

For young workers who may be lawfully employed, the Company makes reasonable arrangements for working hours and job duties in consideration of their physical and mental development and provides appropriate safety and health protection.

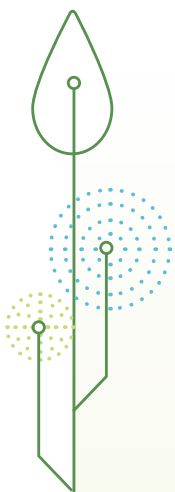
Major operating sites continuously identify and manage risks related to child labor and young workers through RBA self-assessments, third-party validation, human rights risk assessments, and grievance mechanisms. Suppliers are also required to comply with the Supplier's Code of Conduct Agreement and related management requirements, prohibit the employment of child labor, and undergo document audits or on-site audits.

∴ Elimination of Forced or Compulsory Labor

Sercomm respects the right of all workers to freely choose their employment and leave their employment voluntarily. The Company strictly prohibits all forms of forced, compulsory, bonded, indentured, slave, or trafficked labor.

The Company prohibits the withholding of employees' passports, identity documents, or other government-issued documents. Employees must not be required to pay deposits, recruitment fees, or other improper charges upon commencing employment. Overtime work must comply with applicable local laws and Company requirements, be performed on a voluntary basis, and be accompanied by appropriate rest periods and leave.

For labor agencies, contractors, and other workforce service providers, Sercomm conducts audits on an ad hoc basis to confirm that employment relationships are voluntary and requires these business partners to comply with anti-human trafficking requirements and applicable labor laws and regulations. The Company has also established a global grievance mailbox and investigation and handling mechanisms through which employees and stakeholders may raise concerns. Based on the investigation findings, the Company takes corrective, remedial, or other necessary actions.



During the reporting period, there were no confirmed incidents of discrimination, forced or compulsory labor, violations of freedom of association or collective bargaining rights, or child labor.



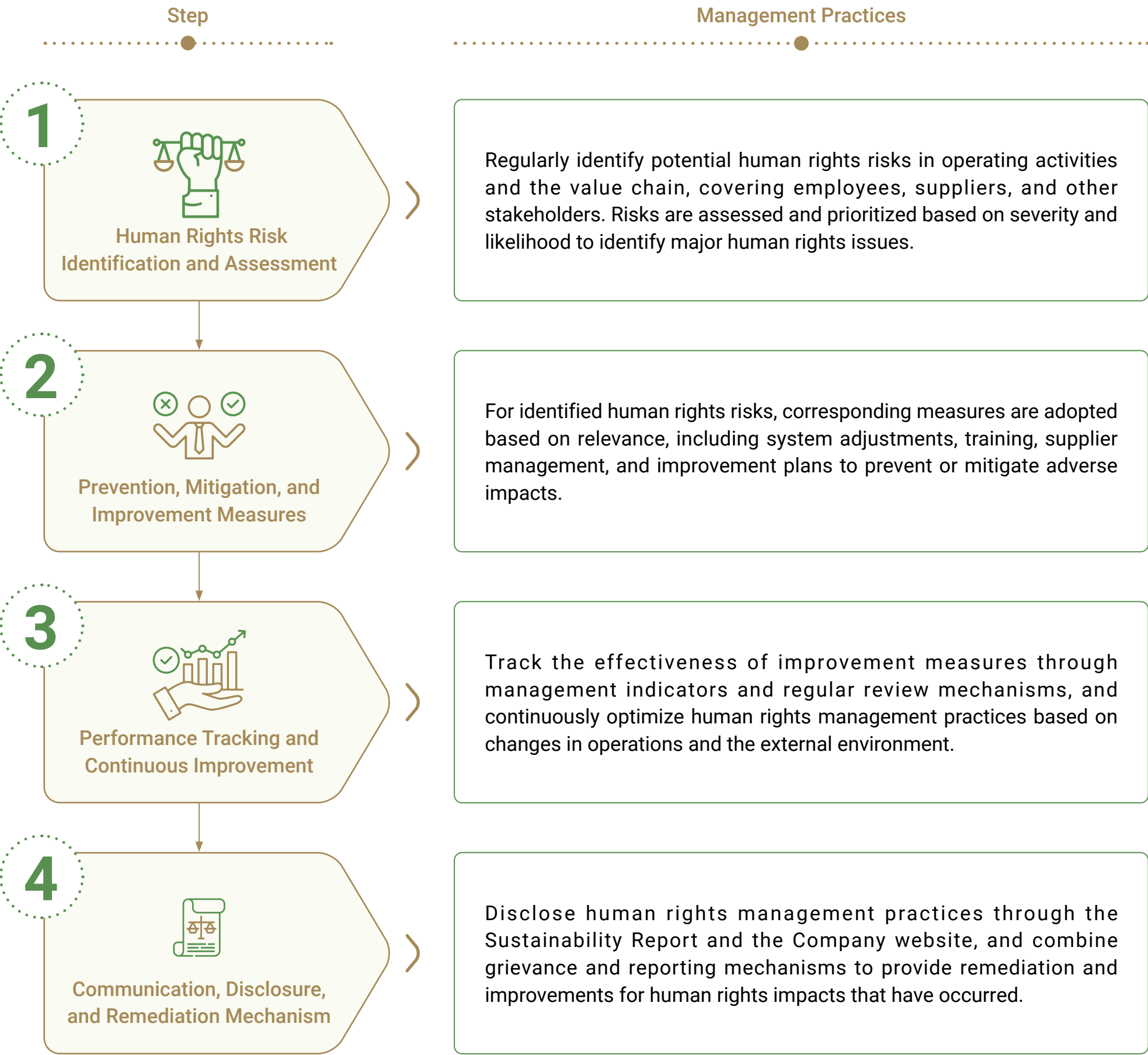
Sercomm Labor and Human Rights Policy



4.2.2 Human Rights Due Diligence Mechanism

In line with the spirit of the United Nations Guiding Principles on Business and Human Rights, Sercomm has established and continues to promote a human rights due diligence mechanism to systematically identify, prevent, mitigate, and address actual or potential negative human rights impacts that may arise from operational activities and the value chain.

Human rights due diligence is an ongoing management process applicable to Sercomm and its subsidiaries, and is extended to direct suppliers and other business partners. Its core practices are as follows:



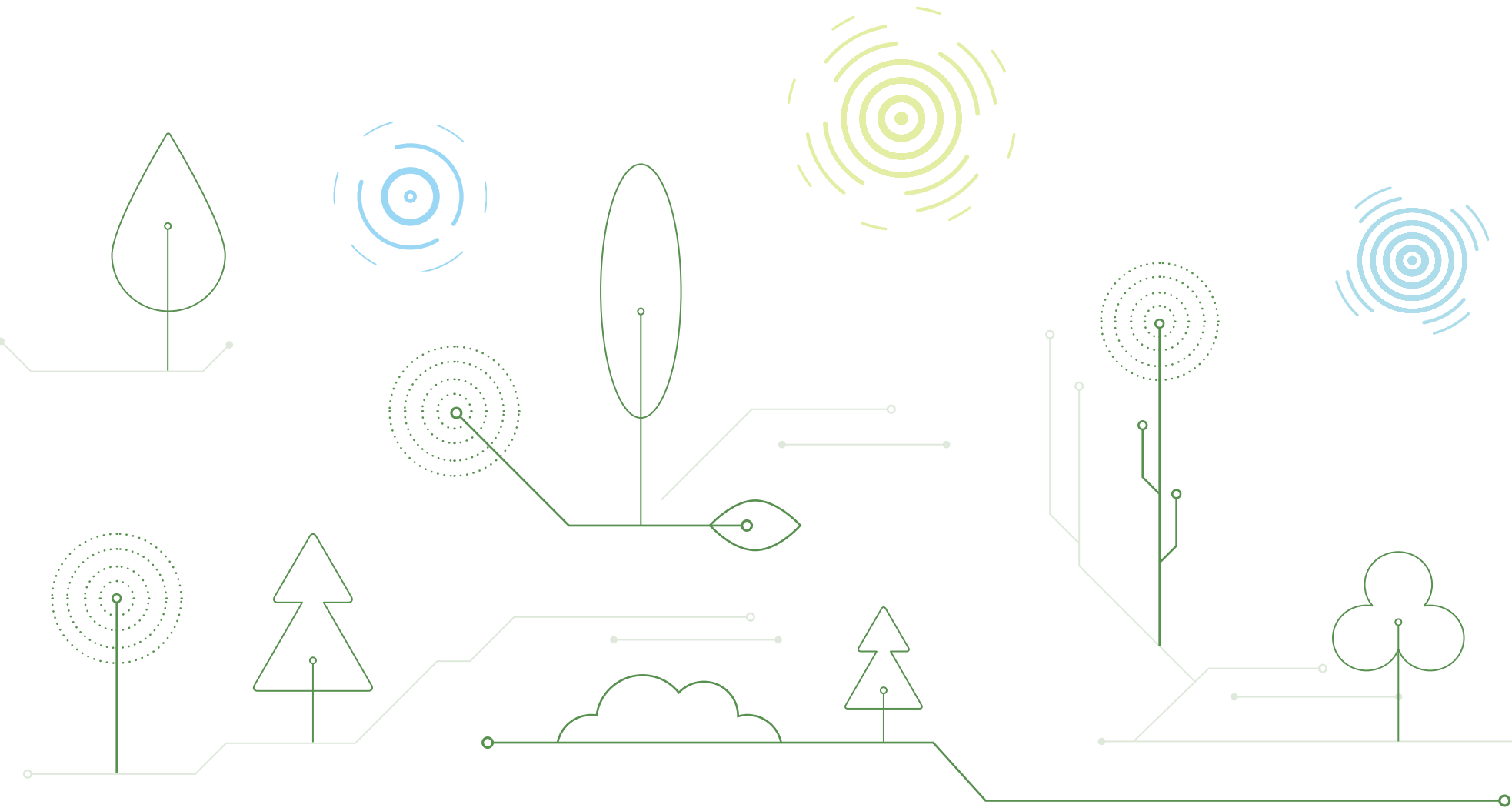
4.2.3 Human Rights Risk Identification Results

Sercomm regularly reviews human rights risks across operating sites and the supply chain through the Responsible Business Alliance (RBA) assessment mechanism. In 2025, Taipei Headquarters, Chunan Manufacturing Center, Suzhou Manufacturing Center, and the Philippines Manufacturing Center all completed the RBA Self-Assessment Questionnaire (SAQ) or the Validated Assessment Program (VAP).

Based on the assessment results, and in conjunction with international human rights standards and the HRDD mechanism, the Company identifies risks related to freely chosen employment, child labor and young workers, working hours, wages and benefits, anti-discrimination, and anti-harassment. Improvement plans and follow-up management are then implemented to continuously strengthen human rights management capabilities at each site and across the supply chain. The assessment results for each site are as follows:

2025 RBA SAQ and VAP Implementation Results

Site	SAQ Risk Rating	VAP
 Taipei Headquarters	Low	N/A
 Chunan Manufacturing Center	Low	Platinum
 Suzhou Manufacturing Center	Medium	Silver
 Philippines Manufacturing Center	Medium	Silver



In supply chain management, Sercomm requires suppliers to sign the Supplier's Code of Conduct Agreement, committing to comply with human rights-related requirements. Through supplier assessments and employee interviews, the Company reviews whether potential human rights risks exist. If risks are identified, Sercomm will continue to require improvements and track implementation status.

The Company has incorporated the SAQ and VAP results conducted at each operating site in accordance with RBA requirements into the human rights risk assessment mechanism, using them as the basis for identifying human rights risks at each site. Actual case data collected through grievance and reporting mechanisms is also cross-analyzed and verified to enhance the completeness and accuracy of risk identification. By integrating proactive risk assessments (RBA/ESG assessments) with passive information sources (grievance cases), the Company is gradually establishing an HRDD risk identification and management mechanism, and implements tiered management and continuous improvement based on risk severity and likelihood.

The following table summarizes the major human rights risk issues identified through the Company's internal risk assessment and the corresponding mitigation and remediation measures.

2025 Human Rights Risk Assessment and Management Table

Risk Issue and Definition	Potential Risk Impact	Sites with Potential Risks	Risk Mitigation	Risk Remediation
Responsible Recruitment Employers shall bear employment-related fees and shall not transfer such costs to workers.	If foreign migrant workers bear recruitment fees, this may lead to debt pressure, affect physical and mental health, and even create forced labor risks.	Supply Chain	» Plan to establish a Zero Recruitment Fee policy and incorporate it into supplier management. » Plan to distribute supplier zero recruitment fee questionnaires and commitment letters to suppliers to conduct risk assessments and identify high-risk suppliers.	If fees are found to have been borne by employees, suppliers will be required to fully reimburse the fees and improvement progress will be tracked.
Working Conditions and Fair Compensation Working hours shall comply with regulations and reasonable compensation shall be provided.	» Long-term excessive working hours affect health and productivity. » Failure to pay overtime wages in accordance with the law may affect employee rights and morale.	Taipei Headquarters Chunan Manufacturing Center	Establish working hours and overtime management systems, and regularly review shift scheduling and attendance records.	If violations are identified, wages will be retroactively paid in accordance with the law and the management mechanism will be reviewed.
Workplace Mistreatment and Bullying Employees are subject to inappropriate verbal or behavioral treatment that affects their dignity or work environment.	» Increased psychological stress among employees » Impact on organizational climate and retention rate » Reduced work efficiency	All sites	Implement anti-bullying policies and preventive measures against unlawful workplace infringement, including training and strengthening managerial competencies, while ensuring the effectiveness of grievance or reporting mechanisms.	Activate the grievance investigation mechanism and take disciplinary and counseling measures as appropriate.
Occupational Health and Employee Well-being Risks related to employees' physical and mental health and workplace safety.	» Mental health issues affect work capability and stability. » May lead to turnover or labor-management disputes.	Case-specific (specific employees)	Provide health management and employee care mechanisms, such as health consultation and psychological counseling.	Provide medical assistance, work adjustments, or return-to-work arrangements.

4.2.4 Grievance Mechanism and Remediation Measures

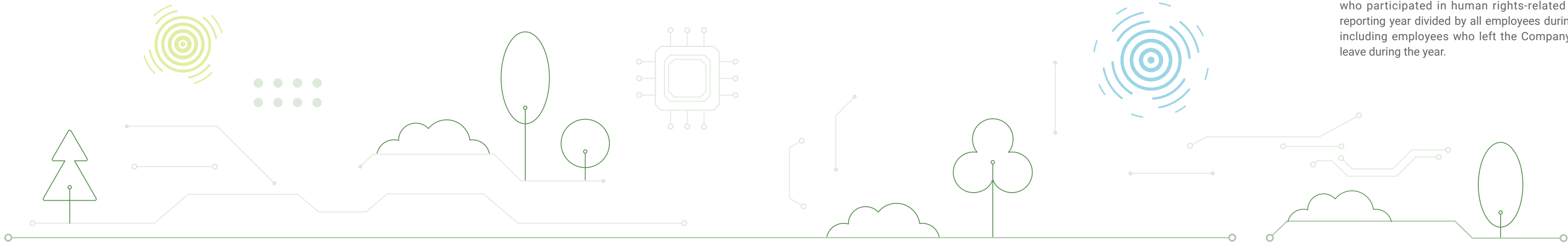
Sercomm has established standing grievance and reporting mechanisms. Employees, suppliers, and other stakeholders may report human rights issues involving unequal treatment, discrimination, harassment, or bullying through the hotline or e-mail (HR_Help@sercomm.com) or through the "Employee Care Mailbox" on the Company's internal website platform.

Relevant grievance cases are investigated and tracked by the Human Resources unit in accordance with the Group's Whistleblower Policy and site-level operating procedures. Protection measures are provided for the parties involved, and appropriate disciplinary actions are taken against those who violate regulations. The statistics and analysis of reported and grievance cases are also incorporated as an important basis for human rights risk assessment and management.

4.2.5 Human Rights Training and Implementation Results

Sercomm continues to promote human rights-related training and periodically provides human rights training for employees, managers, and internal auditors to enhance human rights awareness across the organization and create a friendly workplace. In 2025, 4,750 employees across the Group participated in human rights-related training, with a coverage rate of 72.12%, further deepening the culture of human rights management and strengthening organizational risk awareness.

Note:
The coverage rate is calculated as the total number of employees who participated in human rights-related training during the reporting year divided by all employees during the reporting year, including employees who left the Company or were on unpaid leave during the year.



4.3

Occupational Health and Safety Management

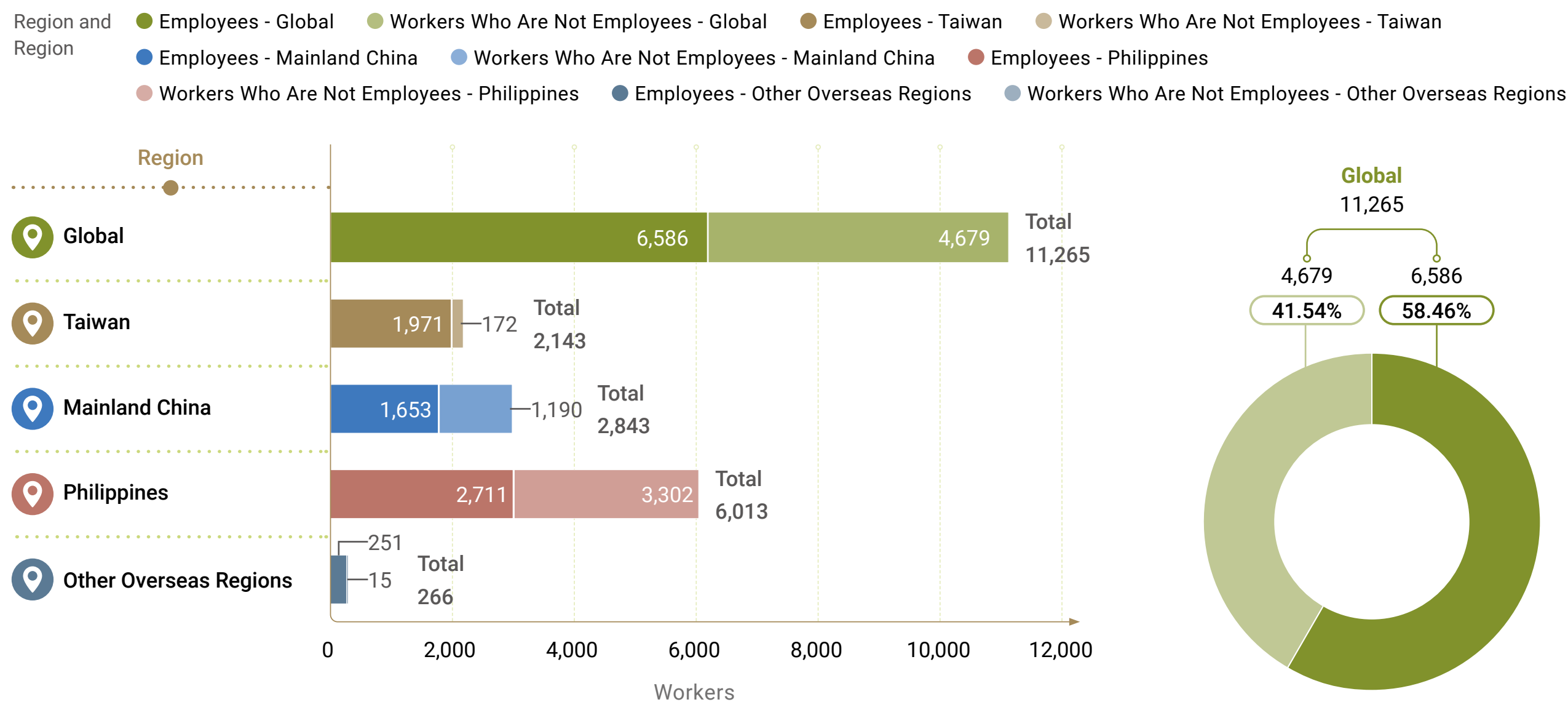
GRI: 403-1, 403-8

Sercomm regards employee safety and health as an important foundation of corporate sustainability. The Company has established occupational safety and health management systems at its operating sites in Taiwan, Mainland China, and the Philippines, and has designated dedicated management units staffed by qualified professionals to oversee policy planning, implementation, and supervision. These efforts are intended to continuously reduce workplace safety and health risks.

To strengthen its management systems, Sercomm's Taipei headquarters and major manufacturing sites have fully implemented the ISO 45001:2018 Occupational Health and Safety Management System and obtained third-party certification. Through regular reviews, continual improvement mechanisms, and the Plan-Do-Check-Act (PDCA) management cycle, the Company continues to enhance the effectiveness of its occupational safety and health management.

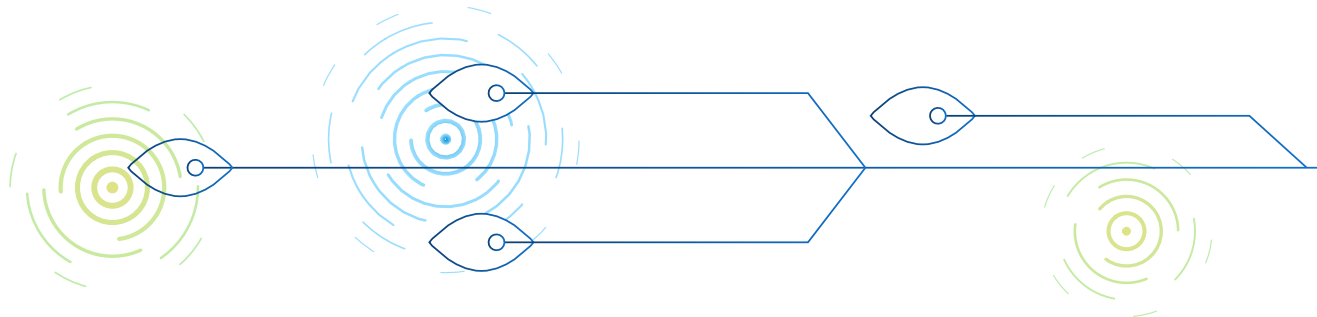
In 2025, a total of 14 non-conformities were identified through internal audits. All corrective actions were completed within the specified deadlines, demonstrating Sercomm's continued efforts to strengthen occupational safety and health management and implement its improvement mechanisms.

Percentage of Employees and Workers Who Are Not Employees Covered by the Occupational Health and Safety Management System in 2025



2025 Internal Audit Findings and Improvement Results

Region	Taiwan	Mainland China	Philippines	Total
Number of Findings	5	9	0	14
Finding Improvement Rate	100%	100%	N/A	100%



4.3.1 Occupational Health and Safety Committee

GRI: 403-4

Sercomm values employee safety and health and is committed to building a safe, healthy, and friendly workplace. To strengthen occupational health and safety governance, Occupational Health and Safety Committees have been established at operating sites in Taiwan, China, and the Philippines as important decision-making and communication platforms for safety and health management. The committees review and promote occupational safety, health, and related management matters, and ensure effective implementation of safety and health policies and measures through cross-departmental collaboration and supervision.



Committee Operations: The Occupational Health and Safety Committees convene at least once each quarter to regularly review occupational health and safety management performance and discuss relevant policies, management programs, and risk control measures, thereby continuously improving overall workplace safety management.



Worker Representative Participation: Worker representatives account for more than one-third of total committee members in Taiwan and Mainland China, ensuring that employee opinions are incorporated into discussions and decision-making on safety and health policies and promoting effective labor-management communication. In addition, the Company has established the Communication Management Procedure to collect opinions and suggestions from internal and external stakeholders through an institutionalized communication mechanism, and to respond to and improve issues related to workplace safety and employee rights.

Committee Composition and Operations

Operating Region	Taiwan	Mainland China	Philippines
Number of Committee Members	42	34	37
Number of Worker Representatives	19	18	5
Proportion of Worker Representatives	45%	53%	14%
Number of Meetings in 2025	8	12	12

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4.3.2 Hazard Identification and Risk Assessment



Sercomm is committed to establishing a people-centered safety defense system. Through the risk assessment mechanism under the ISO 45001 framework, the Company closely integrates hazard identification in the operating environment with employee health monitoring. In 2025, we further strengthened the linkage between risk data and health checkups to ensure precise control of high-risk operations.

∴ Systematic Risk Matrix Classification

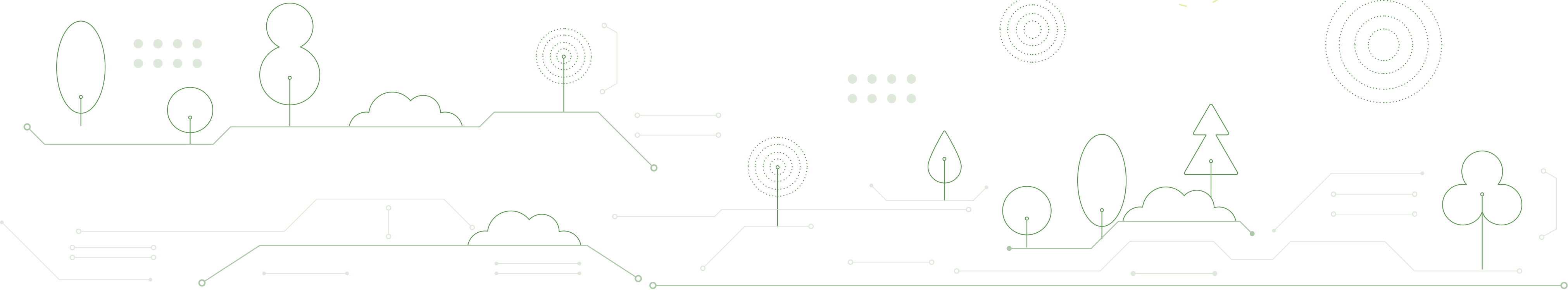
In accordance with the EHS Risk Identification and Assessment Management Procedure and the Hazard Identification and Risk Assessment Management Procedure, the Company dynamically identifies routine and non-routine operations across global sites. We adopt a risk matrix assessment model that comprehensively considers the likelihood and severity of hazards.

- **Risk Determination:** dentification results are classified into high, medium, and low risk levels.
- **Tiered Management:** High-risk items immediately trigger engineering improvements or administrative control measures and are included in annual key target tracking until the risk is reduced to an acceptable level.

∴ In-Depth Linkage between Risk Assessment and Employee Health Checkups

In 2025, we implemented horizontal linkage between risk identification results and employee health management plans to ensure that resources are accurately allocated to employee needs.

- **Precise Health Checkup Planning:** Based on specific hazard factors identified through the risk matrix, employees exposed to such operations are included in "special operation health checkups" during annual health examinations to implement preventive medicine.
- **Multi-site Health Tracking:** As planned in our annual health checkup program, each site maintains high-frequency monitoring once every two years. This corresponds to the relevant risk assessment results in the production environment and ensures timely monitoring and feedback of employee health data.



∴ Professional Training and Protection of the Right to Withdraw

To ensure the accuracy of risk assessments, personnel involved are required to receive relevant professional training, and the quality of hazard identification is incorporated into internal control procedures. At the same time, we continue to promote the "right to retreat" system in the Occupational Health and Safety Management Manual.

- **Immediate Right to Retreat:** If employees identify conditions in the workplace that endanger safety or health, they may immediately stop work and leave the site. This right is protected by Company policy, and employees will not be subject to any form of disciplinary action for exercising a legitimate right to retreat.

2025 Risk Identification Statistics by Region

Region	Number of Identified Risk Items	Improvement Completion Rate
Taiwan	384	100%
Mainland China	2,897	100%
Philippines	364	100%
Total	3,645	100%





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4.3.3 Incident Investigation



Sercomm implements a precise incident management mechanism to ensure that every abnormal event is transformed into concrete measures for strengthening workplace safety through systematic investigation and analysis. In 2025, we continued to optimize the incident investigation process and conducted in-depth root-cause tracing for all potential risks to substantively protect employee lives.

∴ Incident Reporting and Investigation Initiation Mechanism

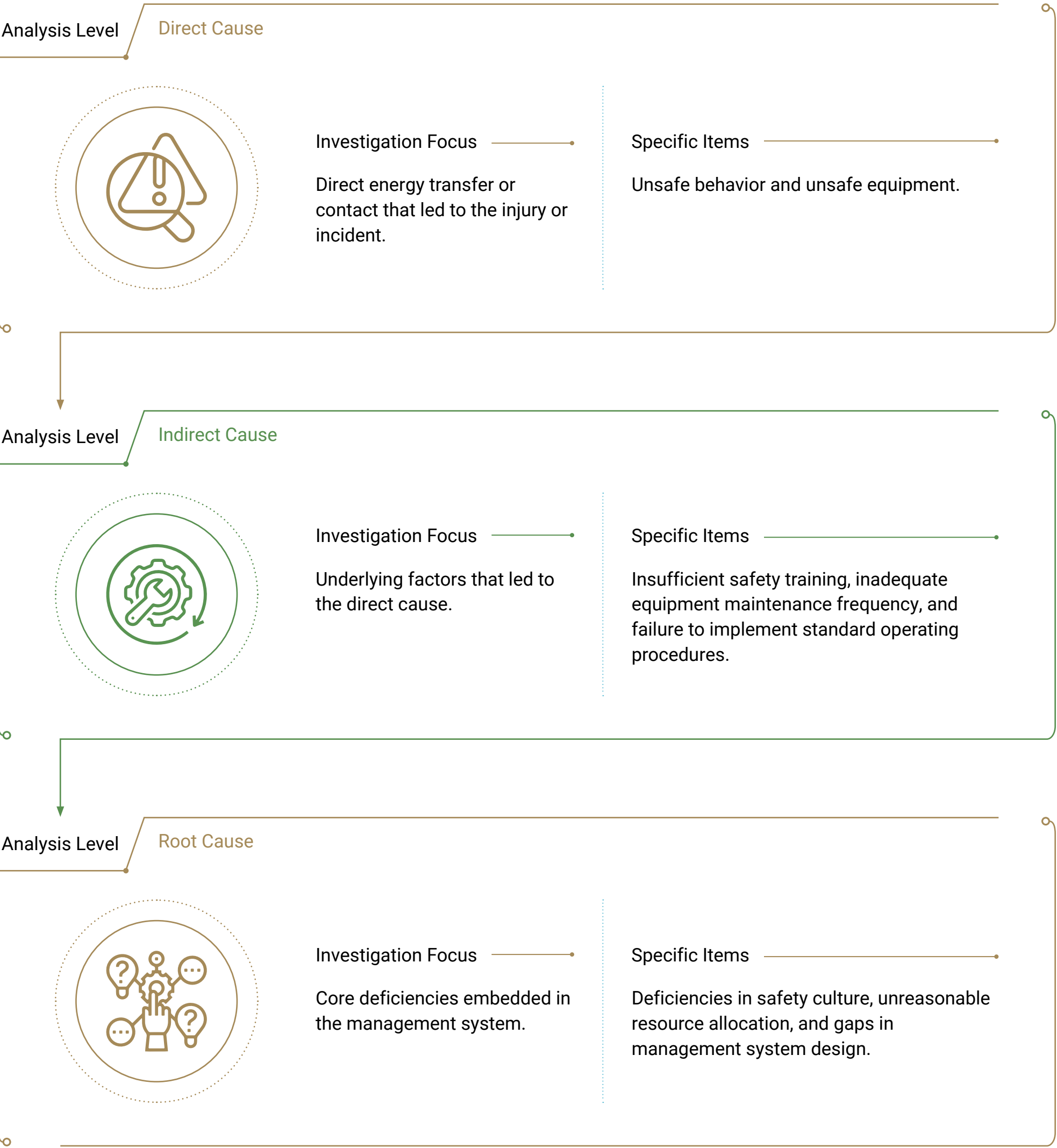
The Company has established a standardized investigation system across global operating sites, covering immediate investigations of various abnormal conditions to ensure complete documentation of facts. Through cross-departmental collaboration and on-site data collection, the Company maintains rigorous monitoring of the operating environment and potential hazards.

Fact Clarification: After an incident occurs, occupational safety personnel and unit supervisors form an investigation team to accurately understand the course of the incident, environmental parameters, and operating conditions on site as the scientific basis for subsequent cause analysis.



∴ In-Depth Root Cause Analysis

In 2025, we strengthened the classification and root-cause tracing logic for incident causes, rigorously dividing the analysis framework into three levels to ensure that countermeasures can precisely eliminate risk sources.



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∴ Recurrence Prevention Measures and Follow-Up

Based on the above three levels of in-depth analysis, Sercomm develops specific and feasible corrective actions to prevent similar incidents from recurring:

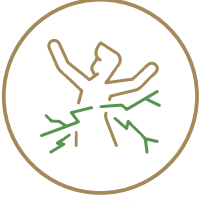
- 

Development of corrective actions: Protective measures are strengthened to address direct causes, while management systems and training programs are revised to address indirect and root causes.
- 

Implementation and verification: All corrective actions are implemented by the responsible units in accordance with internal procedures. Occupational safety and health personnel subsequently conduct closure verification to confirm that all protective measures have been properly implemented and to further strengthen the inherent safety of the work environment.
- 

The three improvement items in the Philippines that remained incomplete in 2025 (with a completion rate of 43%) will be included in follow-up management and are expected to undergo continued improvement in 2026.

2025 incidents and improvement progress are as follows:

	Region	Recordable Incidents	Main Incident Types	Corrective Action Rate
	Taiwan	7	Falls, caught-in or caught-between injuries, etc.	100%
	Mainland China	0	—	N/A
	Philippines	7	Punctures, cuts, abrasions, struck-by injuries, foreign objects entering the body, etc.	42.86%
	Total	14	—	71.43%

— Incident Risk Identification Process



4.3.4 Occupational Health and Safety Training

 GRI: 403-4, 403-5

Sercomm believes that safety awareness is the first line of defense in preventing occupational injuries and is committed to strengthening workplace health and safety knowledge and emergency response capabilities among employees worldwide. In 2025, in addition to strictly complying with regulations at each operating site, we established a comprehensive and multi-level training system based on actual operational needs and risk assessment results.

∴ Global Training Implementation and Localized Execution

The Company conducts diverse safety and health courses for new and existing employees at major operating sites in Taiwan, China, and the Philippines. To ensure training quality and clear communication, all training is conducted in local languages or the native languages of non-local employees, reflecting the Company's respect for diverse groups and communication efficiency.

Key training items in 2025:

- 

Professional Skills and Protection: Covers hazard communication, electrostatic discharge protection, chemical spill response, and correct use of respiratory protective equipment.
- 

Management and Compliance: Implements occupational health and safety training for supervisors and current employees, specialized training for Occupational Health and Safety Committee members, and refresher training for professional licenses required by regulations, such as occupational safety management personnel, first aid personnel, and supervisors of organic solvent operations.
- 

Emergency Response and First Aid: Taipei Headquarters cooperates with the park to conduct annual fire evacuation drills and organizes practical CPR and AED first-aid courses. Each plant also conducts emergency response and fire drills.
- 

Forward-looking Safety Education: Dedicated safety education courses are developed in parallel with the introduction of new equipment and new process technologies each year to ensure operational risks are effectively controlled before launch.



∴ Diversified Workplace Safety Communication Mechanism

In addition to structured courses, the Company strengthens its safety culture through daily communication. Taipei Headquarters regularly issues occupational health and safety communications on common occupational safety risks, prevention of seasonal infectious diseases, and workplace ergonomics. Through continuous information dissemination, health and safety awareness is embedded into employees' daily work habits to achieve proactive prevention.

∴ Training Effectiveness Evaluation and Quantitative Performance

We emphasize that **training is not only about participation, but also internalization**. All health and safety courses include post-course tests or practical assessments, using quantitative data to evaluate participants' mastery of knowledge and ensure substantive training impact.

2025 Global Occupational Safety Training Statistics



Cumulative Training
Participants

8,006
participants



Total Training
Hours

8,056
hours



∴ Continuous Optimization and Commitment

Through continuous educational efforts, Sercomm has successfully built a safety culture of full participation. Moving forward, we will continue to revise training content on a rolling basis, incorporate the latest international occupational safety trends and lessons from incident investigations into teaching materials, and ensure that every employee can fully apply their expertise with adequate safety knowledge.

Note:

The statistical scope covers Taiwan, Mainland China, the Philippines, and other overseas regions.



Taipei Headquarters conducted a fire drill with a nearby fire department.



Taipei Headquarters regularly issued occupational safety and health communications.



4.3.5 Workplace Health Management and Promotion

GRI: 403-3, 403-6, 403-7

Sercomm is committed to building a people-centered corporate safety culture. Through a systematic workplace health management framework covering health promotion, occupational medicine programs, and medical case management, the Company actively creates a work environment that supports employees' physical and mental health and fulfills its long-term commitment to employee health.

∴ Professional Health Support and Diversified Promotion Measures

In health management, we continue to promote diverse health promotion programs to enhance employees' health awareness and physical and mental care capabilities.

Diverse Health Programs: In 2025, we regularly organized health seminars, stress management courses, and physical and mental relaxation activities. In particular, we added a "shoulder and neck stress-relief service" this year, using professional massage services to help employees relieve muscle fatigue and work-related stress, thereby enhancing workplace well-being and work efficiency.

On-site Medical and Nursing Support: By integrating internal and external professional resources, occupational nurses are stationed at plants to provide immediate health consultation and follow-up services. The Company also works with contracted occupational medicine physicians to conduct regular on-site inspections and health risk assessments, strengthening the overall preventive healthcare system.

∴ Occupational Safety Programs and Fitness-for-Work Management

For workplace safety and employees' physical and mental fitness for work, Sercomm strictly implements occupational safety programs to ensure that every worker is in the most suitable working environment.

Follow-up and support for abnormal health findings: When an employee's health examination results indicate abnormalities or the employee proactively reports physical discomfort, Sercomm initiates individual case follow-up in accordance with the Worker Health Service Plan. Through physician consultations and assessments, the Company implements appropriate job placement and provides health promotion guidance to safeguard employees' health and employment rights.

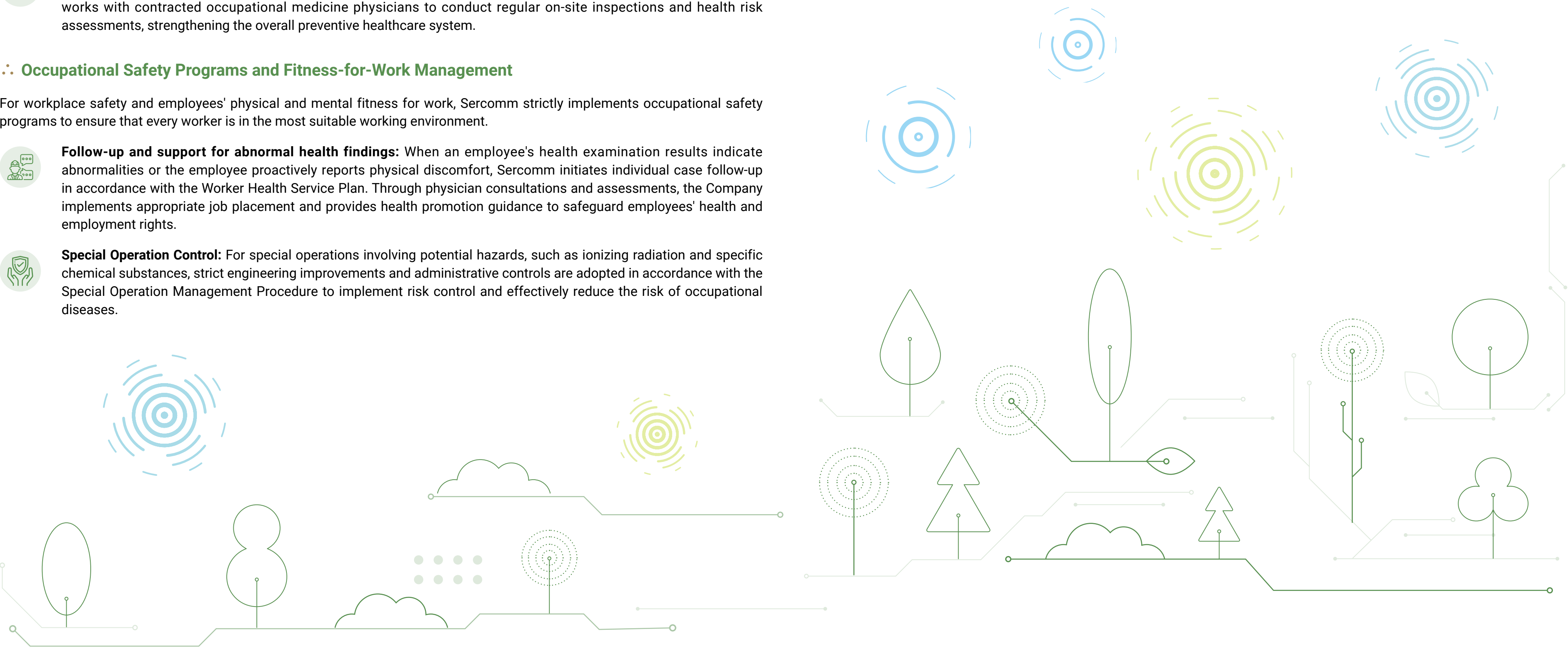
Special Operation Control: For special operations involving potential hazards, such as ionizing radiation and specific chemical substances, strict engineering improvements and administrative controls are adopted in accordance with the Special Operation Management Procedure to implement risk control and effectively reduce the risk of occupational diseases.

∴ Medical Information Security and Privacy Protection

Sercomm also values employees' personal privacy and data security in healthcare information management.

Digital Secure Storage: Electronic health checkup reports are stored on encrypted dedicated computer equipment in compliance with the Company's information security requirements, with access privileges strictly controlled.

Physical Data Management: Paper reports and nursing records are centrally stored by occupational nurses in locked cabinets, with keys managed by designated personnel to ensure the confidentiality, integrity, and availability of health data.



∴ Commitment to a Sustainable Workplace

Through integrated healthcare and safety measures, Sercomm not only safeguards the well-being of employees and partners, but also demonstrates the practice of social responsibility through transparent information disclosure. We will continue to optimize the workplace environment and create a safe, secure, and sustainably vibrant workplace for employees.

2025 Workplace Health Management Implementation Results



Health Management

Health checkups for new employees, regular health checkups for current employees, and special health examinations

New Employee Health Checkups

In 2025, a total of 2,099 new employees were required to undergo health examinations. The examination reports for 24 employees had not yet been received because they had been employed for less than one month. Accordingly, the health examination completion rate for new employees in 2025 was 99%.

Completion rate

99%

Current Employee Health Checkups

Regular health checkups are an important employee benefit at Sercomm. In principle, all Group employees receive at least one health checkup every two years. In 2025, the implementation rate of health checkups across all sites was 100%.

Implementation rate

100%

Special Health Examinations

A total of 103 Sercomm employees completed special health examinations, with a completion rate of 100%.

Completion rate

100%



Occupational Safety Program

Prevention of overwork-related health risks, prevention of ergonomic hazards, maternity protection, prevention of workplace violence and unlawful infringement, and job accommodation for middle-aged and older workers.

Implementation Results and Performance of Occupational Safety Programs

Risk assessments were conducted for the five occupational safety program topics. The assessment results for Taipei Headquarters and Chunan Manufacturing Center were all Level 1 to Level 2 (low risk). Response rates for all preventive measures reached 100%.

Related risks remained stable and under control, and corresponding preventive and improvement measures were adopted based on assessment results, including discussions with supervisors and implementation of ergonomic hazard improvements, as well as strengthening maternal protection measures through interviews and notification mechanisms.

Response rates

100%

Strengthening the Prevention Mechanism for Unlawful Workplace Infringement in Response to Regulations

In 2025, in response to the Ministry of Labor's Guidelines for Preventing Unlawful Infringement in the Performance of Duties (Fourth Edition), Taipei Headquarters revised its operating procedures and updated related management forms to improve hazard identification and reporting processes, fulfilling regulatory compliance and the commitment to a friendly workplace.



Health Care

Health service programs, clinic case handling and injury/illness statistical analysis, on-site occupational physician services, and health communication/promotion

2025 Core Indicators:

- » Clinic injury and illness case closure rate: **93.75%**.
- » Total occupational physician consultations: **250**.
- » Health communication/promotion sessions: **22**.

2025 Performance Highlights (Chunan Manufacturing Center):

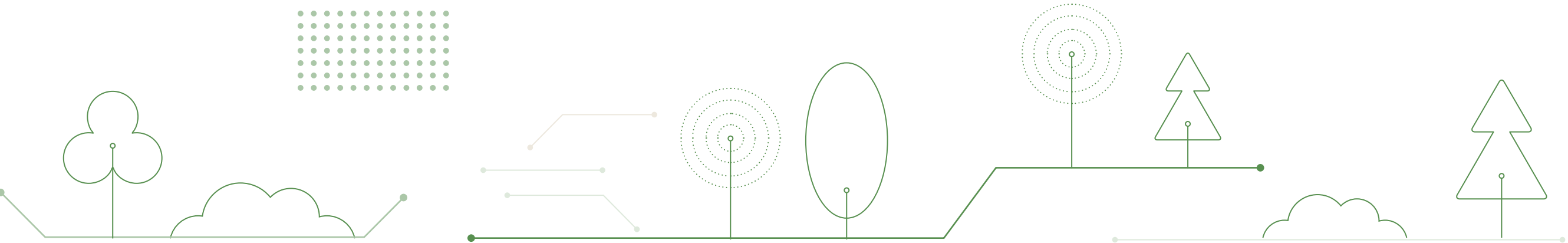
- » Influenza vaccination: Participation rate of **97.60%**.
- » Employee weight-loss program: 30 participants completed the program, with total weight loss of **50.9 kg** (average of 1.7 kg per person).

In 2025, multiple seminars were held on key topics including:

- » First aid skills: In-person CPR + AED courses.
- » Digital health: Smart use of 3C devices, eye care, and prevention of hand disorders.
- » Lifestyle: Nutrition management for dining out, better sleep, aromatherapy, and healthy living seminars.
- » Mental health: Workplace stress relief and emotional adjustment.

In 2025, the Company actively disseminated health education information through digital video platforms and bulletin boards and organized public welfare activities, including:

- » Disease Prevention: Information on enterovirus, shingles, tetanus, differentiation between influenza and the common cold, and dry eye prevention.
- » Community Care: A blood donation campaign was organized as part of the Company's health promotion activities.





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4.3.6 Occupational Health and Safety Statistics

 **GRI: 403-9, 403-10**

∴ Sercomm Employees

Sercomm implements occupational injury prevention and actively improves operational safety across global sites. Through comprehensive prevention mechanisms, the Company continues to optimize the work environment. Moving forward, we will continue promoting a safety culture to ensure that every worker's operational safety is fully protected.

For recordable occupational injuries, a total of 14 occupational injury cases occurred in 2025 (employees: 8 cases; workers who are not employees: 6 cases).

Employee occupational injuries were distributed as follows:

- » Taiwan: 7 cases.
- » Mainland China: 0 cases.
- » Philippines: 1 case.
- » The main types included falls, entanglement, crushing, puncture wounds, cuts, abrasions, and being struck.

For each occupational injury case, the Company initiated standardized investigations and root-cause analysis. Responsible units implemented preventive measures, including environmental improvements, enhanced facility protection, procedure optimization, and further enhancement of personnel competencies. Through case sharing and preventive safety education, we are committed to deepening risk identification and autonomous management mechanisms at each plant and preventing recurrence from the system level.

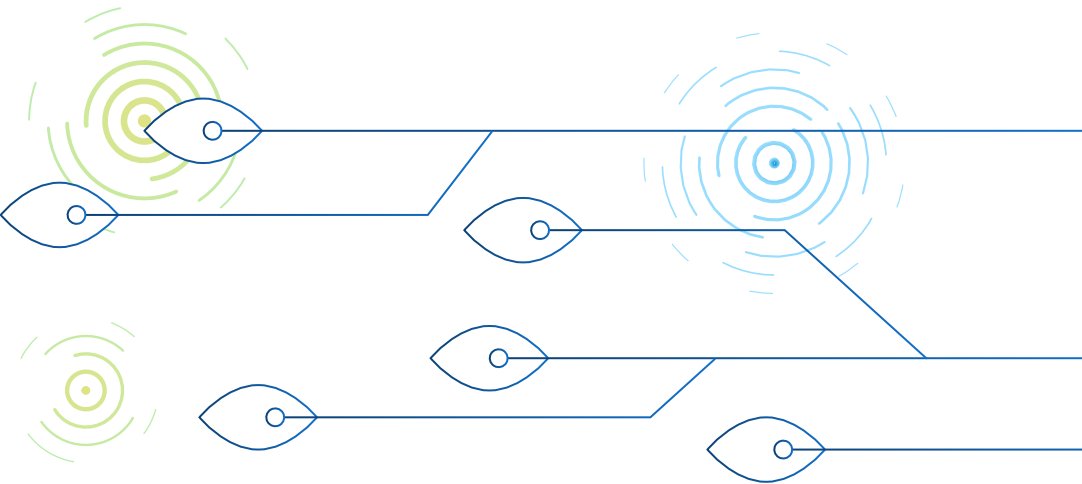


Work-Related Injury Statistics for Sercomm Employees

Item	Taiwan	Mainland China	Philippines	Total
Number of Occupational Injury Fatalities	0	0	0	0
Occupational Injury Fatality Rate	0.00	0.00	0.00	0.00
Number of Serious Occupational Injuries	0	0	0	0
Serious Occupational Injury Rate	0.00	0.00	0.00	0.00
Number of Recordable Occupational Injuries	7	0	1	8
Recordable Occupational Injury Rate	1.9	0.00	0.20	0.68
Number of Disabling Injuries	3	0	1	4
Disabling Injury Frequency Rate (FR)	1	0	0.20	0.34
Lost Days Due to Disabling Injuries	40	0	84	124
Disabling Injury Severity Rate (SR)	11	0	16.99	10.15

Occupational Illness Statistics for Employees

Item	Taiwan	Mainland China	Philippines	Total
Number of Fatalities Resulting from Occupational Illness	0	0	0	0
Rate of Fatalities Resulting from Occupational Illness	0.00	0.00	0.00	0.00
Number of Recordable Occupational Illness Cases	0	0	0	0



- Note:
- 01. The data in this table excludes commuting accidents.
 - 02. Occupational injury fatality rate: (Number of fatalities / Total working hours) × 1,000,000.
 - 03. Number of high-consequence work-related injuries: Cases in which the injured person had not recovered within six months.
 - 04. High-consequence work-related injury rate: (Number of high-consequence injuries / Total working hours) × 1,000,000 (excluding fatalities).
 - 05. Recordable work-related injury rate: (Number of recordable injuries / Total working hours) × 1,000,000.
 - 06. Number of disabling injuries: The total number of persons who died, lost physical capacity, or required temporary leave and were unable to continue working due to occupational accidents (excluding permanent disabilities), with lost working time of one day or more. The total number of disabling injuries includes fatalities, permanent total disabilities, permanent partial disabilities, and temporary total disabilities.
 - 07. Disabling Injury Frequency Rate (FR): The total number of disabling injuries per one million working hours. Formula: (Number of disabling injuries / Total working hours) × 1,000,000.
 - 08. Disabling Injury Severity Rate (SR): The total number of lost days due to disabling injuries per one million working hours. Formula: (Total number of work injury leave days caused by disabling injuries / Total working hours) × 1,000,000.
 - 09. The calculation methodology for the subsequent occupational injury statistics for workers who are not employees is the same as that used in this table.
 - 10. Total hours worked by employees: 11,796,869 hours.

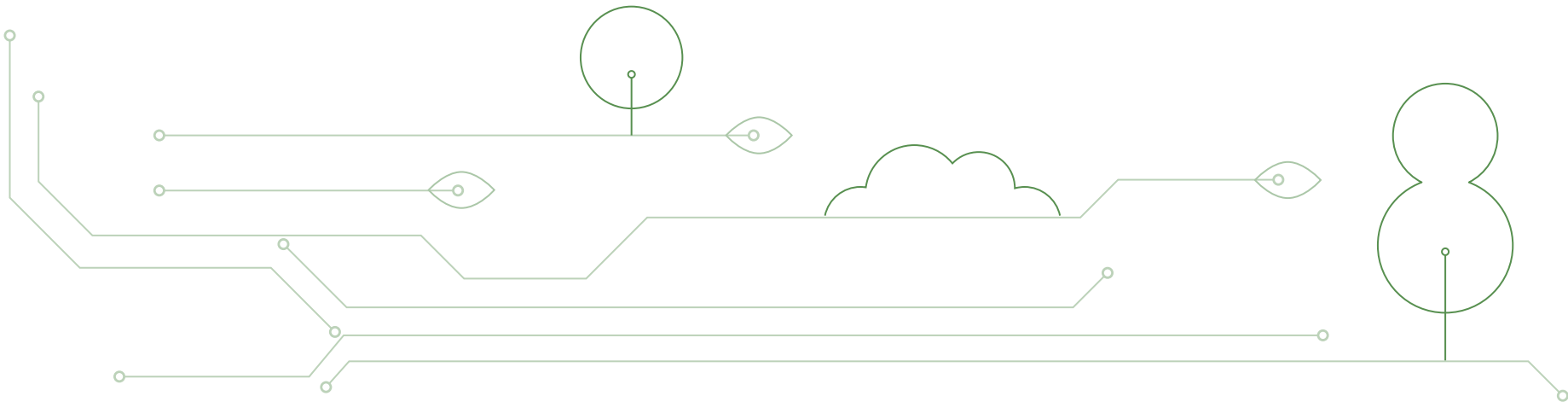
- Note:
- 01. Rate of fatalities resulting from occupational illness = Number of fatalities resulting from occupational illness ÷ Total hours worked × 1,000,000.
 - 02. The calculation methodology for the subsequent occupational illness statistics for workers who are not employees is the same as that used in this table.

∴ Workers Who Are Not Employees

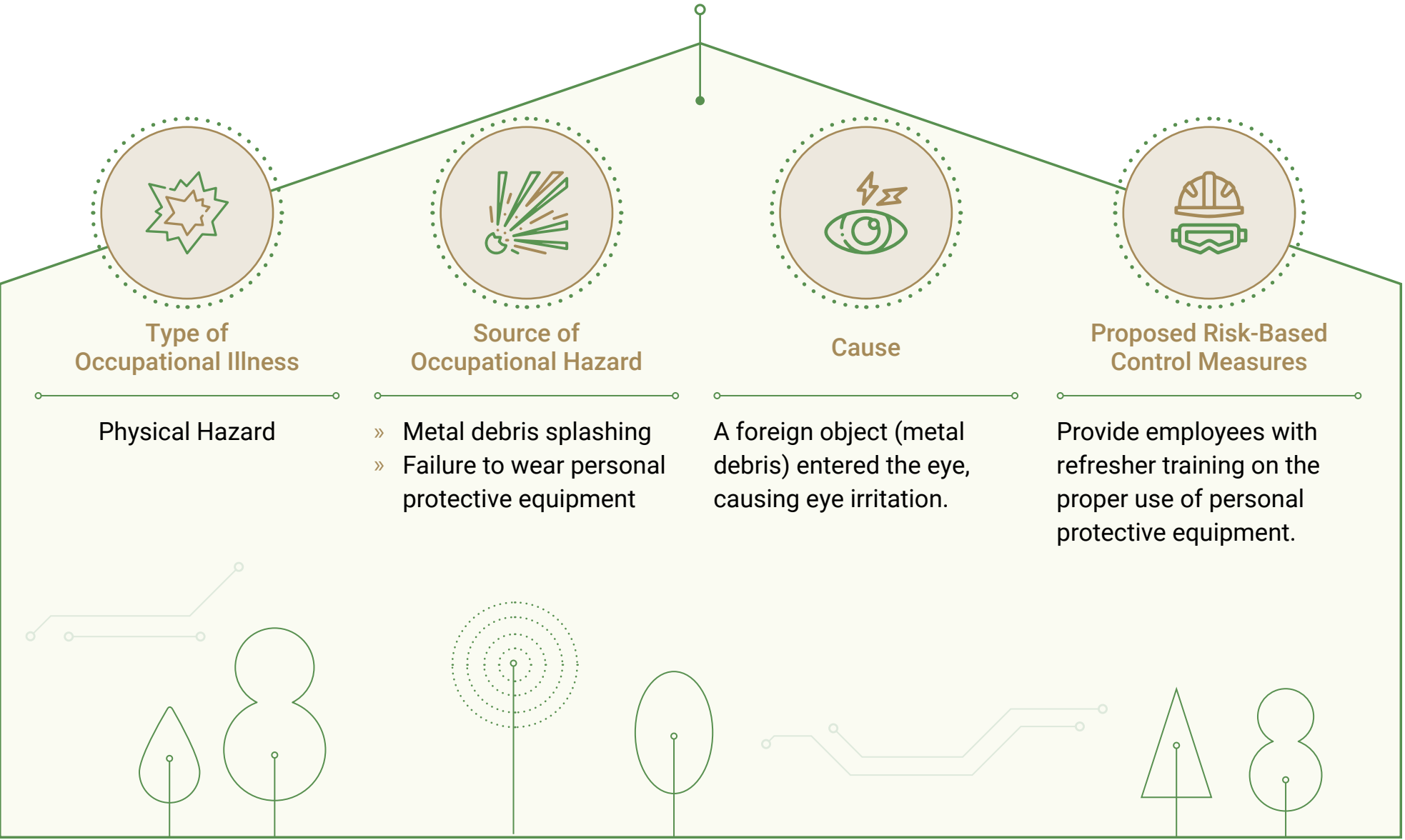
In 2025, a total of six recordable work-related injuries involving workers who are not employees were reported globally. The types of injury included punctures, cuts, abrasions, being struck by objects, and foreign objects entering the eye. For each work-related injury case, Sercomm conducts a root cause analysis and updates preventive measures on an ongoing basis. The Company also strengthens site-entry safety briefings, risk communication mechanisms, safety awareness, and on-site safety supervision.

Work-Related Injury Statistics for Workers Who Are Not Employees

Item	Taiwan	Mainland China	Philippines	Total
Number of Occupational Injury Fatalities	0	0	0	0
Occupational Injury Fatality Rate	0.00	0.00	0.00	0.00
Number of Serious Occupational Injuries	0	0	1	1
Serious Occupational Injury Rate	0.00	0.00	0.09	0.07
Number of Recordable Occupational Injuries	0	0	6	6
Recordable Occupational Injury Rate	0.00	0.00	0.51	0.40
Number of Disabling Injuries	0	0	1	1
Disabling Injury Frequency Rate (FR)	0.00	0.00	0.09	0.07
Lost Days Due to Disabling Injuries	0	0	84	84
Disabling Injury Severity Rate (SR)	0.00	0.00	7.16	5.62



In 2025, one case of occupational illness involving a worker who was not an employee was reported. The case was classified as a physical hazard and involved a foreign object entering the worker's eye in the work environment. In response, the Company strengthened control measures in accordance with its risk classification principles to reduce occupational illness risks and safeguard the health and safety of all workers. Details are provided in the following table.



Occupational Illness Statistics for Workers Who Are Not Employees

Item	Taiwan	Mainland China	Philippines	Total
Number of Fatalities Resulting from Occupational Illness	0	0	0	0
Rate of Fatalities Resulting from Occupational Illness	0.00	0.00	0.00	0.00
Number of Recordable Occupational Illness Cases	0	0	1	1

Note:
01. Rate of fatalities resulting from occupational illness = Number of fatalities resulting from occupational illness ÷ Total hours worked × 1,000,000.
02. The calculation methodology for the subsequent occupational illness statistics for workers who are not employees is the same as that used in this table.
03. Total hours worked by workers who are not employees: 14,946,977 hours.

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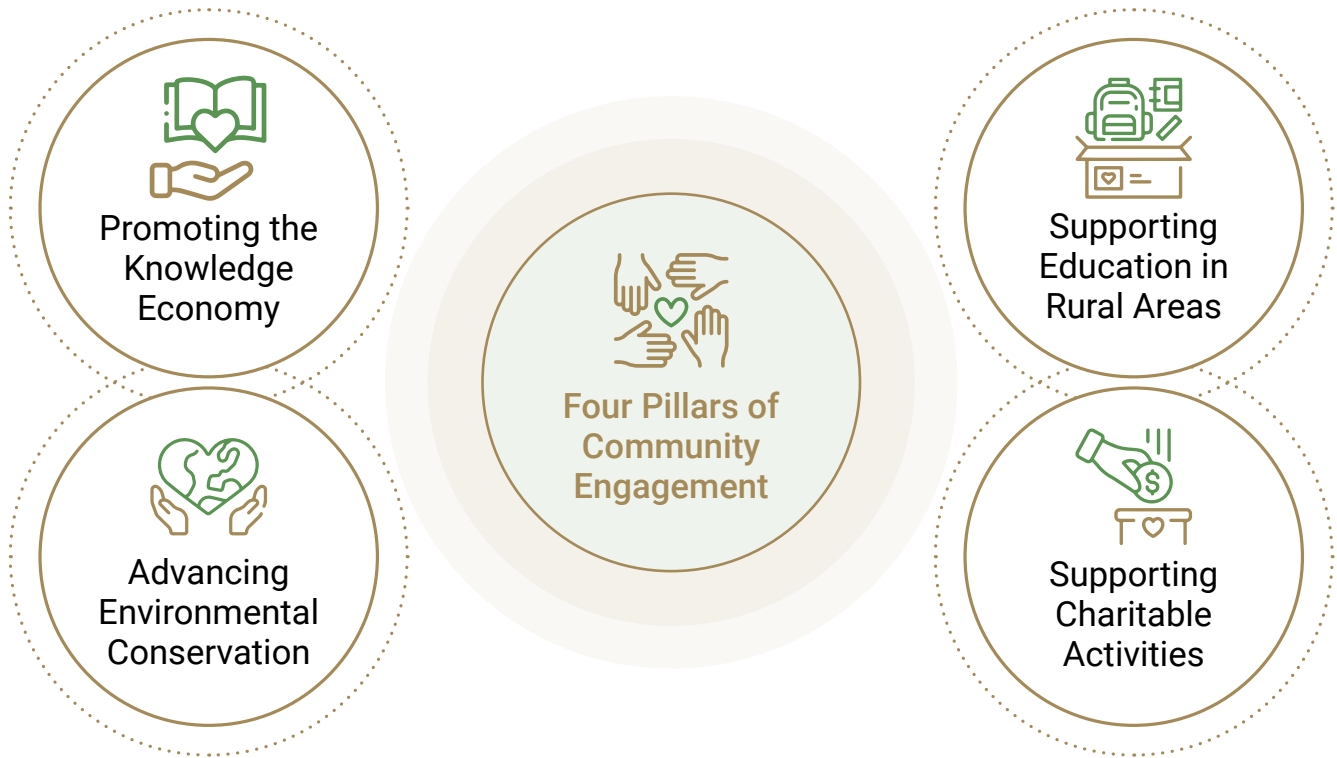
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4.4 Community Engagement and Charitable Contributions

GRI: 413-1

4.4.1 Community Investment Strategy



Sercomm has long recognized the connection between corporate operations and social development. The Company has established four pillars for its social engagement: promoting the knowledge economy, supporting education in rural areas, advancing environmental conservation, and supporting charitable activities. Through resource contributions, charitable participation, and stakeholder collaboration, Sercomm seeks to support educational equity, knowledge sharing, environmental protection, and care for disadvantaged groups. In doing so, the Company gives back to society using the resources accumulated through its growth and gradually expands its positive impact.

In implementing these initiatives, Sercomm combines employee participation with cross-functional collaboration and continues to engage in community care and charitable activities. By working with external charitable organizations, schools in rural areas, and other relevant entities, the Company directs its resources toward specific social needs. Sercomm provides regular annual donations to charitable organizations and schools in rural areas to support initiatives related to care for disadvantaged groups, educational resources, and community development.

In addition, Sercomm has established the Sercomm Scholarship, under which research and development managers nominate students who demonstrate strong academic performance and learning potential. Financial assistance is provided to encourage them to continue their studies. In addition to helping students from relatively disadvantaged economic backgrounds alleviate the financial burden of education, the scholarship program seeks to cultivate young talent with development potential through long-term educational support.

Going forward, Sercomm will continue to follow its four pillars of social engagement and combine corporate resources, employee participation, and external collaboration to advance charitable initiatives with continuity and tangible benefits. Through these efforts, the Company aims to respond to the needs of communities, the education sector, and disadvantaged groups, while further strengthening the positive connection between business and society.

4.4.2 Community Investment Performance

2025 Results

Sercomm actively fulfills its corporate social responsibility. In the area of social engagement, the Company connects employee participation through initiatives addressing a range of themes, translating environmental protection and social responsibility into action and demonstrating its commitment to sustainability. In addition to the diverse charitable and community engagement activities continuously carried out across its operating locations, the following section highlights representative social engagement initiatives undertaken in 2025 as a summary of the Company's community investment performance for the year.

2025/10/31



Activity Name

Taipei Headquarters-Reserved Movie Screening

Activity Summary

Supported the development of local arts and cultural activities by holding a pop-up movie screening on the premiere day of the Taiwanese film "Daughter's Daughter," inviting employees to participate in cultural activities and, through the film's themes, promoting attention to women's growth, diverse life experiences, and cultural creativity.

Activity Results

Held a pop-up movie screening to support Taiwanese films and local arts and culture.

SDGs

5 GENDER EQUALITY



11 SUSTAINABLE CITIES AND COMMUNITIES



2025/10/02, 10/17



Activity Name

Taipei Headquarters and Chunan Manufacturing Center – Support for Disadvantaged Groups

Activity Summary

To fulfill corporate care and social inclusion, Sercomm continues to address the needs of disadvantaged groups and share warmth through festive activities and material support. In 2025, Sercomm invited persons with disabilities from the Yu-Cheng Social Welfare Foundation to participate in the Nankang Software Park Christmas Fair, promoting employees' understanding and respect for diverse groups. During the Mid-Autumn Festival, the Company also donated gift boxes to the Miaoli branch of the Taiwan Fund for Children and Families, extending holiday blessings to families in need. Through practical actions, Sercomm aims to unite corporate and employee efforts to support a friendly, inclusive, and mutually supportive society.

Activity Results

- » Donated fair coupons worth NT\$8,000.
- » Donated 40 Mid-Autumn Festival gift boxes.

SDGs

10 REDUCED INEQUALITIES



17 PARTNERSHIPS FOR THE GOALS



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Activity Name Taipei Headquarters-Blood Donation Activity

Activity Summary

Concerned about the stable supply of medical resources, the Company organizes blood donation activities every year and actively encourages employees to participate. Through practical action, care is transformed into concrete contributions, demonstrating corporate social responsibility and effectively helping the healthcare system replenish blood bank inventory to provide timely support for patients in urgent need of blood, enabling more lives to continue and recover.

Activity Results

A total of **47** employees participated, donating **18,000** cc of blood.

SDGs



Activity Name Chunan Manufacturing Center-Clean Homeland

Activity Summary

Encouraged employees to participate in environmental cleanup activities and engage directly in community service outside the office. By collecting waste from roads and neighborhood environments around the Company, employees improved the quality of the living environment and strengthened their identification with and responsibility for the local community, jointly creating a clean and livable living space.

Activity Results

A total of **17** employees participated, collecting nearly **20** kg of waste.

SDGs



Activity Name Taipei Headquarters-Canoe River Cleanup

Activity Summary

Integrated environmental protection with team building by organizing a Canoe River Cleanup activity, enhancing employees' environmental awareness and teamwork capabilities. The activity was held at the estuary of Shuangxi River, where professional coaches guided employees in teams to operate canoes. Through water-based tasks, participants developed coordination and cooperation. Employees also paddled to riverbank areas that are difficult to access on foot to collect waste, taking practical action to protect aquatic ecosystems and contribute to environmental sustainability.

Activity Results

A total of **123** employees and family members participated, removing more than **70** kg of riverbank waste.

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Activity Name U.S. Subsidiary – MANNA Medical Nutrition Meal Volunteer Service

Activity Summary

Participated in volunteer service with MANNA (Metropolitan Area Neighborhood Nutrition Alliance), assisting in preparing, packaging, and organizing medically tailored meals for people in the Philadelphia area with serious illnesses and nutritional care needs. Through practical action, the Company supported community health and care for vulnerable groups, ensuring that meals delivered not only nutrition but also care, dignity, and hope.

Activity Results

Employees served as volunteers in the MANNA kitchen, assisting in preparing and packaging medically tailored meals.

SDGs



Activity Name U.S. Subsidiary – The Gathering Place Community Meal Service

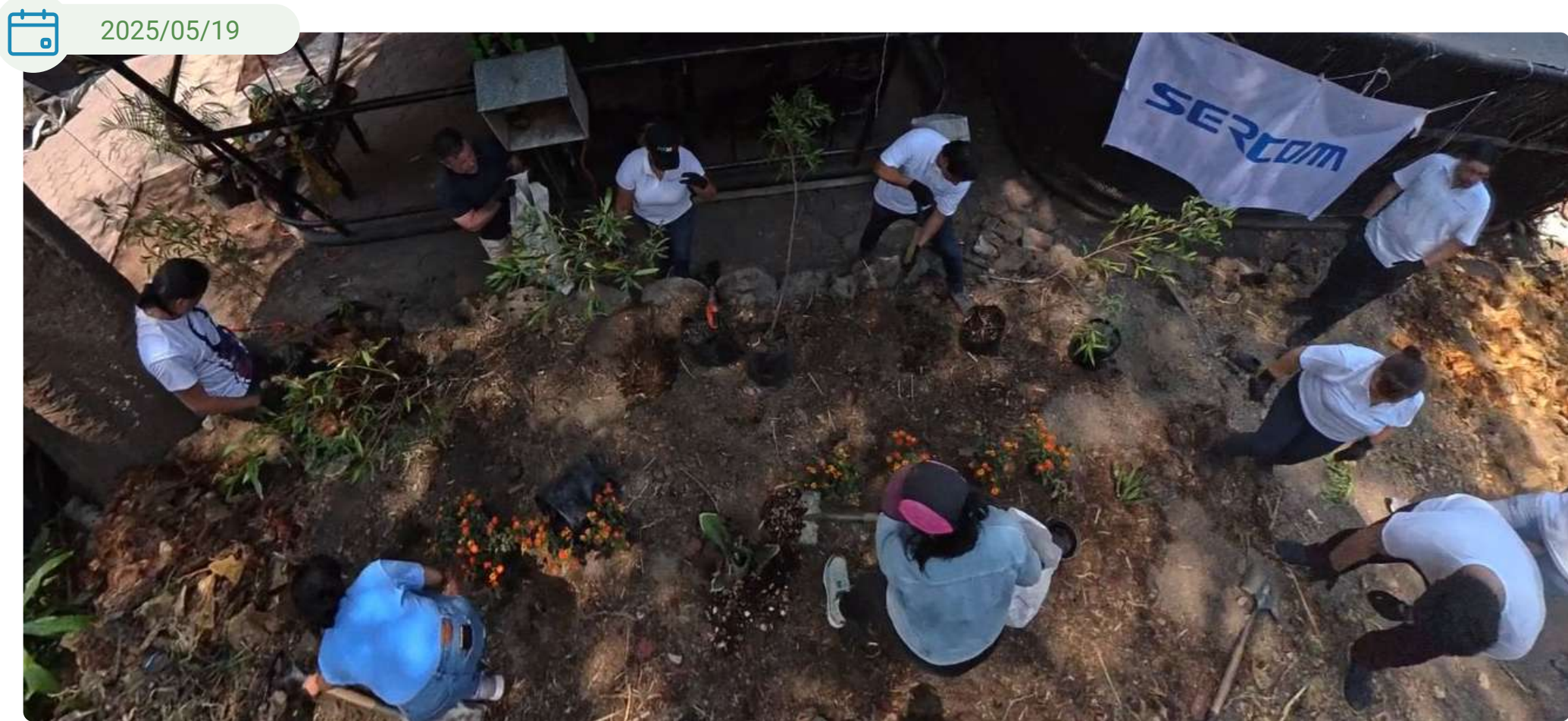
Activity Summary

Worked with The Gathering Place, a nonprofit organization in Denver, to support its low-barrier and trauma-informed services for women, gender-diverse individuals, and children experiencing homelessness or housing instability. In addition to donating meal services, Sercomm arranged employees to prepare, cook, and serve meals on site. Through corporate volunteering, the Company supported vulnerable groups and deepened employees' understanding of and connection with community issues.

Activity Results

Provided donations for lunch service, with employee volunteers assisting in preparing, cooking, and serving meals for nearly 100 service recipients.

SDGs



Activity Name Mexico Subsidiary – Huerto Roma Verde Corporate Volunteer Activity

Activity Summary

Participated in Huerto Roma Verde community environmental action through a corporate volunteer program, engaging in regenerative activities such as soil restoration, organic composting, vegetable garden development, and agroecological maintenance. This activity integrated employee participation, community connection, and environmental sustainability, demonstrating Sercomm's practical support for land restoration, sustainable living, and community well-being.

Activity Results

Employees participated in regenerative agriculture and community environmental maintenance activities, including soil restoration, organic composting, and vegetable garden development.

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2025/05/15



Activity Name

U.S. Subsidiary – Sponsorship of WICT Woman of the Year & Woman to Watch Awards

Activity Summary

Sercomm supported the WICT Woman of the Year & Woman to Watch Awards Luncheon as a bronze sponsor. The event recognizes women leaders with outstanding influence in the media, entertainment, and technology industries. Through support for this event, Sercomm demonstrated its emphasis on gender equality, women's leadership, and diversity and inclusion, while recognizing the importance of leadership, mentorship, and diverse perspectives in driving positive industry change.

Activity Results

Supported the WICT women's leadership recognition event as a bronze sponsor.

SDGs





2025/04/01



Activity Name

U.S. Subsidiary – Adaptive Spirit Sponsorship Activity

Activity Summary

Sercomm continued to support Adaptive Spirit and served as a Platinum Sponsor for the U.S. Paralympic Ski & Snowboard Team. The event highlights not only athletic competition, but also the spirit of athletes with disabilities who overcome limitations and demonstrate resilience and perseverance. Through sponsorship, Sercomm supports the participation of persons with disabilities in sports and echoes the Company's core spirit of continuous innovation, overcoming challenges, and creating positive impact.

Activity Results

Sercomm first participated in Adaptive Spirit as a Platinum Sponsor in 2024 and continued its sponsorship in 2025.

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Performance Highlights

- » Ranked in the **top 6%–20%** in the 2025 (12th) Corporate Governance Evaluation.
- » Board meeting attendance rate reached **100%**.
- » Signing rate of the Code of Ethical Conduct for new employees reached **100%**.
- » **Zero** material violations.
- » The implementation rate of Group-wide information security-related training increased to **72.56%**.
- » Awarded the highest honor, the EcoVadis **Platinum Medal**.
- » The 2024 Sustainability Report received the **TCSA Silver Award** for Sustainability Reporting and the **Outstanding Performance Award** for Comprehensive Sustainability Performance.
- » Chunan Manufacturing Center obtained **RBA VAP Platinum Certification** for the second consecutive year.
- » Recognized by FinanceAsia magazine for **Best Managed Company – Technology, Best Managed Company – Small Cap, Most Committed to ESG, and Best Investor Relations and Best Use of Technology**.

Management Approach



Target Readers

Investors / Financial Institutions, Government Agencies, Customers, Suppliers

Policy Commitments

- » Continuously enhance corporate governance mechanisms based on domestic and international corporate governance indicators and practical cases, and strengthen the functions and supervisory effectiveness of the Board of Directors.
- » Strengthen information transparency and timeliness to ensure that investors obtain accurate and complete financial and non-financial information.
- » Enhance internal control and internal audit systems to ensure lawful and compliant operations and controllable risks.
- » Establish business ethics policies and grievance mechanisms to prevent fraud risks and maintain a culture of integrity.
- » Ensure information and communications security, system stability, and protection of confidential information based on information security management systems, such as ISO 27001, to safeguard stakeholders' rights and interests.

Material Topic	Management Approach and Evaluation Mechanism	2025 Management Implementation Results	Short-Term Goals	Medium-Term Goals	Long-Term Goals
Business Ethics	An annual audit plan is formulated each year. In addition to statutory audit items, the audit scope also covers items with material deficiency risks.	» Approved the 2026 annual audit plan.	2025 ✓ Achieved a 100% signing rate of the Code of Ethical Conduct among new employees.	2026 » No incidents in violation of business ethics.	
Information Security	» Established a dedicated information security department responsible for coordinating information security governance, risk management, system implementation, cybersecurity incident response, and continual improvement. » Obtained third-party certification.	» Established a dedicated information security department. » Implemented the Information Security Management Policy to strengthen company-wide information security governance and institutionalized management. » Completed the transition to ISO/IEC 27001:2022 to align with the latest international standards. » Continued to operate and optimize the information security management system to enhance risk management and internal control maturity. » Established institutionalized training and information security awareness promotion mechanisms to strengthen an information security culture among all employees. » Introduced basic information security protection and monitoring capabilities, such as centralized logging, endpoint protection, and network monitoring, to improve visibility.	2025 ✓ Completed the external certification audit for the transition to ISO/IEC 27001:2022 and maintained certification to ISO/IEC 27001:2022 ✓ All employees completed information security training and policy communication. ✓ Established basic monitoring and incident reporting mechanisms.	2026 » No major information security incidents, with active detection and response capabilities in place.	2027–2028 » Establish a complete Zero Trust architecture. » Achieve end-to-end information security protection. » Realize continuous monitoring and real-time response capabilities.

Note: 2025 Performance Status — "✓" Achieved; "△" Ongoing Progress.

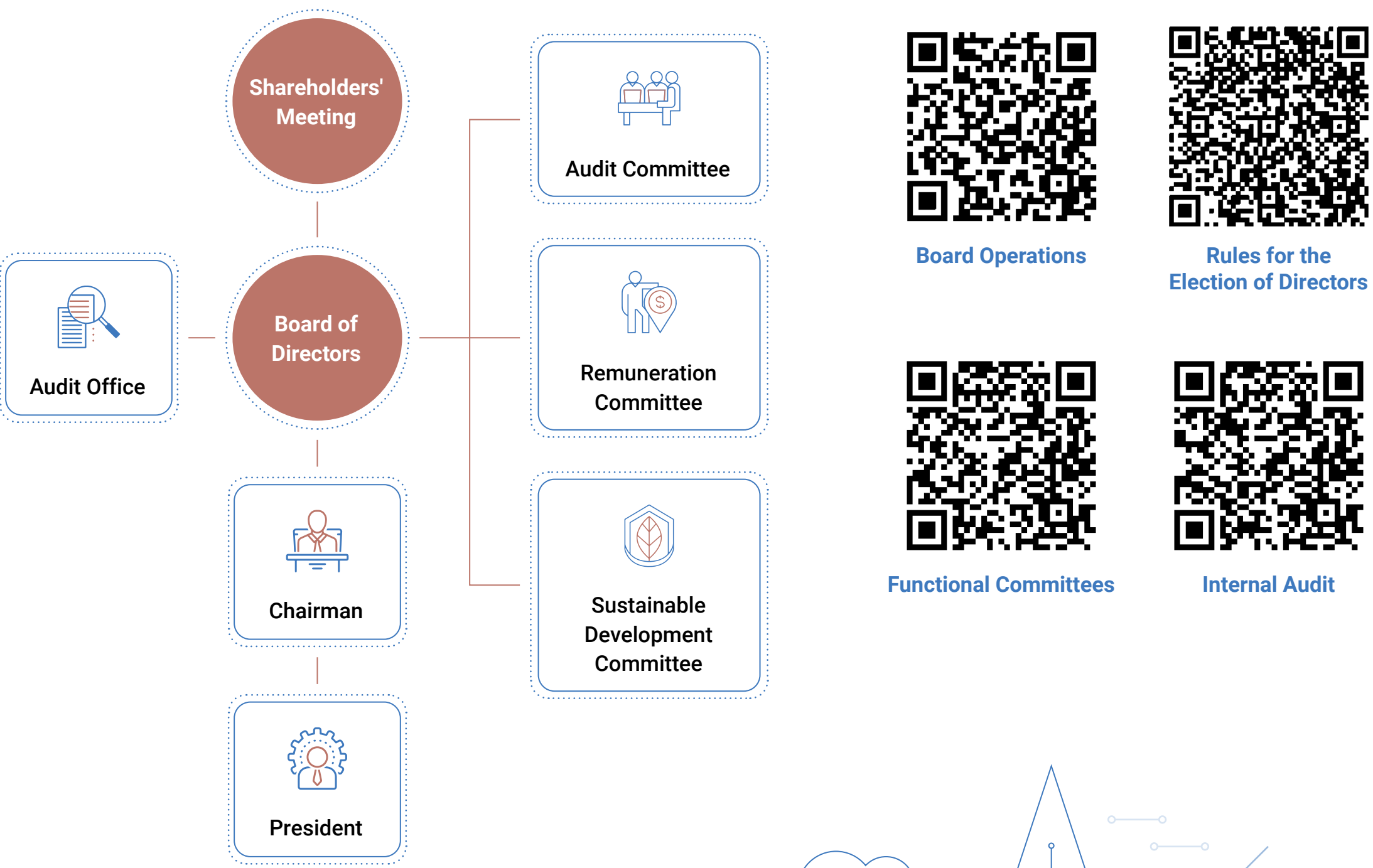
5.1 Governance Structure

GRI: 2-9, 2-10, 2-11, 405-1

Sercomm upholds integrity as the foundation of corporate operations and continues to enhance corporate governance to fulfill its responsibility for sustainable operations. A sound and effective Board of Directors is the basis of good corporate governance. Functional committees under the Board, including the Audit Committee, Remuneration Committee, and Sustainable Development Committee, assist the Board in fulfilling its supervisory responsibilities and responding to the trust of shareholders and stakeholders.

The Board of Directors is the Company's highest decision-making and governance body. It is responsible for overseeing the Company's overall operations and supervising the management team's implementation of policies. Directors are elected in accordance with the Rules for Election of Directors, and the Board is composed with diversity and independence to enhance operational efficiency and decision-making effectiveness.

An Audit Office operates under the Board of Directors. Its primary responsibilities are to examine and evaluate the completeness, reasonableness, and effectiveness of the Company's internal control system and various management systems. Before the end of each year, the Audit Office prepares the audit plan for the following year based on risk assessment results. After approval by the Board, the plan is filed with the competent authority through the online information system for record. In addition to reporting at regular Board and Audit Committee meetings as required by law, the Audit Office may also provide reports to the Board and managers at any time when necessary.



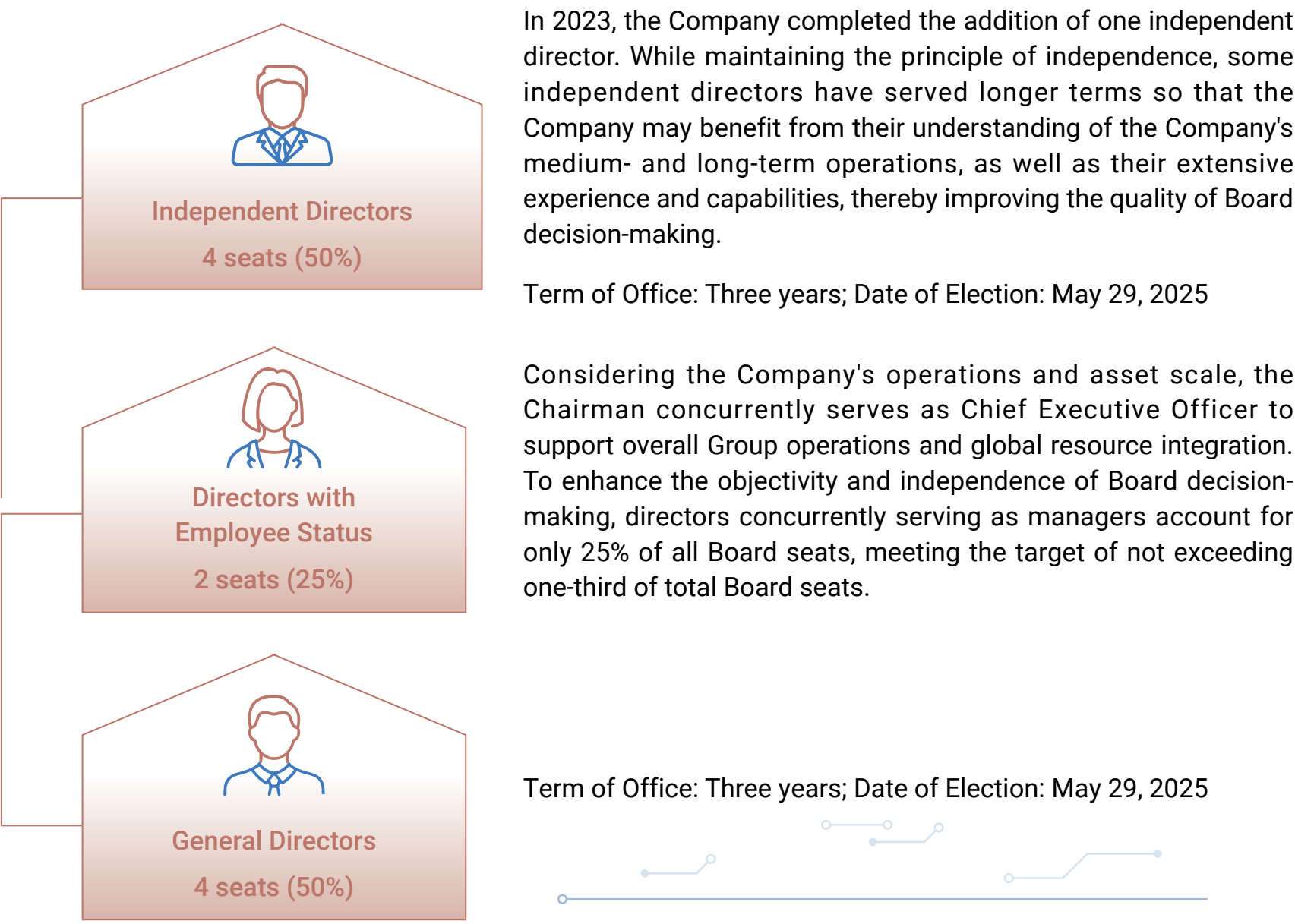
5.1.1 Board Composition

GRI: 2-12, 2-15, 2-16

The Board of Directors is the Company's highest governance body. Sercomm follows the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies as its governance guidelines and is committed to establishing and maintaining a sound corporate governance framework. The Company's Corporate Governance Best Practice Principles stipulate that the selection of directors shall take into account the overall competencies required of the Board.

The current Board comprises eight directors, including four independent directors and two female directors. Directors who are also employees account for 25% of the Board, while independent directors and female directors account for 50% and 25%, respectively. To strengthen corporate governance, the Company has appointed a dedicated corporate governance officer to oversee corporate governance-related matters.

In 2025, the Board convened six meetings, with an attendance rate of 100%, including attendance by proxy. Considering the scale of the Company's operations and assets, the Chair also serves as Chief Executive Officer to support the Group's overall operations and the integration of global resources. For further information on the members of the Board, please refer to the Company's annual report and corporate website.



∴ Board Operations

The Board of Directors convenes at least once every quarter to review and supervise operating performance. Major proposals are submitted to the Board in accordance with applicable laws and regulations. In 2025, the Board convened six meetings, with an attendance rate (including attendance by proxy) of 100%.

To discuss ESG issues and major events effectively and in a timely manner, including economic, environmental, and social impacts, relevant matters are reported to the Board. When necessary, the responsible unit for each proposal reports follow-up progress at the next Board meeting.

The ESG-related proposals reported to Sercomm's Board of Directors in 2025 (communication on key material events) are summarized below:

Board Meeting Date	Aspect	Proposal
2025.02.27	Social	» Approved the 2024 employee and director remuneration distribution proposal. » Approved the definition of rank-and-file employees and amendments to the Articles of Incorporation. » Approved the issuance of restricted stock awards to employees. » Approved the issuance of employee stock options.
	Governance	» Approved the 2024 financial statements, business report, and 2025 business plan. » Approved the cash dividend distribution proposal for 2024 earnings.
2025.04.30	Governance	2025 Q1 financial and business report and consolidated financial statements.
2025.07.31	Governance	» Approved the 2024 Sustainability Report. » 2025 Q2 financial and business report and consolidated financial statements.
2025.10.31	Governance	» Long-term incentive (LTI) plan for managers. » 2025 Q3 financial and business report and consolidated financial statements. » Amendment to the Sustainable Development Best Practice Principles. » Approved the 2026 annual audit plan.

Management Objectives and Practices

Management Objective	Implementation Status	Achievement Status
Independent directors account for one-half of all Board seats.	Four independent directors, representing one-half of all Board seats.	✓ Achieved
At least one Board seat is held by a female director.	There are two female directors.	✓ Achieved
Directors concurrently serving as Company employees should not exceed one-third of all Board seats.	There are two such seats.	✓ Achieved
Independent directors' terms do not exceed three consecutive terms.	While maintaining the principle of independence, some independent directors have served longer tenures to leverage their understanding of the Company's medium- and long-term operations, as well as their extensive experience and capabilities, thereby enhancing the quality of Board decision-making. The Company also carefully considers Board diversity and independence. During the 2025 director election, two independent directors were replaced to introduce new perspectives and diverse professional backgrounds. This further strengthened the Board's oversight function and overall governance effectiveness, supported the alignment of corporate governance with sustainable development, and safeguarded shareholders' long-term interests.	✗ Not Achieved
Board members should possess the knowledge, skills, and competencies necessary to perform their duties.	All directors possess diverse professional knowledge and skills.	✓ Achieved

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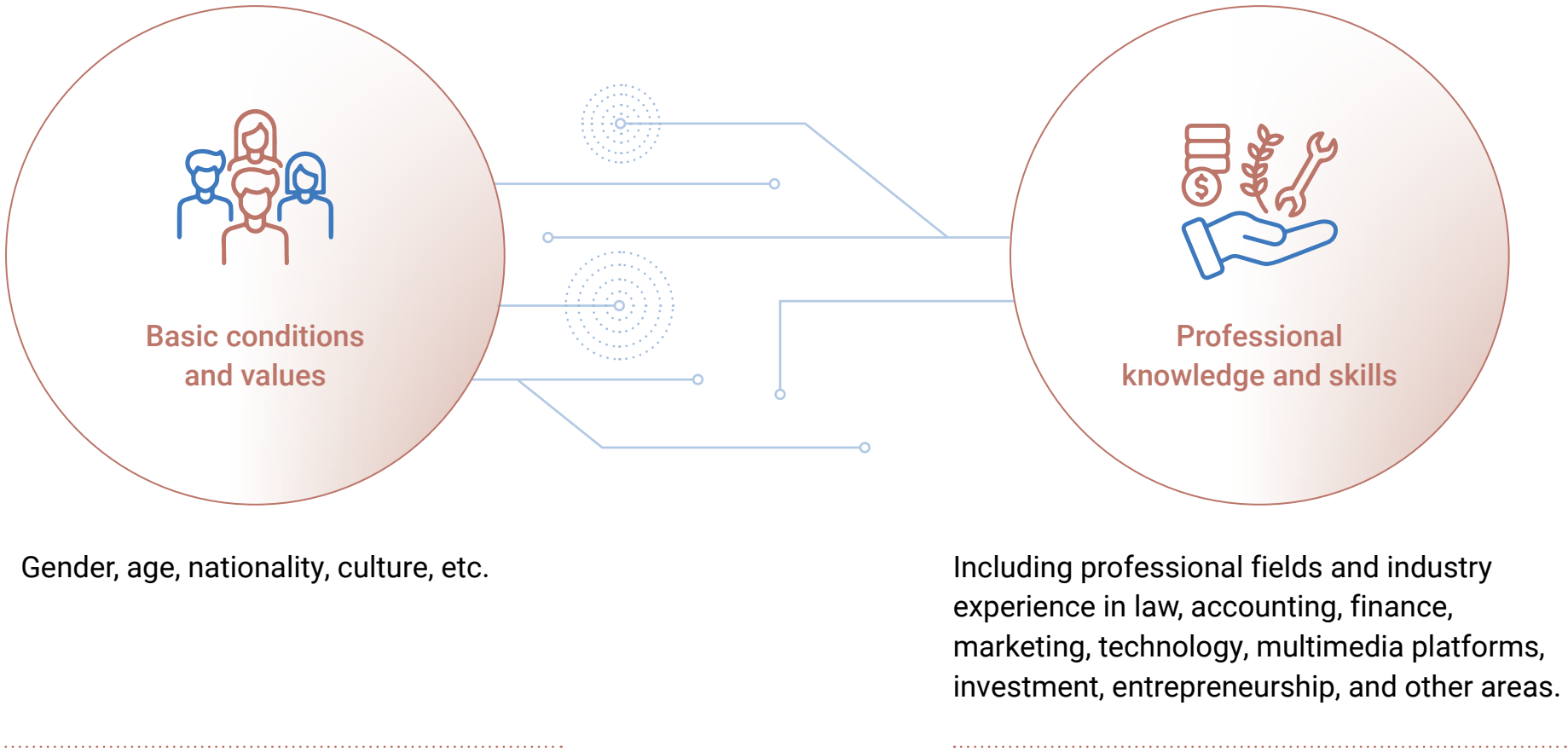
∴ Recusal from Board Deliberations Due to Conflicts of Interest

To effectively implement conflict-of-interest recusal requirements, the Company has established the Rules of Procedure for Board of Directors Meetings, which expressly set forth the recusal requirements applicable to directors.

In 2025, one matter considered by the Board involved the recusal of directors due to conflicts of interest. Chairman James Wang and Director Ben Lin, who concurrently serve as managerial officers of the Company, had an interest in the proposed Long-Term Incentive (LTI) Plan for Managerial Officers and therefore recused themselves from the discussion and voting in accordance with applicable requirements.

∴ Board Independence and Diversity

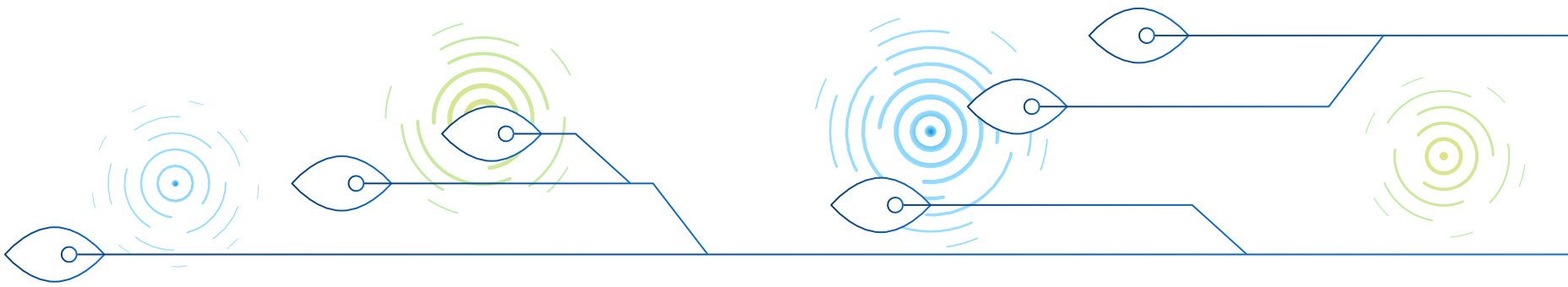
To promote good corporate governance and strengthen Board composition, Sercomm has established a Board diversity policy in accordance with Article 20 of the Corporate Governance Best Practice Principles. Based on the Company's business model and development needs, two major diversity dimensions have been defined:



By integrating members with diverse backgrounds, Sercomm aims to enhance the quality and effectiveness of Board decision-making and reduce groupthink. The Company conducts Board performance evaluations annually to confirm members' diversity and suitability.

All incumbent directors comply with the relevant provisions of the Securities and Exchange Act, and no directors have spousal or second-degree kinship relationships with one another. Independent directors also meet the qualification and independence criteria under the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, and independence assessments are conducted upon initial appointment and annually thereafter.

During the reporting year, the Board comprised eight directors. One director was aged 50 or below, while the remaining seven were over 50. Four members were independent directors, representing 50% of the Board and demonstrating a high degree of independence. To further enhance diversity in nationality and gender, the Company added two foreign directors during the 2025 Board election, accounting for 25% of all Board seats. The number of female directors also increased to two, likewise representing 25% of the Board. In future Board elections, the Company will continue to assess and, where appropriate, increase the number of female directors, with the aim of gradually achieving a target under which directors of either gender account for no less than one-third of all Board seats. Overall, Sercomm's directors possess cross-industry experience and diverse professional backgrounds, providing strong complementarity and supporting the effective implementation of the Board Diversity Policy. Further information on Board operations is disclosed in the "Board Operations" section of the Company's website.



Board Operations



Annual Report



Corporate Governance
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5.1.2 Functional Committees



To effectively supervise the management team's execution and establish various systems, the Board has established functional committees, including the Audit Committee, Remuneration Committee, and Sustainable Development Committee, to protect shareholder rights and ensure operational transparency. These three committees operate in accordance with the Audit Committee Charter, Remuneration Committee Charter, and Organizational Regulations for the Sustainable Development Committee, respectively. They assist the Board from the perspectives of corporate risks such as finance, internal audit, reasonable remuneration, environmental, social, and governance issues, thereby strengthening Board governance.

For the duties and 2025 operations of the functional committees, please refer to the Company website.



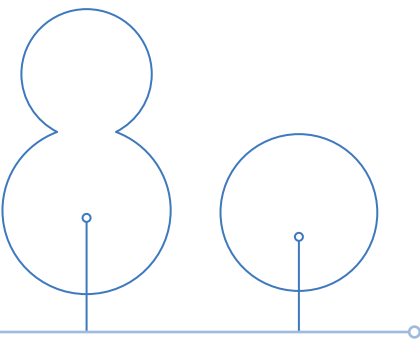
The Audit Committee consists of four independent directors. It convened four meetings in 2025, with an attendance rate (including attendance by proxy) of 100%.



The Remuneration Committee consists of four independent directors. It convened five meetings in 2025, with an attendance rate (including attendance by proxy) of 100%.



The Sustainable Development Committee consists of one director, one senior vice president, and two vice presidents. It convened four meetings in 2025, with an attendance rate of 100%.



Articles of Incorporation



Functional Committees

∴ Remuneration Policy

As ESG issues continue to grow in importance, the Company has begun to monitor practices adopted by domestic and international companies that incorporate ESG performance into remuneration systems. In the future, the Sustainable Development Committee and the Remuneration Committee will jointly assess feasibility and evaluate whether the targets and implementation status of material sustainability issues may serve as reference factors for designing variable remuneration for senior executives, thereby enhancing the momentum of sustainable operations and organizational governance effectiveness.

The Company's director remuneration and manager remuneration policies are implemented in accordance with the Articles of Incorporation and the Regulations Governing Remuneration for Directors and Managers. To ensure that the remuneration system is fair and reasonable and aligned with the Company's overall business objectives and sustainable development direction, Sercomm has established a comprehensive remuneration evaluation mechanism, as described below:

Target	Remuneration Policy	Evaluation Mechanism
 Directors	In accordance with the Company's Articles of Incorporation, director remuneration is determined by the Board based on each director's level of participation in Company operations and contribution value, while taking into account operating performance and prevailing industry standards. If the Company records a profit for the year, up to 2.5% may be allocated as director remuneration. Independent directors do not participate in the distribution of director remuneration. The Company regularly evaluates director remuneration in accordance with the Rules for Performance Evaluation of Board of Directors, and the reasonableness of remuneration in relation to performance evaluation is reviewed by the Remuneration Committee and the Board of Directors. In addition, directors receive business execution expenses, including transportation and travel expenses. No additional bonuses, special allowances, subsidies, or retirement/severance benefits are paid.	Based on the results of the Rules for Performance Evaluation of Board of Directors and linked to annual business indicators, including operating performance and financial results.
 Independent Directors	In addition to fixed monthly remuneration, business execution expenses are provided, including transportation and travel expenses. No additional bonuses, special allowances, subsidies, or retirement/severance benefits are paid.	
 Remuneration for Members of Functional Committees		
 Managers	In accordance with the Company's Articles of Incorporation, if the Company records a profit for the year, 12% to 18% is allocated as employee remuneration. The Company's salary regulations define various work allowances and bonuses to recognize and reward employees' efforts. Relevant bonuses are also granted based on the Company's annual operating performance, financial condition, operating status, and individual performance. In addition, performance evaluation results conducted in accordance with the Performance Management Regulations serve as reference for manager bonus distribution. Manager performance assessment items include financial and non-financial indicators, as detailed in the Annual Report. Non-financial indicators include the practice of the Company's core values and operational management capabilities, as well as evaluation of sustainable operating performance. Remuneration based on operating performance is calculated accordingly, and the remuneration system is reviewed in a timely manner based on actual operating conditions and applicable laws and regulations.	Evaluated in accordance with the Performance Management Regulations. The evaluation scope includes financial indicators (revenue and profit), budget achievement, growth strategies, talent development, risk management, and sustainability performance.

Notes:
01. For the employee remuneration policy, please refer to Section 4.1.3 Employee Care.
02. For employee performance evaluation, please refer to Section 4.1.4 Talent Development.



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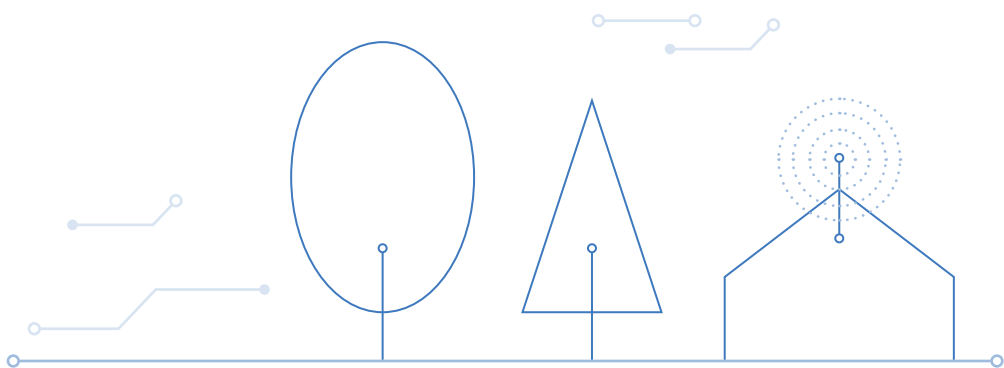
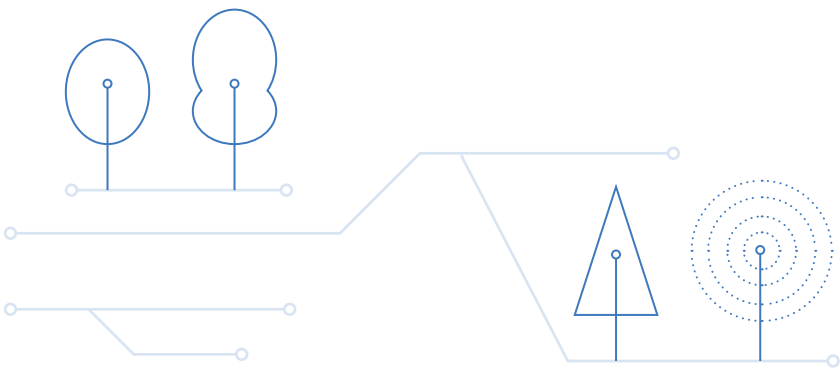
5.1.3 Board Effectiveness



Board Performance Evaluation

Sercomm has established the Regulations Governing Board Performance Evaluation in accordance with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies to enhance the functions of the Board of Directors and strengthen its operational effectiveness. The Regulations require the Company to conduct an internal Board performance self-evaluation at least once a year and to engage an external professional institution to conduct an evaluation at least once every three years. The scope of evaluation covers the Board as a whole, individual directors, and each functional committee. The results of the Board performance evaluation serve not only as a reference for the selection or nomination of directors, but also as a basis for reviewing the operational effectiveness of the Board and its functional committees and developing improvement measures. The most recent performance evaluation was conducted as follows:

Evaluation Cycle	Evaluation Period	Evaluation Scope	Evaluation Method	Evaluation Results
Internal evaluation conducted once each year	January 1, 2025 to December 31, 2025	Performance evaluation of the Board of Directors, individual directors, and functional committees	» Internal self-assessment by the Board » Self-assessment by directors	The 2025 self-assessment results for the Company's Board of Directors, individual directors, and functional committees were all rated excellent. The results were reported to the Board on March 10, 2026 and disclosed on the Company website.
External evaluation conducted once every three years	January 1, 2025 to December 31, 2025	Performance evaluation of the Board of Directors, individual directors, and functional committees	External professional institution engaged: Cheng Yi Management Consulting Co., Ltd.	After participating on site in the evaluation of the Company's Board and Audit Committee, the external professional institution concluded that the Company's Board has established comprehensive operating policies and procedures in all respects in accordance with relevant laws and domestic corporate governance indicators. The Board is composed of directors with professional capabilities and appropriate division of responsibilities based on their expertise and experience. Each functional committee also operates effectively. The evaluation results were reported to the Board on March 10, 2026 and disclosed on the Company website.



Board Operations

Director Training

In accordance with the Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE/TPEx Listed Companies, and with reference to industry changes, internal development needs, and annual strategic priorities, the Company plans training courses for directors to enhance their professional knowledge and competencies.

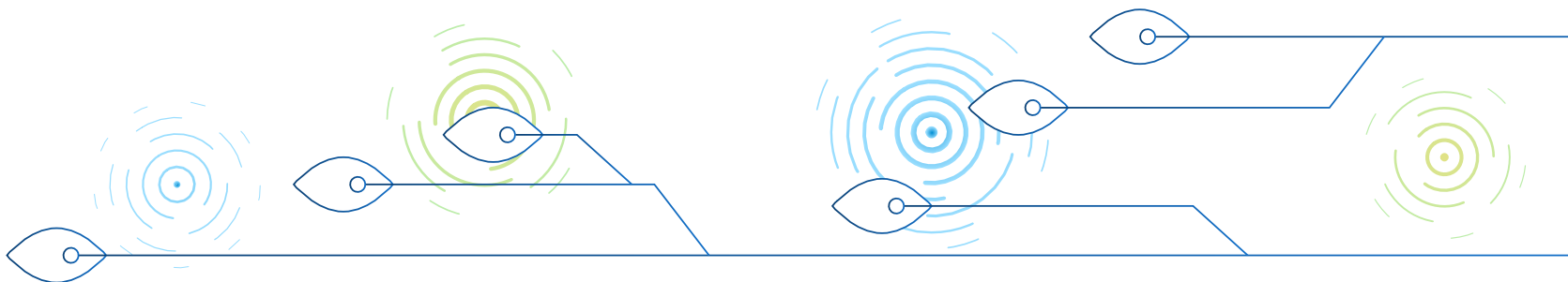
In response to increasing international attention to corporate governance and corporate sustainability trends, the Company encourages directors to participate in training and submit training certificates. In 2025, total director training hours amounted to 87 hours, with an average of 10.88 training hours per director. Please refer to the Company's 2025 Annual Report for details.

2025 Director Training Statistics – Classified by the Three Dimensions of Sustainable Development

Category	Hours
Environmental	30
Social	3
Governance	54
Total	87



Directors' Training Status in 2025
(see the 2025 Annual Report for details)



5.2

Business Ethics

 GRI: 2-15, 2-23, 205-1, 205-2, 205-3, 206-1

5.2.1 Business Ethics System and Implementation

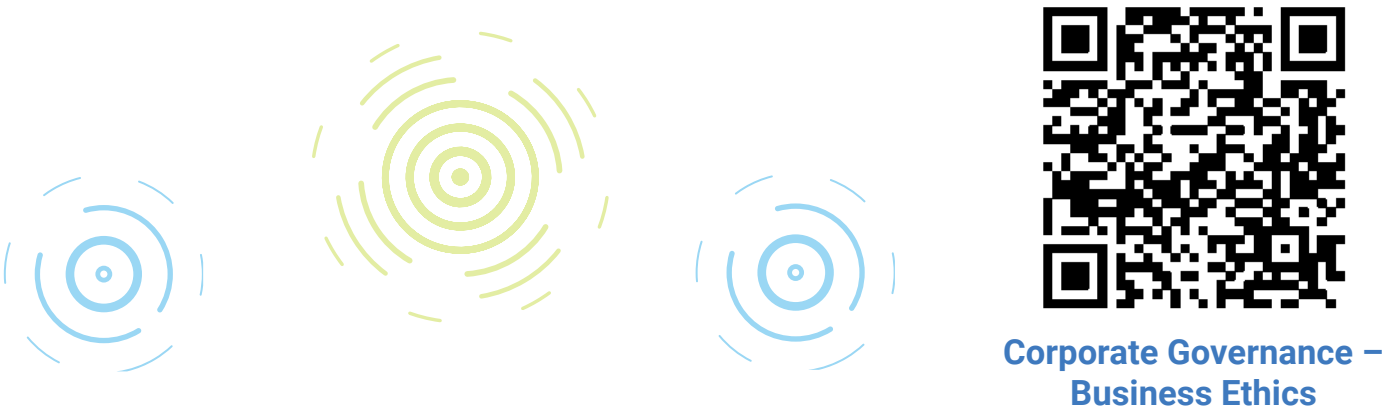
Sercomm upholds the business philosophy of integrity and honesty and has gradually established a comprehensive integrity governance framework. The Company has established relevant systems, including the Corporate Governance Best Practice Principles, Ethical Corporate Management Best Practice Principles, Procedures for Ethical Management and Guidelines for Conduct, Code of Ethical Conduct for Directors and Managers, and Rules and Promotion for the Prevention of Insider Trading. These systems clearly prohibit bribery, improper donations or sponsorships, illegal political contributions, unfair trade, and other forms of improper benefit. The Company also regularly conducts communication and training for all employees to enhance integrity awareness and implementation.

In May 2023, the Board of Directors approved the adoption of the Ethical Corporate Management Best Practice Principles as the Group-wide integrity guideline for operating activities. The Principles cover the prohibition of bribery and acceptance of bribes, improper donations, conflicts of interest, and unfair competition. To further implement these requirements in practice, the Company concurrently established the Procedures for Ethical Management and Guidelines for Conduct, which set out procedures for handling various integrity-related matters. The Company also specifically established the Code of Ethical Conduct for Directors and Managers for influential internal stakeholders, prescribing standards of conduct regarding conflicts of interest, confidentiality obligations, and fair dealing.

In addition, the Company has established the Procedures for Handling Material Inside Information and the Code of Ethical Conduct to strengthen integrity-related guidance for all employees in the course of business activities. The implementation of these systems is disclosed through public channels, including the Company's website, annual report, and prospectuses.

The implementation of ethical corporate management is supervised by the internal audit unit under the Board of Directors. The unit regularly analyzes and assesses potential risks of unethical conduct arising from operating activities, establishes monitoring and checks-and-balances mechanisms for high-risk matters, and reports the implementation status to the Board annually. These measures support senior management in continuously strengthening corporate governance and compliance with internal systems.

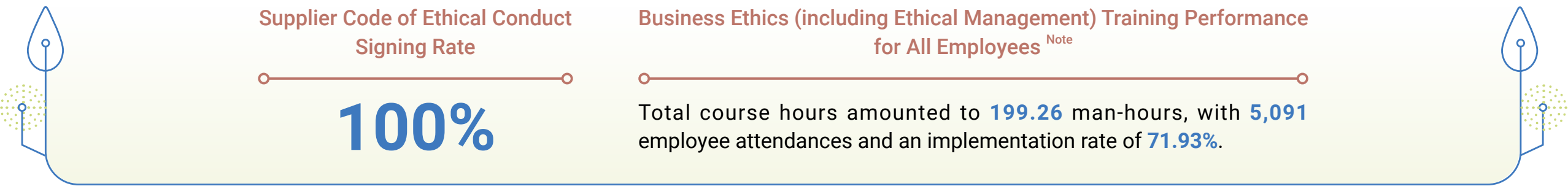
For implementation of business ethics, please refer to the Company website.



5.2.2 Business Ethics Training and Communication

Sercomm promotes awareness and compliance among all employees through director training, employee training, new employee sharing sessions, and written communication.

Integrity is a key value in our operations. To build employee awareness, all new employees are required to sign the Code of Ethical Conduct. Business ethics-related courses are also designated as mandatory each year, and employees are required to complete them.



Notes:

01.

Business ethics includes training and communication courses on ethical management, prevention of insider trading, anti-money laundering, anti-corruption, conflicts of interest, fair trade and competition, and relevant internal Company regulations.
02.

The implementation rate is calculated as the number of employees trained on business ethics-related topics in 2025 divided by the total number of employees in 2025 (including employees who resigned or were on unpaid leave during the year).
03.

The training hours for business ethics (including ethical management) differ from those disclosed on the Company website due to differences in disclosure timing and statistical cut-off dates. The revised data in this report shall prevail.
04.

No incidents in violation of business ethics occurred in 2025.

In addition, to prevent insider trading by the Company's directors, managers, and employees, the Company conducts education and communication on relevant procedures and regulations for directors, managers, and employees at least once each year. Newly appointed directors and managers receive such communication within three months of assuming office, while new employees receive it during onboarding training by the Human Resources department. Before the announcement of quarterly financial statements, the Company also sends internal notifications to insiders to communicate insider trading regulations. In 2025, one of the eight directors participated in an insider trading prevention awareness session. For further details, please refer to the "Overview of Directors and Executives' Training Status" in the Company's 2025 Annual Report.

5.2.3 Business Ethics Risk Assessment

In accordance with the Procedures for Self-Assessment of the Internal Control System, the Internal Audit Office annually requires management and each assessment unit to conduct an Internal Control Self-Assessment within their respective areas of responsibility. In 2025, Sercomm conducted risk assessments covering its headquarters and major manufacturing centers in Chunan, Suzhou, and the Philippines, achieving 100% coverage. The assessments considered factors including revenue and procurement amounts for the current year and the projected following year, production capacity, and high-risk deficiencies identified through internal audits in the preceding year.

In 2025, in response to the expansion of production capacity at the Philippines Manufacturing Center, the Company conducted several special audits, through which no high-risk items were identified. No corruption or irregularities involving the Company or its internal personnel were identified. However, during the audit period, outsourced security personnel at the Suzhou Manufacturing Center were found to have falsified attendance records, constituting a corruption-related incident. The personnel involved were placed on the blacklist for security service engagements. The outsourcing service provider was fined, and its contract was not renewed. Relevant Company management personnel were also subject to major disciplinary action, and additional control measures were implemented immediately.

Sercomm also evaluates whether the design and implementation of its internal control system are effective in accordance with the Regulations Governing the Establishment of Internal Control Systems by Public Companies. The assessment results indicated that the design of the Company's internal control system, including the supervision and management of subsidiaries, and its implementation were effective in providing reasonable assurance regarding operational effectiveness and efficiency, asset safeguarding, the reliability of financial reporting, and compliance with applicable laws and regulations. The Company also obtained a "Written Communication Letter of No Significant Deficiencies in Internal Control" issued by PwC Taiwan for 2025.



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5.2.4 Internal Audit

Sercomm prepares an annual audit plan each year and submits it to the Board of Directors for approval. On a quarterly basis, the implementation status of internal audits and related corrective actions are reported to the Audit Committee and the Board of Directors. In addition to audit items required by applicable laws and regulations, the Internal Audit Office considers the results of the previous year's risk assessment and prior audit findings. It also adopts a risk-based approach to select audit targets, thereby strengthening the management of key operating locations and high-risk operational processes.

In 2025, Sercomm selected audit targets based on factors including the nature of operations, revenue scale, profit and loss performance, inventory and accounts receivable balances, and whether any material deficiencies had been identified in audits of subsidiaries and lower-tier subsidiaries during the preceding two years. Audits were conducted at key subsidiaries and lower-tier subsidiaries in Mainland China and the Philippines, covering the procurement cycle, production cycle, payroll cycle, research and development cycle, information and communications security operations, and special audit projects. A total of 94 audit findings were identified in 2025, and corrective actions for all findings were completed.

5.2.5 Supply Chain Business Ethics Management

Sercomm attaches great importance to suppliers' ethical compliance. Under the Company's supply chain management mechanism, new suppliers are required to sign the Supplier Code of Conduct, committing not to engage in bribery, gifts, hospitality, or the offering of any other improper benefits. Suppliers also agree that if such misconduct occurs, Sercomm may immediately terminate all transactions. Suppliers must complete the signing of this document before becoming qualified suppliers. In 2025, 100% of new suppliers completed the signing. Please refer to Section 2.6 Sustainable Supply Chain Management for details.

5.2.6 Significant Instances of Non-compliance

 **GRI: 2-27, 416-1, 416-2, 206-1**

Sercomm operates across multiple locations worldwide and closely monitors developments in domestic and international policies, laws, and regulations. The Company promptly adjusts its internal systems in response to regulatory changes to ensure that its operations comply with the laws and regulations applicable in each jurisdiction and to avoid operational disruption or financial losses resulting from non-compliance.

Key areas of compliance include promoting fair competition; ensuring the safety of products and services provided to customers; complying with applicable export control, import control, and economic sanctions requirements; regularly enhancing compliance measures related to information security and personal data protection; adhering to labor and environmental laws and practices; and protecting copyrights, Company assets, and all forms of intellectual property rights.

Sercomm has established a dedicated legal function that provides legal consultation to internal departments and assists them in complying with and implementing applicable legal requirements. No material violations occurred in 2025.

Aspect	Compliance Area	Number of Significant Instances of Non-compliance	Monetary Value of Fines Associated with Significant Instances of Non-compliance (NT\$) ^{Note}
 Product	Product and service health and safety regulations	0	0
	Product and service information and labeling regulations	0	0
 Market	Anti-competitive behavior and antitrust regulations	0	0
 Social	Labor laws and regulations	0	0
 Environmental	Environmental laws and regulations	0	0

Notes:
For the purpose of this report, Sercomm defines a "significant instance of non-compliance" with reference to the Taiwan Stock Exchange Corporation Procedures for Verification and Disclosure of Material Information of Companies with Listed Securities as an individual incident involving cumulative fines of NT\$1 million or more.

In 2025, Sercomm did not experience any significant instances of non-compliance. Nevertheless, in line with the principle of transparent disclosure, the Company has disclosed the relevant non-compliance cases that occurred during the year. Corresponding corrective actions have been implemented to strengthen internal management mechanisms, ensure compliance with applicable legal and regulatory requirements, and safeguard workplace safety and employees' rights.

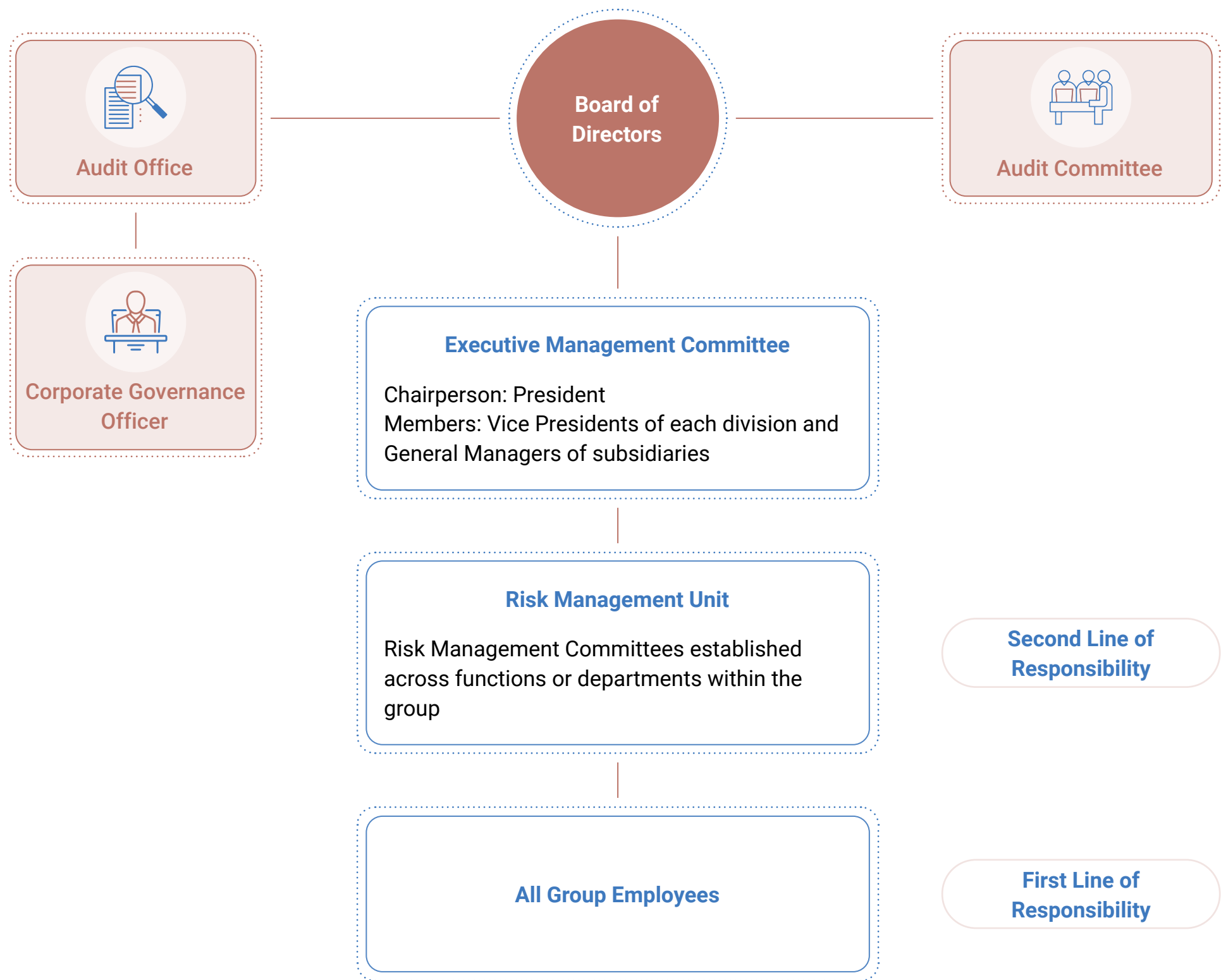
Regulation Violated	Number of Violations	Total Fines (NT\$)	Description of Violation	Corrective Measures
Labor Standards Act	2	220,000	During inspections by competent authorities at Taipei Headquarters and the Chunan Manufacturing Center, certain practices related to working hour management and overtime pay were found not to fully comply with the relevant provisions of the Labor Standards Act.	Corrective measures were completed before September 2025, including revising the working hour and overtime application and approval procedures, introducing prior control mechanisms, and optimizing attendance and payroll systems to ensure accurate calculation of overtime hours and payments. The Company also strengthened supervisors' responsibilities for working hour management, regularly reviewed departmental working hour usage, and enhanced communication to employees on overtime applications and working hour requirements to ensure effective implementation of relevant systems.
Occupational Safety and Health Facilities Rules Occupational Safety and Health Act	1	–	In 2025, during an occupational safety and health inspection, certain protective measures for hazardous parts of automated equipment were found not to fully comply with the Occupational Safety and Health Facilities Rules and the Occupational Safety and Health Act.	Relevant corrective measures have been completed, including reinforcing protective facilities for hazardous parts of equipment, such as guards, enclosures, or interlocking safety devices, and comprehensively reviewing the safety protection status of similar equipment. The Company also strengthened equipment safety management and periodic inspection mechanisms to ensure that the work environment complies with relevant regulatory requirements.
Water Pollution Control Act	1	10,000	During an environmental inspection at the Chunan Manufacturing Center, it was found that the daily electricity usage data from an independent dedicated electricity meter had not been fully recorded as required, and therefore did not fully comply with relevant management requirements under the Water Pollution Control Act.	Relevant corrective measures have been completed, including strengthening the electricity usage record management mechanism, explicitly incorporating daily meter reading operations, and revising internal operating procedures and forms. The Company also strengthened management and supervision of outsourced contractors to ensure full implementation of regulatory requirements.

5.3 Risk Management



In 2020, Sercomm established the Risk Management Policies and Procedures by resolution of the Board of Directors as the highest-level guiding principle for corporate risk management. Through a comprehensive risk management framework, the Company ensures organization-wide risk control and timely communication. The framework assigns each risk management unit responsibility for secondary controls, requiring accurate implementation of risk policies and optimized allocation of resources to risk mitigation measures. When facing risks, the Company develops response strategies and recovery plans and consults external experts when necessary. Relevant internal regulations are revised upon approval by the Executive Management Committee. Based on the principle of materiality, the Company identifies risk areas covering strategy, operations, finance, and events, with the aim of minimizing potential losses.

5.3.1 Risk Management Organization



Board of Directors

The highest decision-making body for risk management. It approves overall risk management policies based on overall operational strategy and the business environment, ensures effective implementation of risk management, and bears ultimate responsibility.

Audit Committee

In accordance with Article 3 of the Company's Audit Committee Charter, the Audit Committee assists in supervising risk management.

Audit Office

Formulates and implements the annual audit plan, including statutory audit items, and reviews self-assessment reports issued by each unit.

Corporate Governance Officer

Reports the control and implementation status of the Group's material risks to the Audit Committee and the Board of Directors.

Executive Management Committee

Chaired by the President, with vice presidents of each division and presidents of subsidiaries serving as members. It is responsible for reviewing reports from each risk management unit, handling the establishment, assignment of responsibilities, and dissolution of risk management units, and supervising the implementation, coordination, and communication of overall risk management.

Risk Management Units

Includes departments within the Group and cross-departmental risk management committees. These units are responsible for implementing relevant risk management procedures and submitting necessary self-assessments and risk evaluation reports.

Risk Management Policies and Procedures

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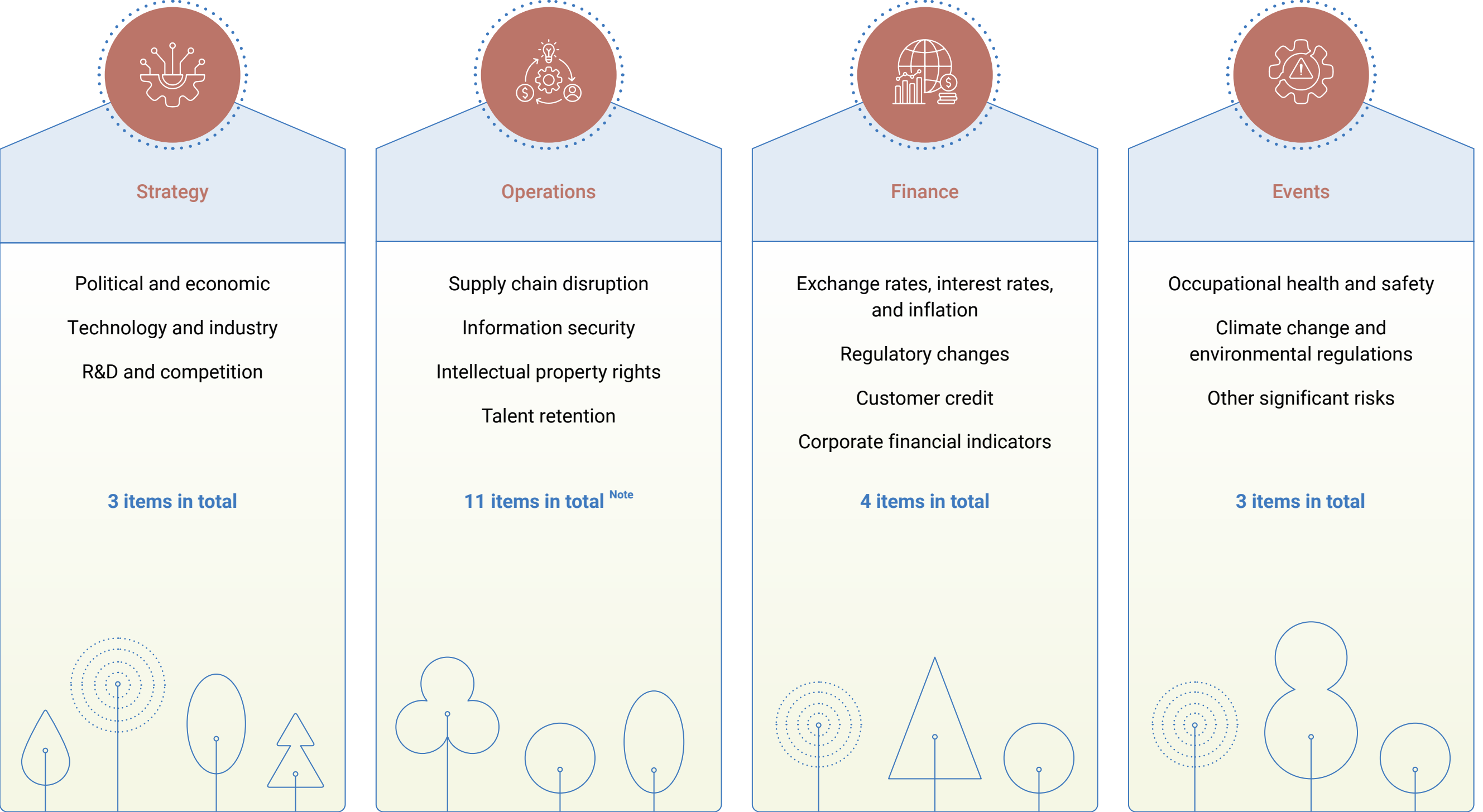
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5.3.2 Risk Management Procedures

The Company follows the ISO 31000 risk management framework and principles to collect and analyze internal and external organizational issues, and to conduct risk identification, analysis, assessment, response, and tracking. We formulate risk treatment strategies, implement risk mitigation measures, and conduct continuous risk monitoring. The Company is committed to disclosing the current and potential impacts of material risks through regular risk reports to protect the interests of the Company and its stakeholders.



Note: The other seven risk items include customers and markets, quality, production capacity, contracts, corporate image, business continuity, and reinvestment management.

5.3.3 Risk Issues, Impacts, and Response Measures

The Company has established internal controls in accordance with relevant regulations. In addition to quarterly reports arranged by the Corporate Governance Officer to the Audit Committee and the Board on audit findings and improvement tracking related to financial and internal control risks, based on reviews by accountants and the Audit Office, the Executive Management Committee consolidates risk factors identified by functional teams and incorporates them into the overall risk assessment. The risk scope includes strategy, operations, finance, and events. Over the past two years, U.S. patent litigation and customer credit risks have been identified, and management plans and improvement targets have been formulated for major risks. Responsible supervisors report to the Board of Directors accordingly.

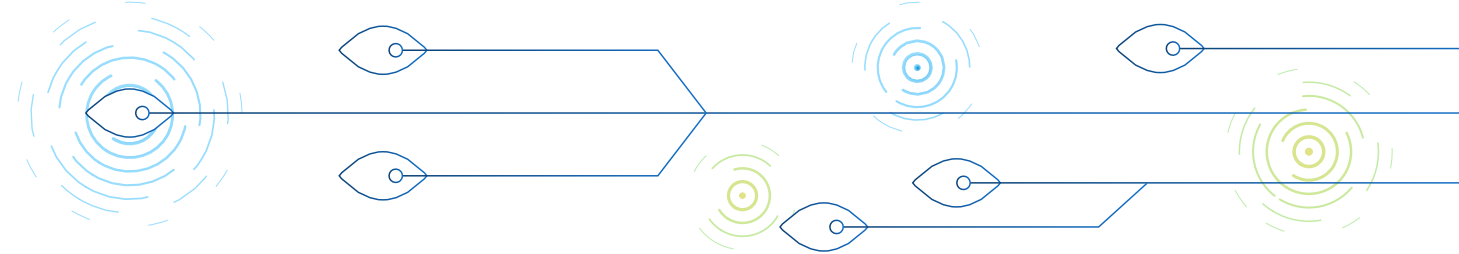
For information on responses to climate risks and opportunities, please refer to Section 3.2 Climate Change Management.

5.3.4 Business Continuity Management

To strengthen response capabilities for major operational disruptions and force majeure events, Sercomm has established the Business Continuity Management Procedure as the guideline for each unit to promote business continuity management. This procedure is designed to help the organization complete preparations before major disasters, operational disruptions, or other force majeure events occur, and to promptly activate corresponding business continuity plans when such events occur, enabling critical operations or processes to resume in the shortest possible time and ensuring the Company's continued ability to support products and services.

Sercomm conducts Business Impact Analysis (BIA) to assess the impact of disasters and incidents on Company operations, the criticality of each operational function, the Maximum Tolerable Period of Disruption (MTD), and the Recovery Time Objective (RTO). Based on these results, the Company determines critical business processes and recovery priorities. Business processes classified as "high" in importance are listed as critical business processes, and the responsible units formulate business continuity plans accordingly.

When an incident is assessed as severely affecting business continuity and cannot be handled through normal procedures, the Company activates business continuity operations. After the incident is resolved, the disaster recovery team convenes a review meeting to confirm whether reporting, response handling, and recovery operations achieved the planned objectives. The results serve as the basis for subsequent revisions to the business continuity management plan. To ensure plan effectiveness, Sercomm conducts at least one test or drill each year based on the latest risk assessment results, and regularly reviews and updates relevant plans based on drill results and organizational changes.



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Information Security Management

GRI: 418-1

SASB: TC-HW-230a.1

To implement information security management and ensure the security of relevant information infrastructure, information application systems, products, and customer information, Sercomm has established the Information Security Policy as its management guideline. The policy is approved and implemented by the chairperson of the Information Security Committee. Taipei Headquarters introduced the ISO 27001:2013 Information Security Management System in 2015 to establish a systematic information security management mechanism.

∴ ISO 27001:2022 Information Security Management System Audit

To continuously ensure that the Information Security Management System (ISMS) complies with ISO 27001:2022 and remains effective, the Company regularly conducts internal audits and third-party verification.



In 2025, **one** internal audit was completed to comprehensively review and improve information security policies, processes, and control measures.



In 2025, **one** information security management review meeting was completed to review and improve information security issues and related information security KPI performance with senior management.



In 2025, **one** external audit was completed by a third-party verification body to verify the compliance of the information security management system and its continuous improvement mechanism.

∴ Dedicated Information Security Department Established in 2025

To enhance the Company's information security governance capabilities and risk management maturity, the Company established a dedicated information security department. The department currently has two dedicated information security personnel responsible for planning and promoting information security strategies, systems, and technical architecture.

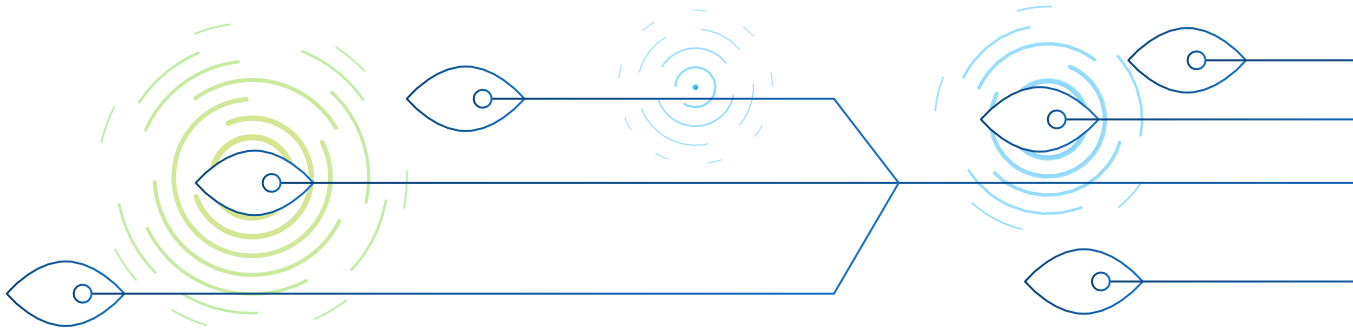
The main responsibilities of the information security department include information security architecture planning, promotion of information security governance systems, information security incident monitoring and response management, and cross-departmental information security risk assessment and improvement tracking.

Through the establishment of a dedicated organization and continuous monitoring mechanism, the Company strengthens its overall protection capabilities against information security threats.

5.4.1 Information Security Management Organization

To implement the information security strategies established by the corporate information security organization and ensure internal compliance with information security-related standards, procedures, and regulations, Sercomm established the Information Security Committee in 2015 to oversee and govern corporate information security. The committee is convened by the Chief Operating Officer and meets regularly to review and decide on information security and information protection directions and policies, ensure the effectiveness of information security management measures, and report information security management performance, issues, and directions to the Board each year. Under the committee, the Information Security Promotion Team, covering units across domestic and overseas subsidiaries, coordinates the formulation and implementation of information security and protection policies, risk management, and compliance checks to implement the PDCA management cycle. It also reports the implementation status and results of information security management to the committee each year.

Information Security Management Structure	Members	Role, Meeting Frequency, and Reporting Frequency
Information Security Committee	Convener: Chief Operating Officer Members: first-level supervisors of each unit	Role: Formulate information security policies and supervise and evaluate the mechanisms and direction of information and network security management. Meeting Frequency: Regular meetings are held every six months. Reporting Frequency: At least once annually to the Board of Directors.
Information Security Promotion Team	Convener: Head of Information Security Members: information security representatives from each unit	Role: coordinate the formulation and implementation of information security and protection policies, risk management, and compliance checks. Meeting Frequency: regular meetings are held every six months. Reporting Frequency: reports to the Information Security Committee annually.
Information Security Regulatory Team	Convener: Head of Legal Members: information security representatives from each unit	Obtains and identifies information security-related regulations applicable to the Company, and communicates regulatory changes to relevant personnel.
Information Security Audit Team	Convener: Head of Audit and Quality Assurance Members: audit and quality assurance personnel	Conducts internal and external information security audit-related work.
Information Security Consultant	External professional information security partner	Provides comprehensive information security compliance strategies and integrates security health checks, security defense, security training, tuning consultation, and vulnerability remediation recommendations.
Training Group	Convener: Head of Human Resources	Arranges information security training and routine drills to enhance employees' information security knowledge and awareness.
Physical Security Group	Convener: Head of General Affairs	Prevents unauthorized physical access to, damage to, and interference with information and information processing facilities.
Information Security Technology Group	Convener: Head of Information Security	Performs frontline information security work, supports information operation security for each unit, manages the use of information software and hardware, and discusses security requirements, usage management, and protection measures for data and information systems.





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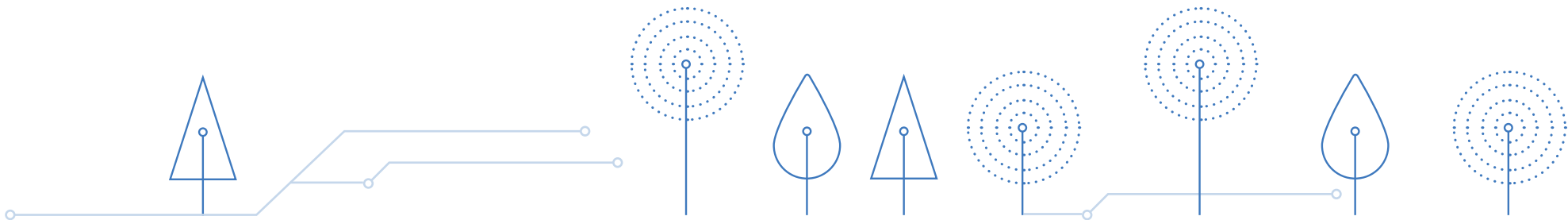
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∴ Management Mechanisms

Sercomm's information security management mechanism is primarily built on four dimensions: risk management, security protection, monitoring and audit, and continuous improvement. Corresponding management actions are implemented for each dimension. Management resources invested in 2025 are as follows:



Management Dimension	Management Objective	Key Management Actions	2025 Management Investment
 Risk Management	Assess information security risks and conduct vulnerability scans to clearly identify the direction of information security protection.	» Corporate information security risk assessment » Development of information security risk assessment and incident management procedures » Third-party risk analysis and rating » Inventory and risk assessment of confidential information	Completed internal and external audits and assessed the risk levels of databases in each process.
 Security Protection	Implement controls at information security points such as networks, devices, applications, and data to safeguard the confidentiality of Company information.	» Establish an Intrusion Detection System (IDS). » Established Network Access Control (NAC) and Endpoint Detection and Response (EDR) mechanisms. » Establish application security system development and maintenance control procedures. » Mandate encryption of confidential and highly confidential data.	Introduced endpoint threat detection, tracking, and response services to provide 24-hour information security monitoring and incident tracking for user operating environments and networks.
 Monitoring and Audit	Conduct internal and external audits to ensure the effectiveness of each control measure.	» Periodic vulnerability scans » System penetration testing » Disaster recovery simulation drills » Passed third-party information security audit certification » Social engineering drills » Blue team drills	Scanned system vulnerability risks, updated the information asset inventory, and conducted relevant business impact analysis. Social engineering drills helped employees effectively identify and prevent phishing attacks and improve security awareness. Breach and Attack Simulation (BAS) drills simulated the procedures, techniques, and methods that real-world attackers may use to verify the effectiveness of the organization's IT security equipment and monitoring mechanisms.
 Continuous Improvement	Continuously monitor the latest information security threats to update software and hardware management actions in a timely manner and strengthen employee awareness.	» Monitoring of information security threat intelligence and protection technologies » Information security training and case communication » Periodic evaluation of information contractors	Joined the Taiwan Computer Emergency Response Team / Coordination Center (TWCERT/CC), leveraging diverse intelligence-sharing channels to achieve cross-domain joint defense against information security threats.

∴ Information Security Incident Reporting Process

Sercomm conducts risk assessments regularly each year. Each unit analyzes the impact and threat levels based on its work processes and output data, defines relevant risk values according to the analysis results, and formulates corresponding risk response plans. This ensures that when an information security incident occurs, reporting can be conducted promptly in accordance with the classification standards in the Information Security Incident Management Procedure, necessary response measures can be taken, and an incident learning mechanism can be established to reduce the damage caused by the incident.

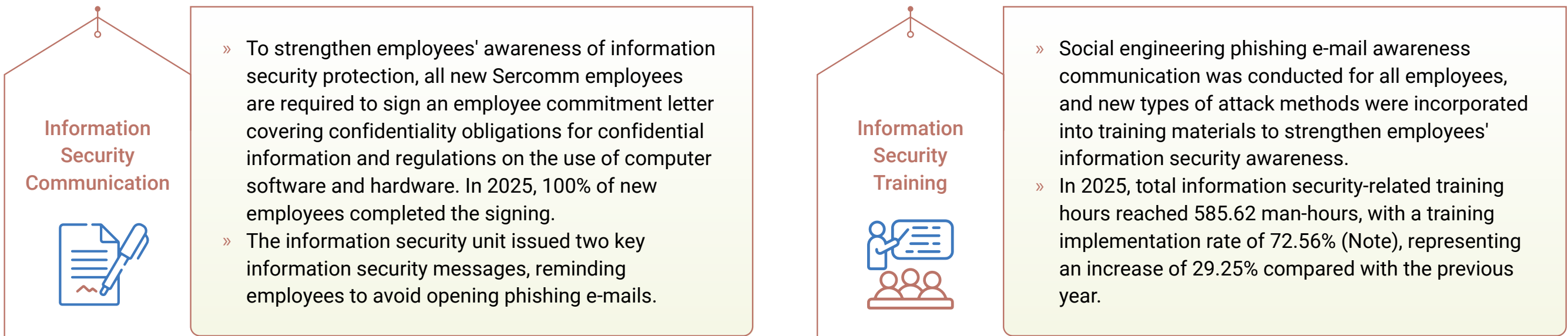
Information Security Incident Level	Criteria	Handling
 Level 4	» Highly confidential data leaked » Highly confidential data severely altered » Operation of critical information infrastructure affected or systems suspended and unable to resume normal operations within the tolerable interruption time	Report within 15 minutes and propose countermeasures within 8 hours
 Level 3	» Confidential data leaked » Confidential data severely altered » Core business operations affected or systems suspended and unable to resume normal operations within the tolerable interruption time	Report within 30 minutes and propose countermeasures within 24 hours
 Level 2	» Internal-use data leaked » Internal-use data slightly altered » Core business operations affected or system efficiency reduced but normal operations can be resumed within the tolerable interruption time	Report within 2 hours and propose countermeasures within 48 hours
 Level 1	» General data altered » Non-core business operations affected or briefly suspended	Report within 4 hours and propose countermeasures within 3 working days

∴ Information Security Drills

Sercomm conducts annual information system disaster recovery drills on a regular basis. In 2025, nine drills were completed for important information systems and information equipment related to Company operations. For information systems, all drills met the requirements for system or data recovery. For information equipment, all equipment was successfully switched to backup equipment within the required time to maintain normal operations.

Drill Item	Implementation Status
 Data Backup and Recovery	Drills were conducted for data backup mechanisms and virtual host system recovery procedures to ensure the integrity and availability of backup data and verify the timeliness and operability of system recovery procedures. In 2025, four data backup and system recovery drills were completed to ensure that systems and data can be recovered within the specified time in the event of an abnormal incident.
 Network Redundancy	Through network redundancy switchover drills, operating equipment and lines were switched to the backup environment to verify the availability and stability of backup equipment and backup lines. The drills also familiarized relevant personnel with backup switchover procedures and verified their applicability. In 2025, one network redundancy drill was completed.
 Penetration Testing	An external professional information security team was commissioned to conduct penetration testing to verify the security of internal and external information systems and simulate potential attack methods that attackers may use. The test results were used to identify potential information security risks and vulnerabilities and propose improvement recommendations to continuously strengthen system security protection capabilities. In 2025, one penetration test was completed.
 Social Engineering Drill	An external information security team simulated phishing e-mails and social engineering attack scenarios to test employees' ability to identify suspicious e-mails and fraud scenarios, thereby improving information security alertness and awareness. In 2025, two social engineering drills were completed, followed by education, training, and information security communication based on the drill results.
 Blue Team Drill (Breach and Attack Simulation, BAS)	Through Breach and Attack Simulation (BAS), the Company simulated the attack procedures, techniques, and methods that real-world attackers may use to verify the effectiveness of the organization's IT security equipment and monitoring mechanisms. The drill tested the organization's capabilities to detect, analyze, and respond to attack behavior and verified whether the Security Operations Center (SOC) could detect and report information security incidents in a timely manner. One drill was conducted in 2025, and improvement recommendations and subsequent strengthening measures were proposed based on the drill results.

∴ Information Security Communication and Training



Note: The training implementation rate is calculated as the total number of employees who participated in information security-related training in 2025 divided by all employees in the reporting year (including employees who resigned or were on unpaid leave during the year).



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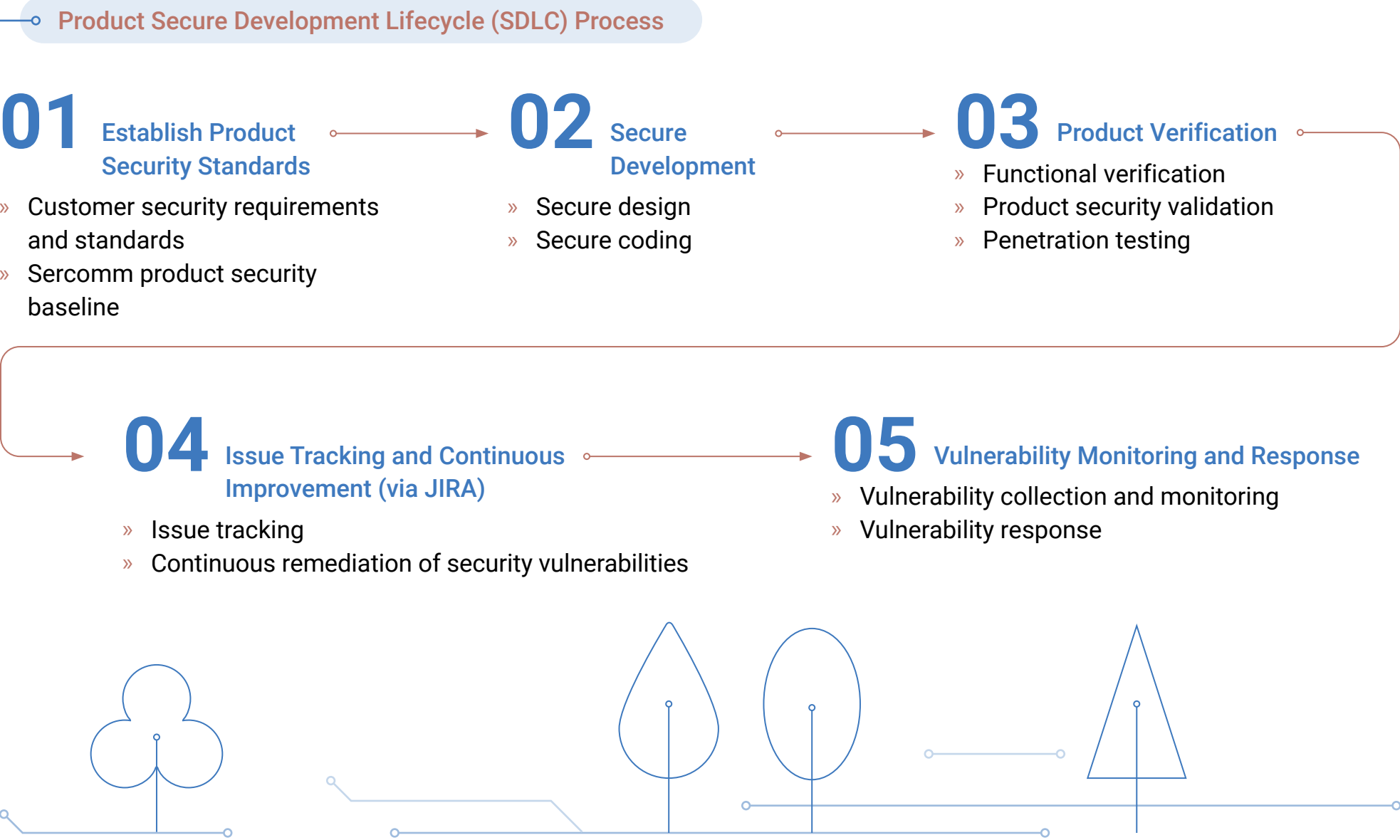
5.4.2 Product Information Security

Sercomm places great importance on product information security. Within the software R&D system, the Company has established a Product Security Incident Response Team (PSIRT) to coordinate information security strategies and management throughout the product life cycle. The Company has introduced the Secure Development Lifecycle (SDLC) into the product development process. During the early stages of product development, PSIRT formulates information security specifications based on product characteristics and customer requirements and continuously supervises implementation at each stage, ensuring that the design, development, and delivery processes comply with established security standards and establishing a systematic and traceable product information security management mechanism.

For verification mechanisms, Sercomm has established an independent information security testing system that proceeds in parallel with product function verification. PSIRT conducts comprehensive testing for risks such as viruses, backdoors, network vulnerabilities, and potential hacker attacks. All tested software and firmware are deployed in actual equipment environments such as routers, servers, network cameras, and small cell base stations for verification. Test results are further reviewed by dedicated units and the Quality Assurance Department, and issues are tracked and improved through the project management system JIRA to ensure that all risks are effectively controlled and remediated.

After products are launched, PSIRT continues to be responsible for vulnerability collection, analysis, and response handling, while monitoring external reports and emerging information security threats and promptly initiating patching and update mechanisms. Through a comprehensive information security management process covering development, verification, and operations, Sercomm continues to strengthen product protection capabilities and ensure that each life cycle stage meets high standards of information security requirements.

In addition, the PSIRT team is responsible for receiving, handling, and publicly disclosing information security vulnerabilities related to Sercomm products and solutions, and has established a dedicated reporting channel (PSIRT@sercomm.com), encouraging researchers, industry organizations, and suppliers to proactively report relevant security issues to jointly enhance product information security resilience.



5.5 Privacy Management

∴ Privacy Protection Policy

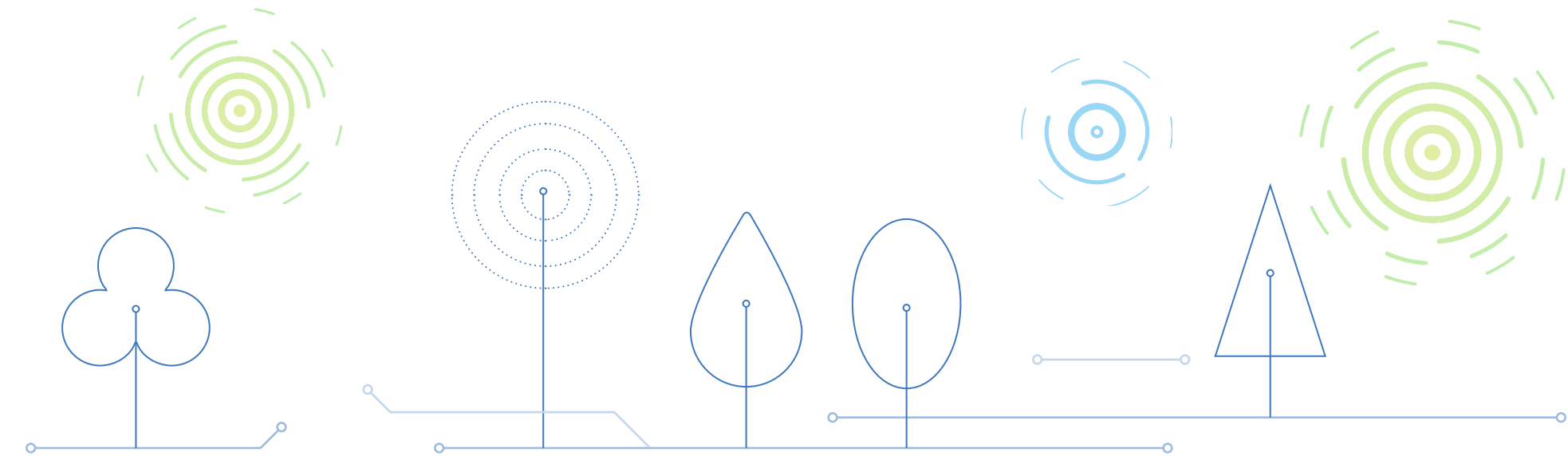
Sercomm values the personal privacy and data protection of all stakeholders, including employees, suppliers, customers, and consumers. Privacy protection policies are incorporated into various policies and management documents, including but not limited to the Sustainable Development Best Practice Principles, Employee Handbook, Supplier's Code of Conduct Agreement, and Information Security Management Manual, to ensure the establishment of comprehensive privacy management policies and practical mechanisms. The scope applies to all branches, operating sites, subsidiaries, customers, and suppliers. In accordance with the Personal Data Protection Act and related regulatory requirements, we adopt compliant measures throughout the collection, storage, processing, transmission, and sharing of personal data. Through electronic and physical operating systems, we ensure that the purpose of data use is legitimate, necessary, and appropriate. The Human Resources Department properly manages employee personnel data in accordance with privacy principles, and protects personal data and operational confidentiality in internal and external communication through bulletin boards, internal websites, and anonymous channels. The Company also requires each unit to conduct information security and privacy protection training and retain relevant training materials and records to ensure personnel are familiar with data protection procedures and to fulfill the Company's commitment to privacy and integrity.

∴ Customer Data and Privacy Protection

Sercomm provides the highest level of protection for data provided by customers. In addition to signing confidentiality agreements with customers to protect confidential customer information, the Company uses the control procedures of the ISO 27001 Information Security Management System to ensure that employees involved in relevant business activities maintain confidentiality during business dealings and protect customer privacy. Controls are fully implemented for access, processing, transmission, storage, personnel, and equipment security related to customer data. Relevant security maintenance measures and controls are also adopted across application system development, design and maintenance, databases, networks, personal computers, and storage media to prevent customer data from being stolen, damaged, or leaked, thereby safeguarding customer data security.

In addition, under Sercomm's business model, the networking products manufactured by the Company do not involve the collection of end-user information; therefore, they do not present a risk of end-user privacy breaches.

In 2025, there were zero complaints related to breaches of customer privacy or loss of customer data, and zero major information security incidents.





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Green Innovation and R&D

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Performance Highlights

- » Power conversion efficiency of all router products **exceeded 80%**.
- » Revenue from qualified products that have obtained energy efficiency certifications accounted for **82.90%** of total revenue.
- » Packaging volume reduction was completed for four major product models, increasing the loading efficiency of 40-foot containers to up to approximately **2.78 times** the original level.
- » The five product models with the highest PCR material use incorporated approximately **554 metric tons** of PCR materials in total.
- » The total number of patents granted **exceeded 283**.

Management Approach



Target Readers

Customers, Investors / Financial Institutions

Policy Commitments

Sercomm values environmental protection, promotes energy conservation and carbon reduction, and advances green products and manufacturing processes.

Material Topic

Management Approach and Evaluation Mechanism

2025 Management Implementation Results

Short-Term Goals

Medium-Term Goals

Long-Term Goals



Product Innovation and R&D

Regular and ad hoc internal product management meetings.

- » Continued to encourage product innovation in accordance with the Company's Patent Incentive Measures
- » Held monthly product R&D review meetings and product production meetings
- » Held quarterly software and hardware R&D technical seminars
- » Held quarterly product roadmap meetings
- » Introduced professional tools to support innovation

- 2025**
- △ Continue regular and ad hoc innovation-related meetings and reviews
 - △ Continue R&D patent applications
 - △ Identify and pilot relevant innovation tools and assess their benefits and risks

- 2026**
- » Continue previous targets, expand and promote the use of innovation tools, and assess their benefits and risks
 - » Review the direction of innovation and establish innovation strategies for the next three years

- 2027**
- » Based on the innovation strategies for the next three years, establish a medium- and long-term technology development roadmap, deepen the application of innovation tools, patent deployment, and green design integration, and continue enhancing product innovation capabilities and sustainable competitiveness



Green Products

Set targets based on four dimensions of green design principles and review target achievement.

Conduct product development and manufacturing in accordance with the four green design dimensions of Reduce, Reuse, Recycle, and Usage

- 2025**
- ✓ Confirmed achievement of Sercomm's 2025 green product design targets

- 2026**
- » Confirm achievement of Sercomm's 2026 green product design targets and ensure that the targets can continue to be maintained in subsequent years

- 2027**
- » Continue deepening low-carbon design and product life cycle management, improve energy efficiency, material efficiency, recycled material application, and product recyclability, and strengthen the competitiveness of green products

Note: 2025 Performance Status — "✓" Achieved; "△" Ongoing Progress.



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Material Topic	Management Approach and Evaluation Mechanism	2025 Management Implementation Results	Short-Term Goals	Medium-Term Goals	Long-Term Goals
 Customer Relationship Management	Conduct one customer satisfaction survey each year.	Continue building long-term partnerships based on professional R&D, flexible production, and integrated communication	2025-2026 △ Continue improving customer satisfaction	2027~ » Achieve an average customer satisfaction score above 90	
 Product and Service Responsibility	Provide safe, reliable products and services that meet market needs through quality management, product safety, regulatory compliance, and customer feedback-driven improvement mechanisms.	» Implement the product quality management system and continuously strengthen quality management processes and product reliability management. » Complete necessary product testing, certification, and regulatory compliance procedures in accordance with market access and product regulatory requirements in each country to ensure product launch compliance.	2025-2026 ✓ Continue strengthening the product quality management system to ensure that product design and manufacturing meet quality and safety requirements ✓ Continue completing the testing and certification procedures required by regulations and market certifications in each country to ensure that products meet market access requirements	2027~ » Establish a more comprehensive product life cycle quality and safety management mechanism, continuously reducing product quality and safety risks from design, manufacturing, and shipment to customer use » Continuously monitor global product regulations, standards, and market access requirements, strengthen forward-looking regulatory compliance capabilities, and ensure continued product access to key markets » Integrate customer feedback, quality data, and product improvement mechanisms to continuously enhance product reliability, service quality, and market competitiveness	

Note: 2025 Performance Status — "✓" Achieved; "△" Ongoing Progress.





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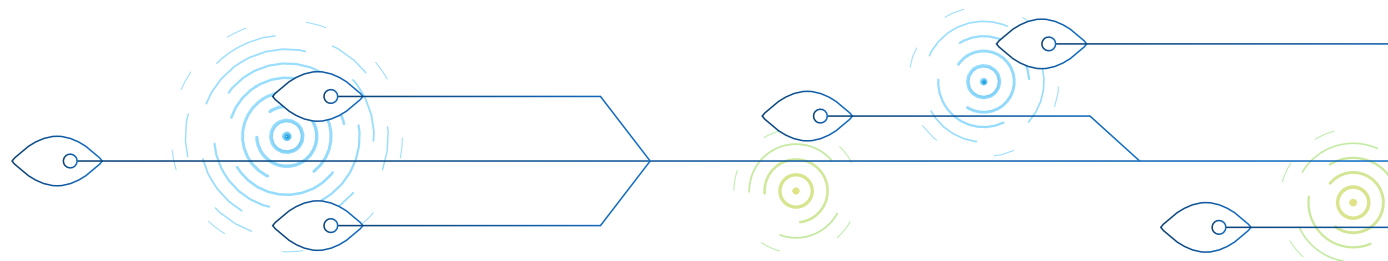
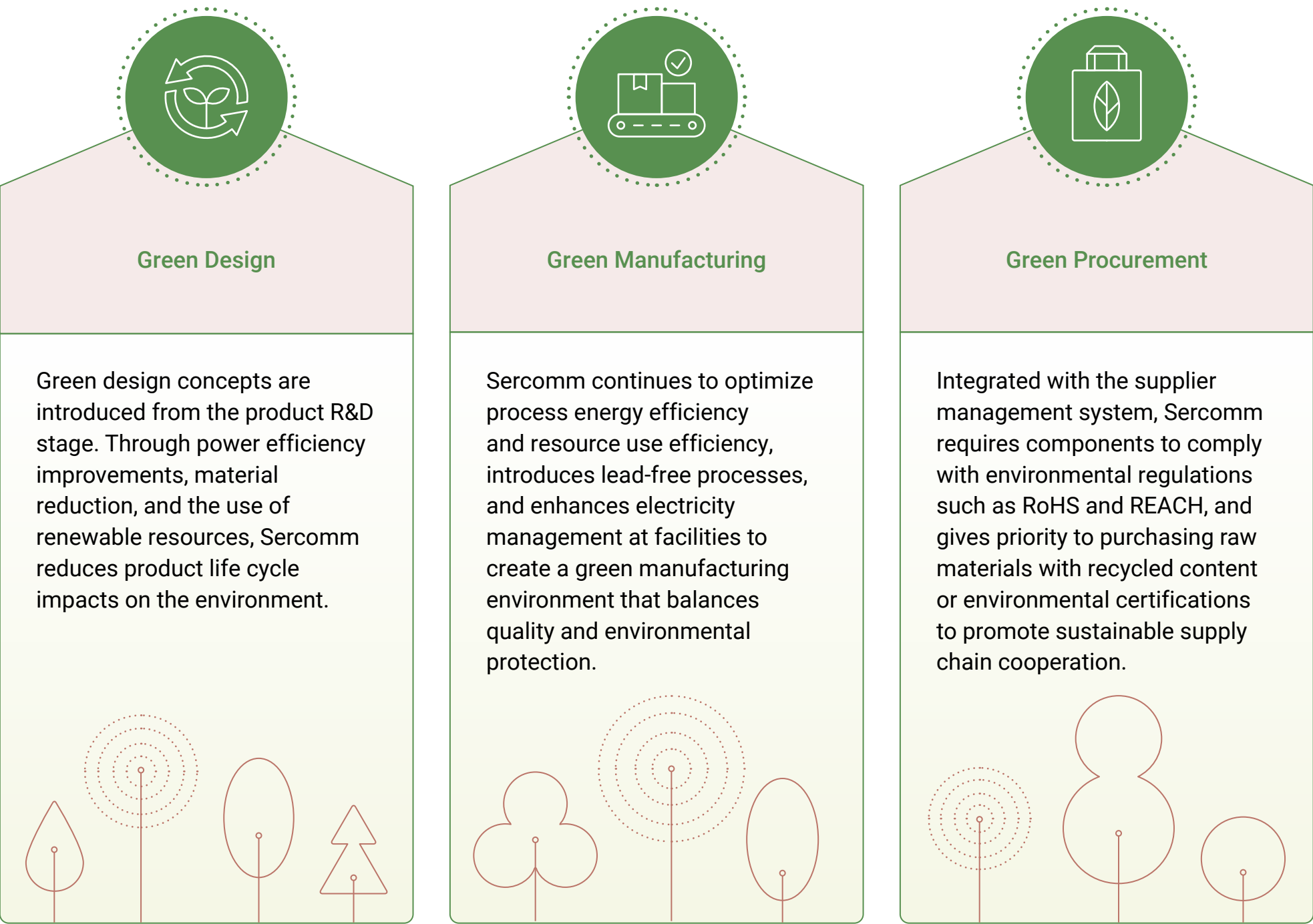
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6.1 Green Products

∴ Product Design Philosophy

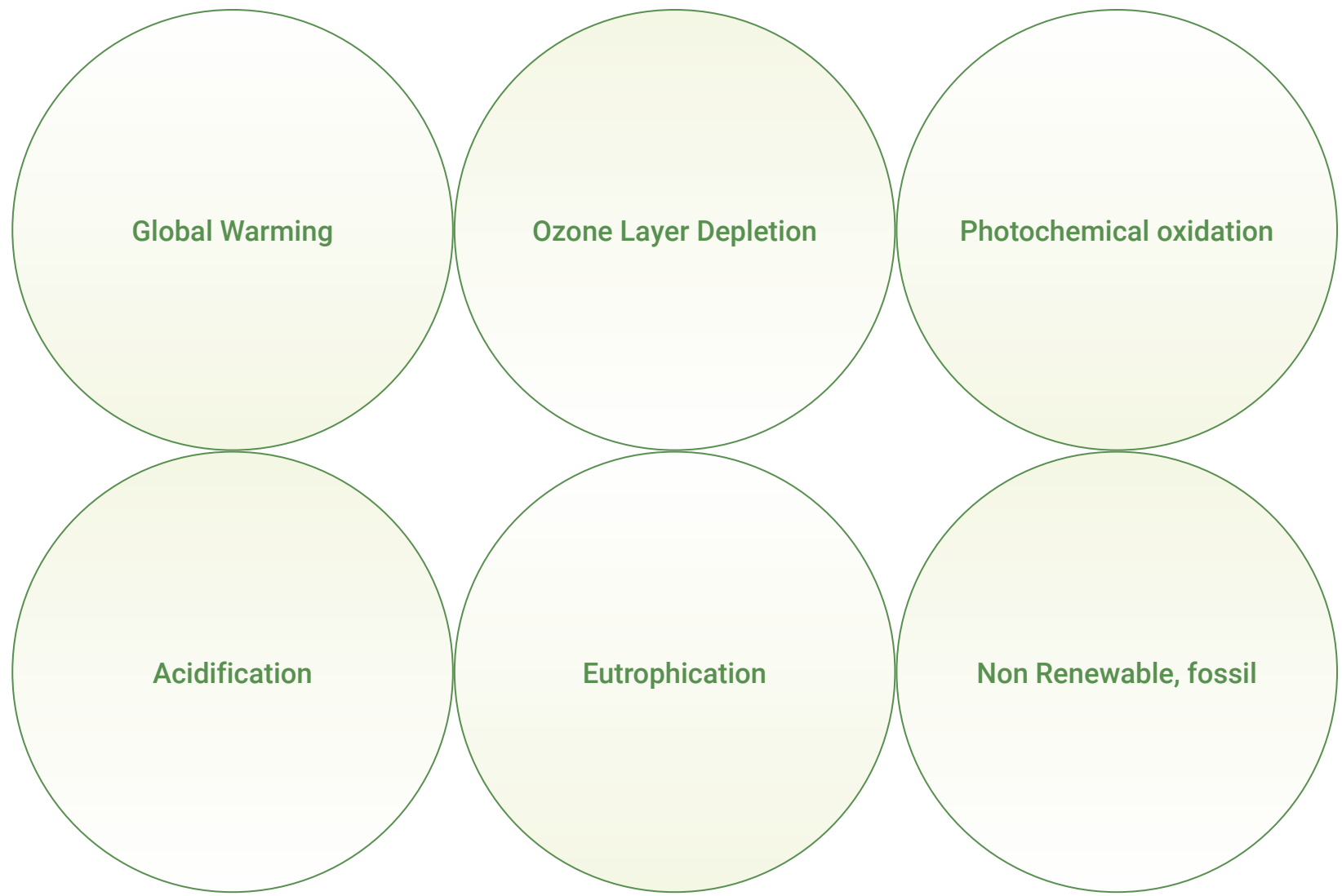
In response to the trend toward sustainable consumption and to enhance the green competitiveness of its products, Sercomm has long been committed to environmentally friendly design to achieve optimal ecological benefits. From the product R&D stage, the Company follows the 3R principles of Reduce, Reuse, and Recycle required under the EU Waste Electrical and Electronic Equipment (WEEE) Directive, with the aim of extending product life and achieving product designs that are easy to disassemble and recycle.

Strategically, we promote Green Design, Green Manufacturing, and Green Procurement to fully implement international environmental regulations, including EU WEEE, RoHS, and REACH standards. By improving power conversion efficiency, reducing material usage, and optimizing packaging design, Sercomm effectively reduces the environmental impact of products throughout their life cycle. At the same time, the Company actively collaborates with the supply chain to introduce recycled and environmentally friendly materials and implement the circular economy. Sercomm believes that products are not only a demonstration of corporate innovation, but also an important medium for fulfilling sustainability responsibilities. Through green innovation, Sercomm helps guide the industry toward a low-carbon future.



6.1.1 Green Design Pathway and Product Life Cycle Assessment

Sercomm is committed to developing electronic devices with improved environmental performance by reducing environmental burdens and resource consumption throughout the product life cycle through product design, enhanced energy efficiency, material selection, packaging reduction, and manufacturing process optimization. In accordance with the Life Cycle Assessment (LCA) methodology under ISO 14040 and ISO 14044, the Company identifies significant environmental factors and quantifies potential environmental impacts across relevant product life cycle stages. In 2009, Sercomm participated in the "International Industrial Sustainable Development and Response to International Environmental Standards Guidance Program" organized by the Industrial Development Bureau, Ministry of Economic Affairs, and worked with the Taiwan Industry Service Foundation to conduct a Type III Environmental Product Declaration (EPD) for router products. Based on the study boundary adopted at the time, the assessment covered research and design, parts procurement, manufacturing, transportation, sales, and consumer use, and quantified and disclosed the environmental impacts of the product across these life cycle stages, including:



In 2011, Sercomm also established a Product Category Rule (PCR) for small cell base stations to support Type III environmental declarations for relevant products.

To complete assessments more efficiently and accurately, we established an inventory task force in 2023 to clarify the responsibilities of each department. In 2024, we introduced a digital GHG inventory management system. In addition to supporting the accurate collection of carbon emissions data under the six ISO 14064-1 categories, the system also enhances our capability to apply the ISO 14067 product carbon footprint calculation methodology through a comprehensive life cycle assessment database.

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6.1.2 Green Design Management and Implementation Framework

To incorporate green design concepts from the earliest R&D stage of the product life cycle, the R&D organization must be able to respond to and implement relevant design requirements and standards. Sercomm has established a specific green design management framework, as shown below:

Department	Responsibilities
Chief Technology Officer	
 Hardware R&D	» Improve power conversion efficiency » Evaluate printed circuit board (PCB) size » Select components that comply with green design requirements
 Software and Firmware R&D	» Configure product idle mode
 Mechanical and Packaging Materials R&D	» Evaluate the reasonableness of product housing and PCB size » Select plastic materials that comply with green design requirements » Select packaging materials that comply with green design requirements » Reduce packaging weight
 Component Engineering	» Confirm that components in the component database comply with relevant international laws and regulations
 Strategic Procurement	» Ensure that components supplied by component suppliers comply with green design requirements
 Product Assurance	» Verify and review the results of the above departments

6.1.3 Green Design Principles

 SASB: TC-HW-410a.3

Sercomm primarily follows a subtractive design approach. During the design stage, we focus on reducing energy consumption and material use to lessen the burden on the ecological environment. The 3R principles of Reduce, Reuse, and Recycle, together with the reduction of energy and resource use during the use phase, serve as the Company's key design principles, for which corresponding targets have been established.

Green Design Principles and Targets

	Principle	2026 Target	2025 Achievement Status
3R	Reduce	» Reduce power consumption (increase power conversion efficiency) » Hardware level » Software and firmware level	Power conversion efficiency of router products: All mass-produced products achieved an efficiency of over 80%, and 80% of the products achieved an efficiency of over 85%. ✓ Achieved
		» Reduce volume and material use » Reduce PCB area » Reduce packaging volume and weight	✓ The average PCB panel utilization rate for the ten product models with the highest production volumes was 78.1%. Following recalculation using an optimized program, the average utilization rate could be increased by 10.8% . ✓ Packaging volume reduction was completed for four major product models, increasing the loading efficiency of 40-foot containers to up to approximately 2.78 times the original level. For the same shipment volume, this improves transportation space utilization and reduces the number of containers required, thereby helping to lower transportation-related carbon emissions per unit of product.
	Reuse	» Use of recycled and environmentally friendly materials	✓ The five product models with the highest PCR material use incorporated approximately 554 metric tons of PCR materials in total.
	Recycle	» Compliance with the Waste Electrical and Electronic Equipment (WEEE) Directive	» 100% of products comply with the WEEE Directive. See "WEEE-3R Disassembly Test Results" for details
Usage		» Compliance with hazardous substance control standards (REACH, RoHS)	» 100% of products comply with hazardous substance control standards ✓ All products comply with control standards
		» Software and hardware energy-saving settings	» Design introduction of software and hardware sleep modes and compliance with voluntary energy-saving requirements in each region ✓ All products comply with energy-saving requirements in each region

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Reduce - Product Energy Conservation / Improving PCB Panel Utilization

Under the Reduce dimension, Sercomm focuses on product power conversion efficiency from the product R&D stage and incorporates lower energy consumption and reduced environmental impact into product design considerations. Through an R&D team specialized in power consumption, the Company continuously optimizes power supply design, thermal efficiency, and hardware and software energy-saving modes. Sercomm has also developed sleep modes to reduce product energy consumption during the use phase.

As of 2025, the power conversion efficiency of all Sercomm router products exceeded 80%, and more than 80% of router products achieved power conversion efficiency above 85%. In the Company's major sales markets, all products sold in the Americas and Europe complied with applicable local energy efficiency certification standards. Revenue from eligible products that obtained energy efficiency certifications accounted for 82.90% of total revenue, reflecting Sercomm's continued efforts to improve product energy efficiency through product design and regulatory compliance management.

In addition, Sercomm continues to promote reductions in product area and volume. For example, for key products such as routers and Wi-Fi access points, the Company evaluates the appropriate size of printed circuit boards (PCBs) based on product functions and actual design requirements, thereby reducing material use and lowering the environmental footprint of products. Looking ahead to 2026, Sercomm will continue to expand the application of its PCB material utilization optimization tool. By optimizing design layouts, the Company aims to improve material use efficiency and progressively incorporate the resulting improvements into the design enhancement and mass production implementation processes for major products, thereby strengthening green product design and the management of material use efficiency.

Reuse - Environmentally Friendly Materials

Guided by a design-for-reduction approach and taking market expectations into consideration, Sercomm uses environmentally friendly recycled materials in two major categories of product materials: plastic components and paper-based materials. For plastic components, Sercomm primarily incorporates a certain proportion of post-consumer recycled (PCR) plastics into product housings, including those used in products such as home routers and Wi-Fi routers.

For paper-based materials, most packaging materials used for product shipments are made from recycled paper or paper produced from environmentally friendly raw materials. These materials are used in corrugated cartons, internal cushioning, manuals, and printed packaging boxes. In response to customer requirements, Sercomm also gives priority to paper suppliers certified by the Forest Stewardship Council (FSC), thereby supporting responsible forest management and the sustainable use of forest resources. Going forward, Sercomm will continue to work with upstream material suppliers to adopt recyclable and reusable packaging materials and reduce resource consumption by simplifying packaging processes and minimizing the use of raw materials.

Recycle - Product Recovery and Reuse

In addition to complying with applicable restrictions on environmentally hazardous substances and incorporating power-saving design into its green product requirements, Sercomm also integrates design concepts that facilitate disassembly and recycling. This enables end users to handle products more easily at the end of their useful life. Sercomm follows the "3R" principles of Reduce, Recycle, and Reuse set out in the EU Waste Electrical and Electronic Equipment (WEEE) Directive. WEEE labels are also affixed to products to remind end users to sort, recycle, and properly dispose of waste products in accordance with applicable requirements. As of the end of 2025, a total of 91 products had undergone third-party WEEE-3R disassembly testing, including five products assessed in 2025. The disassembly test results are presented by product category to evaluate performance in terms of reuse, recycling, and material recovery.

In addition, Sercomm has progressively entered into agreements with local recycling service providers in the countries where its products are sold to assist consumers with the collection and recycling of discarded products. Product waste recycling registrations have been completed in seven countries: Germany, France, Italy, Spain, Poland, the United Kingdom, and Greece.

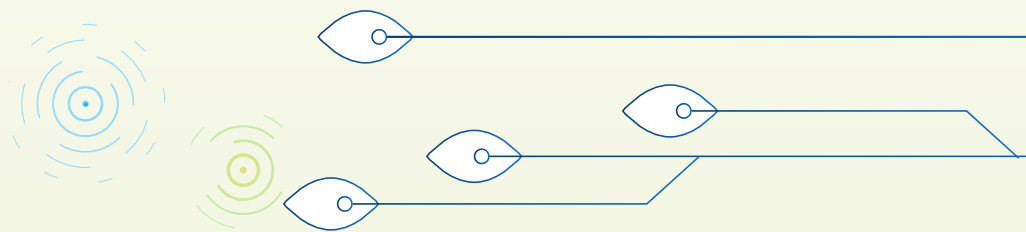
2025 WEEE-3R Disassembly Test Results

Product Tested	Product Category	Re-use/Recycled Rate (%)	Recovered Rate (%)
1	Category 6: Small IT and Telecommunications Equipment	81.69%	91.23%
2	Category 5: Small Equipment	76.50%	99.50%
3		82.40%	91.80%
4		87.00%	91.10%
5		95.80%	96.60%

Usage - Environmentally Controlled Substances

To comply with international environmental regulations and customer requirements, we have established The Sercomm Banned and Restricted Substances List. In addition to substances listed under the EU RoHS and REACH regulations, the list also includes customer requirements for halogen-free materials and other relevant international regulations, clearly specifying banned and restricted substances.

In terms of management measures, we begin with source control. During supplier selection, suppliers are required to sign the Product Quality Assurance Agreement. When suppliers deliver materials, they are required to disclose the composition or content of materials and other relevant information through the Green Product Management (GPM) platform. When necessary, they must submit testing reports issued by impartial third parties. Internally, Sercomm conducts the Production Part Approval Process (PPAP), using clear checklists and requirements to approve key components and ensure that products and components delivered to Sercomm, including product accessories, packaging materials, and other materials, comply with international regulatory requirements. In addition, Sercomm incorporates substance control into the incoming inspection process. Using precise X-ray Fluorescence (XRF) incoming inspection instruments, the Company rigorously measures whether raw materials contain substances that violate controlled substance requirements. If any such issue is identified, suppliers are required to immediately propose corrective and preventive improvement actions. The above measures also apply to auxiliary materials used in production processes.





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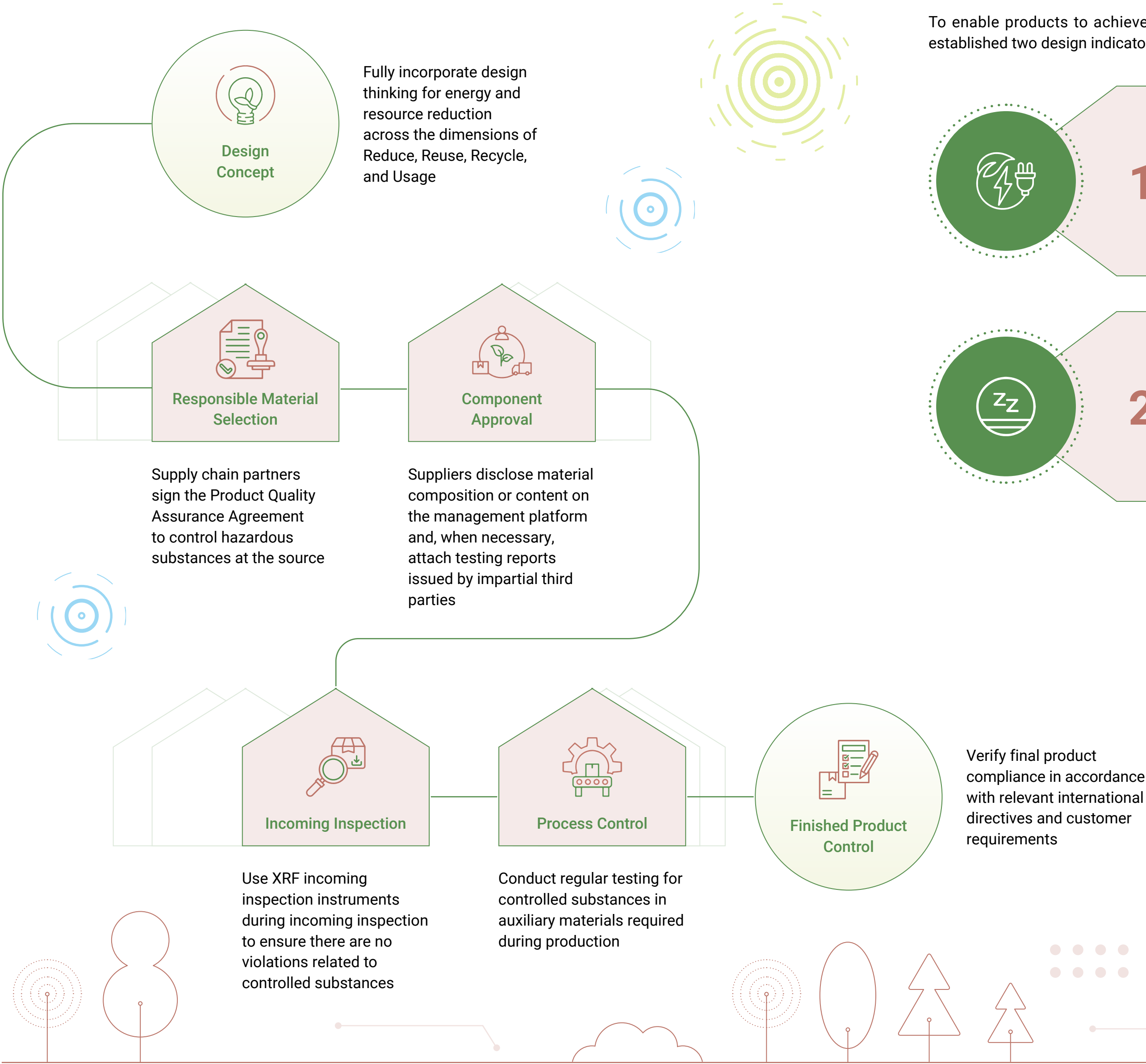
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Substance Control Mechanism Linkage



6.1.4 Energy-Saving Design

To enable products to achieve better energy conservation and carbon reduction throughout their life cycle, Sercomm has established two design indicators under its green product design targets:



1 Power conversion efficiency

Annual power conversion efficiency indicators are established to reduce product electricity consumption during use, thereby achieving energy conservation and carbon reduction.



2 Energy-saving operating mode

Hardware and software methods are used to enable products to quickly enter standby mode outside operating periods, thereby reducing power loss.

6.2

Innovation and R&D

6.2.1 Product Innovation

Sercomm's most critical core technology lies in the software and hardware integration of network IP technologies. This covers multiple generations of wired and wireless network technologies and communications protocols, including xDSL, Cable, optical fiber, 4G/5G, and other broadband interface technologies. Sercomm's software and hardware engineers have extensive R&D experience in relevant fields, and the heads of major R&D departments each have more than 20 years of professional experience. The Company continues to invest in R&D talent and equipment to maintain a high-quality R&D environment and capabilities that meet evolving market needs.

Sercomm has deep expertise in the software and hardware architecture and integration capabilities of various networking technologies. The Company can rapidly adjust designs according to different customer product specifications to meet diverse requirements. As networking technologies continue to evolve rapidly, Sercomm closely monitors the latest technological developments, actively participates in relevant technical seminars, and allocates R&D resources from both software and hardware departments to master and introduce emerging technologies.

Our R&D centers are primarily located in Taipei, Taiwan, and Suzhou, China. The Group has more than 1,000 R&D engineers, and its software and hardware engineers have extensive R&D experience in relevant fields. They also participate in relevant technical seminars to stay abreast of the latest developments in networking technologies. To encourage R&D innovation, we encourage R&D engineers to apply for patent protection for new software and hardware innovation architectures. When patents are granted, appropriate bonuses are awarded to maintain Sercomm's R&D momentum and meet market demand.

Division of Responsibilities for Product Innovation

Software Department

Develop new software architectures, coordinate with hardware, and develop new processes to improve product performance, while incorporating energy-saving requirements to reduce standby power consumption

Hardware Department

Innovate hardware architectures beyond existing frameworks and work with software development to achieve optimal product performance

Antenna Department

Develop antennas required for various wireless spectrums, using innovative concepts to achieve high-performance, compact, lightweight, and slim antenna designs

Mechanical Department

Innovate product appearance designs, which have received multiple German Red Dot Design Awards; packaging design also pursues practical, simplified, and environmentally friendly design objectives

Product Assurance Department

Develop automated testing for software and hardware product verification to reduce manpower needs and improve execution efficiency

R&D Investment Over the Past Four Years

Item	2022	2023	2024	2025
R&D Expenditure	2,815,066	3,127,890	3,323,109	3,333,333
R&D Expenditure as a Percentage of Revenue	4.36%	5.00%	5.85%	6.17%
Revenue	64,573,720	62,584,493	56,788,762	53,999,430

Unit: NT\$ thousands

- 6.1 Green Products
- 6.2 Innovation and R&D
- 6.3 Customer Relationship Management
- 6.4 Product and Service Responsibility

6.2.2 Intellectual Property Management

Sercomm is committed to innovation and R&D, and regards intellectual property as an important core asset. To protect R&D results, sustain innovation momentum, and strengthen competitive advantages in the market, the Company integrates operational goals with its intellectual property strategy and has established a comprehensive intellectual property management system and risk control mechanism to enhance overall operating performance and long-term profitability.

In terms of management mechanisms, Sercomm adopts tiered management for internal patent proposals and trade secrets, with clear operating standards and procedures. The Company regularly reviews and assesses the effectiveness of system implementation, and continuously optimizes intellectual property management practices. Dedicated intellectual property management personnel are assigned under the Legal Department to provide professional consultation to various departments on patent searches, proposals, and intellectual property disputes.

In addition, the Company places importance on intellectual property risk management. At least once a year, the implementation status of intellectual property management is reported to the Board of Directors to strengthen the governance mechanism and ensure that the intellectual property strategy is aligned with the Company's overall development direction, thereby further supporting sustainable operations.

Intellectual Property Management Framework and Implementation Status

Category	Description
 Intellectual Property Strategy	Develop and accumulate Sercomm's intellectual property assets and establish a comprehensive defense system to protect the rights and interests of the Company, customers, and suppliers. At the same time, deploy patents for core technologies to enhance technological competitiveness and establish market entry barriers. In addition, through key technology licensing and technical cooperation, Sercomm forms strategic alliances with industry leaders and activates intellectual property assets to create financial benefits.
 Intellectual Property Risk Control	Clearly define intellectual property warranties and scopes of responsibility in business contracts, and appropriately allocate risks through the supply chain. Establish an infringement incident handling mechanism and patent monitoring system to continuously track specific technologies and competitors. At the same time, strategically obtain licenses or technical cooperation and allocate intellectual property reserves to address potential litigation risks.
 Intellectual Property Management Plan and Implementation Status	Maintain the intellectual property management system and coordinate patent application and maintenance operations. In 2025, 23 new patent applications were filed, of which 100% were invention patents. The Patent Incentive Measures have been introduced at the Taipei headquarters and U.S. and China sites to encourage innovation and R&D. Overview of Intellectual Property Results (as of December 2025): » Total number of patent applications: >400 » Total number of registered trademarks: >42 » Total number of patents granted: >283
 Talent Development and System Promotion	Include intellectual property and trade secret protection in mandatory courses for new employees, and conduct annual training for all employees on topics such as trade secrets, information security, and infringement prevention. In 2025, a total of 2,604 participants received such training, with total training hours reaching 85.54 hours. In addition, through the patent incentive mechanism, Sercomm encourages R&D, manufacturing, and planning personnel to actively engage in innovation, continuously accumulate intellectual assets such as patents, copyrights, and trade secrets, and enhance overall technological capabilities.

6.3 Customer Relationship Management

SASB: TC-HW-440a.1

Sercomm regards "customer first" as the core spirit of its corporate mission, "Committed Partnership." The three core values of "Execution," "Innovative," and "Service" are also key to fulfilling this mission. Guided by these principles, we build strong and long-term partnerships with customers through professional R&D, flexible production, and integrated communication.





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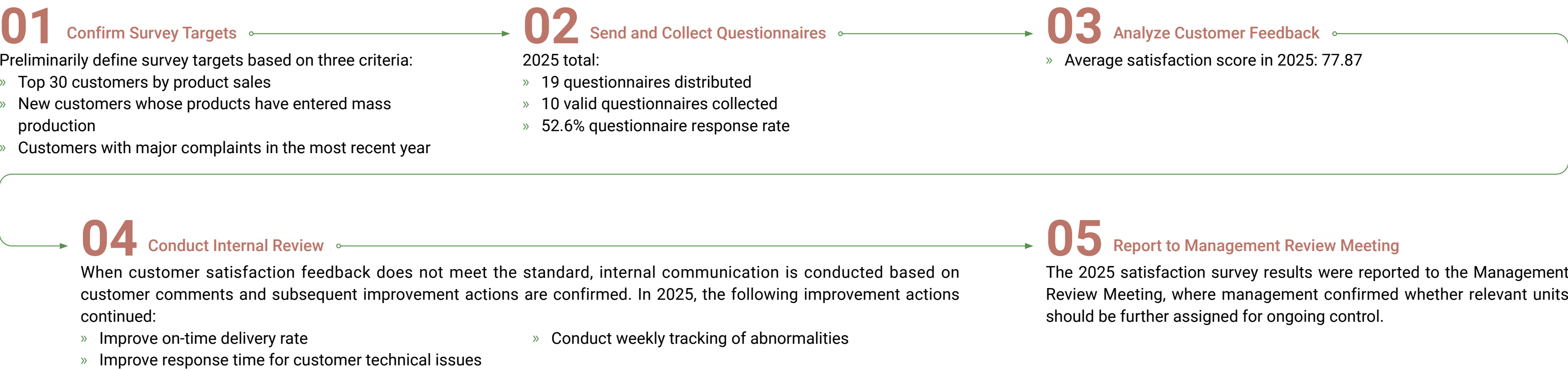
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Telecommunications operators are important customers of Sercomm and currently face growing labor shortages and rising labor costs. Moreover, their subscribers often lack a clear understanding of the causes of service failures, resulting in repeated on-site technician dispatches and additional cost burdens. Leveraging its hardware and software integration capabilities, Sercomm has continued to optimize hardware design over the past two years while also introducing a new cloud-based Intelligent Diagnostic Platform to enhance telecommunications operators' remote detection and troubleshooting capabilities. The solution applies big data analytics models to predict equipment failure risks and implement necessary software configuration optimizations in real time. This helps shorten subscriber downtime, improve the user experience, reduce unnecessary technician dispatches, and support telecommunications operators in lowering operating costs.

Sercomm has established the Customer Satisfaction Management Procedure and conducts a customer satisfaction survey at least once a year. The survey collects customer feedback across dimensions including quality, delivery, pricing, service, and technical support. Results from customers' regular and ad hoc on-site audits are also incorporated as important references for improving customer relationships. In 2025, Sercomm conducted one customer satisfaction survey, with an average satisfaction score of 77.87. Based on customer feedback and internal analysis, the delivery performance of certain products did not fully meet customer expectations during the reporting period due to constraints in the supply of critical materials and fluctuations in customers' short-lead-time requirements. These factors also increased the pressure associated with customer service coordination and responsiveness, resulting in relatively lower satisfaction with the service dimension and affecting the overall satisfaction score.

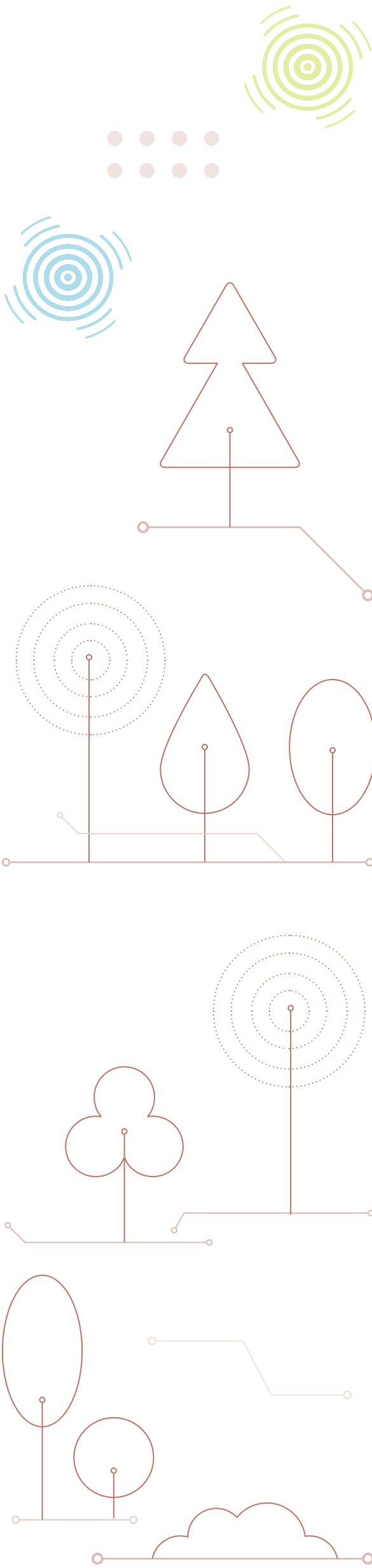
To address the delivery performance of certain products affected by the supply of critical memory components and fluctuations in customers' short-lead-time requirements, Sercomm has strengthened its demand forecasting, critical material inventory tracking, and delivery schedule management mechanisms. The Company has also entered into long-term agreements (LTAs) with key suppliers to improve the stability of material supply. At the same time, Sercomm has adopted flexible arrangements, such as phased shipments, through communication with customers to mitigate the impact of supply fluctuations on delivery schedules. Going forward, the Company will continue to optimize supply chain coordination and customer communication processes to improve delivery stability and customer service quality. In addition, no customer-reported health and safety incidents caused by Sercomm's products were received during the reporting year.

Customer Satisfaction Survey Process



Customer Satisfaction Survey Results Over the Past Four Years

Year \ Survey Dimension	Quality	Delivery	Price	Service	Technology	Overall Average
2022	92.20	89.40	86.60	96.00	92.20	91.28
2023	86.00	93.00	76.00	91.00	84.00	86.00
2024	85.49	85.88	77.65	87.65	85.88	84.51
2025	78.00	81.33	84.00	68.00	78.00	77.87





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6.4 Product and Service Responsibility

 **GRI: 416-1, 416-2, 417-1, 417-2, 417-3**

Sercomm places strong emphasis on product quality, safety, regulatory compliance, and information disclosure responsibilities. Through quality management, product safety verification, regulatory compliance reviews, and labeling management mechanisms, the Company works to ensure that its products meet applicable safety, reliability, and market access requirements throughout the design, manufacturing, testing, shipment, and customer use stages. In accordance with customer specifications and the laws and regulations of relevant markets, Sercomm carries out the necessary testing, review, and certification procedures during product development and mass production. The Company also continues to strengthen product quality and reliability management to reduce risks associated with product use and enhance customer trust.

For all products, Sercomm completed assessments of health and safety impacts and product information and labeling requirements in accordance with applicable laws, regulations, and customer requirements, achieving 100% assessment coverage.

6.4.1 Product Safety and Health Risk Management

During product development and mass production, Sercomm conducts product safety, reliability, and functional testing based on product characteristics, application environments, customer requirements, and applicable laws and regulations in relevant markets. These activities are intended to assess potential health and safety risks that may arise during product use.

The assessments cover areas including electrical safety, product structural safety, material compliance, energy efficiency, environmentally controlled substances, and conditions of product use. Through internal quality management processes and product verification mechanisms, Sercomm works to ensure that products comply with applicable safety requirements before market launch or delivery.

With respect to product safety certification, Sercomm obtains relevant product safety and market access certifications based on the sales market, product type, operating environment, customer requirements, and applicable laws and regulations. The applicability of each certification varies depending on product specifications and the regulatory requirements of the destination market. Accordingly, not all products are required to obtain every certification listed below.

Region	Product Safety and Compliance Certifications
Americas	ETL, UL, cTUVus, CSA, INMETRO
Europe	EAC, Ex
Asia	CQC, PSE

To strengthen its product safety and quality management capabilities, Sercomm continues to provide product safety-related training covering topics such as quality management and product safety development. In 2025, the training recorded 997 participant attendances, with a total of 4,823.35 training hours.

In 2025, Sercomm recorded no product-related health and safety incidents. There were also no product safety incidents or abnormal product recalls.

6.4.2 Product Information, Labeling, and Regulatory Compliance

Sercomm manages product labels, certification marks, warning statements, user instructions, and relevant compliance information in accordance with market access requirements, customer specifications, and applicable product regulations in each country. This ensures that product information is accurate, complete, and compliant with the requirements of the target market. Relevant information may include product models, specifications, safety certification labels, energy efficiency information, environmental labels, recycling labels, product use restrictions, and necessary safety warnings, and is disclosed on the product itself, packaging, user manuals, or other delivery documents as required by customers and regulations.

In terms of marketing and communication, Sercomm primarily provides products and services under a B2B business model. Relevant product information, technical specifications, and compliance documents are provided according to customer needs and contractual agreements, with internal review processes in place to ensure information accuracy. In 2025, Sercomm had no incidents of non-compliance with regulations related to product and service information labeling or marketing communications.





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Management System Certification Status

Category	Management System	Taipei Headquarters	Major Manufacturing Centers		
			Chunan	Suzhou	Philippines
Operational Management	ISO 9001:2015 Quality Management System	DNV	DNV	DNV	DNV
	TL 9000:2016 Telecommunications Quality Management System	DNV	DNV	DNV	
	ISO 45001:2018 Occupational Health and Safety Management System	BSI	DNV	DNV	DNV
	RBA VAP		RBA	RBA	RBA
Environmental Sustainability	ISO 14001:2015 Environmental Management System		DNV	DNV	DNV
	ISO 14064-1:2018 GHG Inventory	DNV	DNV	TÜV SÜD	TÜV SÜD
	ISO 14067:2018 Carbon Footprint Verification		DNV	DNV, SGS	
	Green Mark				TÜV Rheinland
	LEED Green Building Certification		USGBC		
	ISO 50001:2018 Energy Management System		DNV	TÜV SÜD	DNV
	FSC-STD-40-004 V3-1 Chain of Custody Certification				BV
Business Ethics	ISO/IEC 27001:2022 Information Security Management System	SGS	SGS	TÜV SÜD	TÜV SÜD
	C-TPAT U.S. Customs-Trade Partnership Against Terrorism		GSV		GSV

 Share of Operational Management Certifications	40.00%
 Share of Environmental Management Certifications	42.86%
 Share of Business Ethics Certifications	17.14%

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GRI Content Index

 Statement of use	Sercomm Corporation has reported in accordance with the GRI Standards for the period from January 1 to December 31, 2025, for the information cited in this GRI Content Index.	GRI 1 used	GRI 1: Foundation 2021
		Applicable GRI Sector Standard(s)	No applicable sector standards are currently available.

GRI 2: General Disclosures 2021

GRI Standards	Disclosure	Section	Page	Remarks / Omission
2-1	Organizational details	About This Report	04	
		1.1.1 About Sercomm	10	
2-2	Entities included in the organization's sustainability reporting	About This Report	04	
		1.1.1 About Sercomm	10	
2-3	Reporting period, frequency, and contact point	About This Report	05	
2-4	Restatements of information	About This Report	04	
		3.3.1 Greenhouse Gas Management	53	
		3.3.2 Energy Management	54	
		3.4 Water Resource Management	57	
		3.5 Waste Management	58	
		Errata and Restatements for the 2024 Sustainability Report	146	
2-5	External assurance	About This Report	05	
2-6	Activities, value chain, and other business relationships	1.1.3 Value Chain of the Communications and Internet Industry	14	
		2.6 Sustainable Supply Chain Management	30	
2-7	Employees	4.1.1 Workforce Structure	65	
2-8	Workers who are not employees	4.1.1 Workforce Structure	68	
2-9	Governance structure and composition	5.1 Governance Structure	102	
2-10	Nomination and selection of the highest governance body	5.1 Governance Structure	102	
2-11	Chair of the highest governance body	5.1 Governance Structure	102	
2-12	Role of the highest governance body in overseeing the management of impacts	2.1 Sustainability Management Framework	19	
		5.1.1 Board Composition	102	
		5.3 Risk Management	109	
2-13	Delegation of responsibility for managing impacts	2.1 Sustainability Management Framework	19	



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2-14	Role of the highest governance body in sustainability reporting	2.1 Sustainability Management Framework	19	
2-15	Conflicts of interest	5.1.1 Board Composition 5.2 Business Ethics	104 107	
2-16	Communication of critical concerns	5.1.1 Board Composition	103	
2-17	Collective knowledge of the highest governance body	5.1.3 Board Effectiveness	106	
2-18	Evaluation of the performance of the highest governance body	5.1.3 Board Effectiveness	106	
2-19	Remuneration policies	4.1.3 Employee Care 5.1.2 Functional Committees	73 105	
2-20	Process to determine remuneration	5.1.2 Functional Committees	105	
2-21	Annual total compensation ratio	4.1.3 Employee Care	73	Calculated in accordance with the Company's remuneration policy, including basic salary and variable bonuses (Taiwan only): 1. Annual total compensation ratio: 24.6 2. Ratio of annual total compensation change: -5.6
2-22	Statement on sustainable development strategy	Message from Management	06	
2-23	Policy commitments	Chapter 1 Value Creation Chapter 2 Sustainable Operations Chapter 3 Environmental Sustainability Chapter 4 Social Inclusion Chapter 5 Corporate Governance Chapter 6 Green Innovation and R&D	09 18 39 63 101 116	
2-24	Embedding policy commitments	2.1 Sustainability Management Framework	19	
2-25	Processes to remediate negative impacts	4.1.5 Multi-channel Communication Management Approach in each chapter	82	
2-26	Mechanisms for seeking advice and raising concerns	4.1.5 Multi-channel Communication	82	
2-27	Compliance with laws and regulations	5.2.6 Material Violations	108	
2-28	Membership associations	2.5 Participation in Public Associations	29	
2-29	Approach to stakeholder engagement	2.4 Stakeholder Engagement	27	
2-30	Collective bargaining agreements	4.2.1 Human Rights Policy	84	Only the Suzhou site has established a labor union in accordance with local laws and regulations. Through its collective bargaining agreement, the union negotiates matters including remuneration, working hours and leave, occupational safety and health, maternity protection, and insurance and welfare benefits. Employees at the Suzhou site accounted for 25.10% of the Group's total workforce. Employees in other locations did not raise requests for collective bargaining agreements during the reporting period. Nevertheless, the Company continued to collect and respond to employee feedback on working conditions, the workplace environment, and employee benefits through labor-management meetings, employee communication channels, and grievance mechanisms, thereby maintaining effective labor-management communication and safeguarding employees' rights and interests.

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GRI 3: Material Topics

GRI Standards	Disclosure		Section	Page	Remarks / Omission
Material Topics					
GRI 3: Material Topics 2021	3-1	Process to determine material topics	2.3 Material Topic Analysis	22	
	3-2	List of material topics	2.3 Material Topic Analysis	22	
Material Topic: Climate Change Mitigation and Adaptation					
GRI 3: Material Topics 2021	3-3	Management of material topics	2.3 Material Topic Analysis	22	
GRI 201: Economic Performance 2016	201-2	Financial implications and other risks and opportunities due to climate change	3.2.4 Climate Risk and Opportunity Response Strategies	47	
Material Topic: Greenhouse Gas and Energy Management					
GRI 3: Material Topics 2021	3-3	Management of material topics	2.3 Material Topic Analysis	22	
GRI 302 Energy 2016	302-1	Energy consumption within the organization	3.3.2 Energy Management	54	
	302-2	Energy consumption outside of the organization	--	--	Energy consumption outside the organization is currently estimated primarily based on Scope 3 inventory data, emission factors, and activity data. As complete actual energy consumption data are not yet available for certain upstream and downstream value chain activities, the Company is currently unable to provide a comprehensive disclosure. Going forward, Sercomm will continue to improve its data collection and calculation methodologies to progressively enhance disclosure completeness.
	302-3	Energy intensity	3.3.2 Energy Management	54	
	302-4	Reduction of energy consumption	3.3.2 Energy Management	56	The Company has implemented multiple energy-saving improvement measures. However, the data collection boundaries, baseline settings, and calculation methodologies used to quantify energy savings have not yet been fully standardized across operating locations. Therefore, the Company is currently unable to provide a comprehensive disclosure of the Group-wide reduction in energy consumption. Going forward, Sercomm will continue to strengthen the mechanisms for tracking the benefits of energy-saving projects and collecting relevant data.
	302-5	Reductions in energy requirements of products and services	--	--	The Company has implemented energy-efficient product design. However, reductions in product energy requirements vary depending on product models, customer specifications, and usage scenarios. As comprehensive and consistent calculation boundaries, baselines, and methodologies have not yet been established, the Company is currently unable to provide a complete disclosure. Going forward, Sercomm will continue to strengthen its product energy efficiency data collection and management mechanisms.
GRI 305 Emissions 2016	305-1	Direct (Scope 1) GHG emissions	3.3.1 GHG Management	53	
	305-2	Energy indirect (Scope 2) GHG emissions	3.3.1 GHG Management	53	



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GRI Standards	Disclosure		Section	Page	Remarks / Omission
GRI 305 Emissions 2016	305-3	Other indirect (Scope 3) GHG emissions	3.3.1 GHG Management	53	
	305-4	GHG emissions intensity	3.3.1 GHG Management	54	
	305-5	Reduction of GHG emissions	3.3.1 GHG Management	53	The Company has implemented multiple GHG emissions reduction measures, including energy-saving initiatives, renewable energy use, and equipment replacement. However, the data collection boundaries, baseline settings, and calculation methodologies for emissions reduction projects have not yet been fully standardized across operating locations. Therefore, the Company is currently unable to provide a comprehensive disclosure of Group-wide GHG emissions reductions. Going forward, Sercomm will continue to strengthen the mechanisms for tracking the effectiveness of emissions reduction projects and collecting relevant data.
Material Topic: Human Resource Management					
GRI 3: Material Topics 2021	3-3	Management of material topics	2.3 Material Topic Analysis	22	
GRI 201: Economic Performance 2016	201-3	Defined benefit plan obligations and other retirement plans	Retirement system and implementation status	77	
GRI 202 Market Presence 2016	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	4.1.3 Employee Care	73	
	202-2	Proportion of senior management hired from the local community	4.1.1 Workforce Structure	72	
GRI 401 Employment 2016	401-1	New employee hires and employee turnover	4.1.1 Workforce Structure	65	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	4.1.3 Employee Care	76	
	401-3	Parental leave	4.1.3 Employee Care	77	
Material Topic: Human Rights Management					
GRI 3: Material Topics 2021	3-3	Management of material topics	2.3 Material Topic Analysis	22	
GRI 406 Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	4.2 Human Rights Management	84	
GRI 407 Freedom of Association and Collective Bargaining 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	2.6 Sustainable Supply Chain Management 4.2 Human Rights Management	30 84	
GRI 408 Child Labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor	2.6 Sustainable Supply Chain Management 4.2 Human Rights Management	30 84	
GRI 409 Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	2.6 Sustainable Supply Chain Management 4.2 Human Rights Management	30 84	
Material Topic: Occupational Health and Safety					
GRI 3: Material Topics 2021	3-3	Management of material topics	2.3 Material Topic Analysis	22	
GRI 403 Occupational Health and Safety 2018	403-1	Occupational health and safety management system	4.3 Occupational Health and Safety Management	87	



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GRI 403 Occupational Health and Safety 2018	403-2	Hazard identification, risk assessment, and incident investigation	4.3.2 Hazard Identification and Risk Assessment 4.3.3 Incident Investigation	88 89	
	403-3	Occupational health services	4.3.5 Workplace Health Management and Promotion	92	
	403-4	Worker participation, consultation, and communication on occupational health and safety	4.3.1 Occupational Health and Safety Committee 4.3.4 Occupational Health and Safety Training 2.4 Stakeholder Engagement	87 90 27	
	403-5	Worker training on occupational health and safety	4.3.4 Occupational Health and Safety Training	90	
	403-6	Promotion of worker health	4.3.5 Workplace Health Management and Promotion	92	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	4.3.5 Workplace Health Management and Promotion	92	
	403-8	Workers covered by an occupational health and safety management system	4.3 Occupational Health and Safety Management	87	
	403-9	Work-related injuries	4.3.6 Occupational Health and Safety Statistics	94	
	403-10	Work-related ill health	4.3.6 Occupational Health and Safety Statistics	94	
Material Topic: Economic Performance					
GRI 3: Material Topics 2021	3-3	Management of material topics	2.3 Material Topic Analysis	22	
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	1.2 Business Performance	15	
	201-4	Financial assistance received from government	1.2 Business Performance	15	
Material Topic: Business Ethics					
GRI 3: Material Topics 2021	3-3	Management of material topics	2.3 Material Topic Analysis	22	
GRI 205 Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	5.2 Business Ethics	107	
	205-2	Communication and training about anti-corruption policies and procedures	4.1.4 Talent Development 5.2 Business Ethics	81 107	
	205-3	Confirmed incidents of corruption and actions taken	5.2 Business Ethics	107	In 2025, one confirmed corruption-related incident involving personnel assigned by an outsourced service provider was identified. The incident did not involve any Sercomm employees, and the relevant disciplinary actions and control improvements were completed.



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Material Topic: Sustainable Supply Chain Management					
GRI 3: Material Topics 2021	3-3	Management of material topics	2.3 Material Topic Analysis	22	
GRI 204 Procurement Practices 2016	204-1	Proportion of spending on local suppliers	2.6 Sustainable Supply Chain Management	31	
GRI 308 Supplier Environmental Assessment 2016	308-1	New suppliers screened using environmental criteria	2.6.2 Supply Chain Management System and Framework	32	
	308-2	Negative environmental impacts in the supply chain and actions taken	2.6.2 Supply Chain Management System and Framework	32	
GRI 414 Supplier Social Assessment 2016	414-1	New suppliers screened using social criteria	2.6.2 Supply Chain Management System and Framework	32	
	414-2	Negative social impacts in the supply chain and actions taken	2.6.2 Supply Chain Management System and Framework	32	
Material Topic: Information Security					
GRI 3: Material Topics 2021	3-3	Management of material topics	2.3 Material Topic Analysis	22	
GRI 418 Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	5.4 Information Security Management	111	
Material Topic: Product and Service Responsibility					
GRI 3: Material Topics 2021	3-3	Management of material topics	2.3 Material Topic Analysis	22	
GRI 416 Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	5.2.6 Material Violations 6.4 Product and Service Responsibility	108 125	
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services			
GRI 417 Marketing and Labeling 2016	417-1	Requirements for product and service information and labeling	6.4 Product and Service Responsibility	125	
	417-2	Incidents of non-compliance concerning product and service information and labeling			
	417-3	Incidents of non-compliance concerning marketing communications			
Material Topics (Sercomm Custom Topics): Customer Relationship Management, Product Innovation and R&D, and Green Products					
GRI 3: Material Topics 2021	3-3	Management of material topics	2.3 Material Topic Analysis	22	
GRI 200: Economic Series					
GRI Standards	Disclosure		Section	Page	Remarks / Omission
Anti-competitive Behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	5.2.6 Material Violations	108	



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GRI 300: Environmental Series

GRI Standards	Disclosure		Section	Page	Remarks / Omission
Water and Effluents 2018	303-1	Interactions with water as a shared resource	3.4 Water Resource Management	57	
	303-2	Management of water discharge-related impacts	3.4 Water Resource Management	57	
	303-3	Water withdrawal	3.4 Water Resource Management	57	
	303-4	Water discharge	3.4 Water Resource Management	57	
	303-5	Water consumption	3.4 Water Resource Management	57	
Waste 2020	306-1	Waste generation and significant waste-related impacts	3.5 Waste Management	58	
	306-2	Management of significant waste-related impacts	3.5 Waste Management	58	
	306-3	Waste generated	3.5 Waste Management	58	
	306-4	Waste diverted from disposal	3.5 Waste Management	59	
	306-5	Waste directed to disposal	3.5 Waste Management	59	

GRI 400: Social Series

GRI Standards	Disclosure		Section	Page	Remarks / Omission
GRI 404 Training and Education 2016	404-1	Average hours of training per year per employee	4.1.4 Talent Development	80	
	404-3	Percentage of employees receiving regular performance and career development reviews	4.1.4 Talent Development	81	
GRI 405 Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	4.1.1 Workforce Structure 5.1 Governance Structure	65 104	
	405-2	Ratio of basic salary and remuneration of women to men	4.1.3 Employee Care	73	



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Topic	Metric Code	Metric Disclosure	Disclosure Type	Disclosure Information	Section	Page	Remarks
Product Security	TC-HW-230a.1	Description of approach to identifying and addressing data security risks in products	Discussion and Analysis	Please refer to the relevant section.	5.4 Information Security Management	111	
Employee Diversity and Inclusion	TC-HW-330a.1	Percentage of (1) gender and (2) diversity group representation for (a) executive management, (b) non-executive management, (c) technical employees and (d) all other employees	Quantitative	Please refer to the relevant section.	4.1.1 Workforce Structure	65	
Product Lifecycle	TC-HW-410a.1	Percentage of product revenue containing IEC 62474 declarable substances (%)	Quantitative	0	--	--	Customers currently adopt RoHS, REACH, and halogen-free requirements as their standards for managing restricted substances. Sercomm's products comply with these restricted substance requirements.
	TC-HW-410a.2	Percentage of eligible products, by revenue, meeting the requirements for EPEAT registration or equivalent	Quantitative	Not applicable	--	--	Sercomm primarily operates under an ODM (Original Design Manufacturer) B2B business model. If a product falls within the scope of this standard, verification and related procedures will be completed based on downstream customer requirements. This metric is therefore not applicable at present.
	TC-HW-410a.3	Percentage of eligible products, by revenue, certified to an energy efficiency certification	Quantitative	82.90%	6.1.3 Green Design Principles	119	Products sold to the Americas and Europe comply with local energy certification standards.
	TC-HW-410a.4	Weight of end-of-life products and e-waste recovered (metric tons); percentage recycled	Quantitative	(1) 177.69 (t) (2) 64.61%	--	--	The reporting scope covers end-of-life electronic materials and electronic waste recovered on-site at the Major Manufacturing Centers. Non-electronic waste categories, including cardboard, plastics, wood, general metals, waste liquids, containers, contaminated materials, and industrial waste, are excluded from this indicator.



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Topic	Metric Code	Metric Disclosure	Disclosure Type	Disclosure Information	Section	Page	Remarks
Supply Chain Management	TC-HW-430a.1	Percentage of Tier 1 supplier facilities audited in the RBA Validated Audit Process (VAP) or equivalent, by (1) all facilities and (2) high-risk facilities	Quantitative	(1) 3.53% (2) 77.50%	2.6.2 Supply Chain Management System and Framework	35	
	TC-HW-430a.2	Tier 1 suppliers' (1) non-conformance rate with the RBA Validated Audit Process (VAP) or equivalent, and (2) associated corrective action rate for (a) priority non-conformances and (b) other non-conformances	Quantitative	(1) 16.13% (2) (a) N/A (b) 88.33%	2.6.2 Supply Chain Management System and Framework	35	No priority non-conformances were identified during the reporting period; therefore, the corrective action rate was not applicable.
Materials Sourcing	TC-HW-440a.1	Description of the management of risks associated with the use of critical materials	Discussion and Analysis	Please refer to the relevant section.	2.6.4 Responsible Minerals Management 6.3 Customer Relationship Management	37 123	
Operating Information	TC-HW-000.A	Number of units produced by product category	Quantitative	Please refer to the relevant section.	1.1.2 Products and Markets	13	
	TC-HW-000.B	Area of manufacturing facilities	Quantitative	119,833.82 m ²	1.1.1 About Sercomm	11	The statistics cover the three Major Manufacturing Centers.
	TC-HW-000.C	Percentage of production from owned facilities	Quantitative	100%	--	--	



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No. / Corresponding GRI and SASB Metrics	Indicator	Indicator Type	Annual Disclosure Status		Remarks		
			Summary	Unit	Section	Page	External Assurance
1 GRI 302	Total energy consumption, percentage of purchased electricity, utilization rate (renewable energy)	Quantitative	(1) 184,669.32 (2) 95.90% (3) 35.91%	Gigajoules (GJ), percentage (%)	3.3.2 Energy Management	54	
2 GRI 303	Total water withdrawn, total water consumption	Quantitative	(1) 229.39 (2) 40.71	thousand cubic meters (1000 m³)	3.4 Water Resource Management	57	
3 GRI 306	Total hazardous waste generated and percentage recycled	Quantitative	(1) 149.41 (2) 85.24	metric tons (t), percentage (%)	3.5 Waste Management	58	
4 GRI 403-9	Types of, number of employees in and rate of occupational accidents	Quantitative	Please refer to the relevant section.	Number, rate (%)	4.3.6 Occupational Health and Safety Statistics	94	
5 SASB TC-HW-410a.4	Product Lifecycle Management Disclosure: including weights of scraps and electronic waste and percentage recycled	Quantitative	(1) 177.69 (t) (2) 64.61%	metric tons (t), percentage (%)	SASB Hardware Industry Metrics Index	135	
6 SASB TC-HW-440a.1	Description of the management of risks associated with the use of critical materials	Qualitative description	Please refer to the relevant section.	Not applicable	2.6.4 Responsible Minerals Management 6.3 Customer Relationship Management	37 123	
7 GRI 206-1	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	Quantitative	0	NT\$ thousand	5.2.6 Material Violations	108	
8 SASB TC-HW-000.A	Production by product category	Quantitative	Please refer to the relevant section.	units	1.1.2 Products and Markets	13	



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Climate-Related Information for Listed Companies (TCFD Indicator Index)

Item	Corresponding Section (Implementation Status)
1. Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities.	
2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).	Please refer to Section 3.2 Climate Change Management.
3. Describe the financial impact of extreme weather events and transformative actions.	
4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	Please refer to Section 3.2 Climate Change Management and Section 5.3 Risk Management.
5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described.	Please refer to Section 3.2 Climate Change Management.
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.	Please refer to Section 3.2 Climate Change Management.
7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.	Please refer to Section 3.2 Climate Change Management.
8. If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, 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.	Please refer to Section 3.2 Climate Change Management.
9. Greenhouse gas inventory and assurance status and reduction targets, strategy, and concrete action plan (separately fill out in points 1-1 and 1-2 below).	Please refer to 1-1 and 1-2.

1-1

GHG Inventory and Assurance Status for the Most Recent Two Years

1-1-1 GHG Inventory Information

∴ Describe GHG emissions (metric tons CO₂e), intensity (metric tons CO₂e / NT\$ million), and data coverage for the most recent two years.

Since 2014, Sercomm has calculated GHG emissions by setting organizational boundaries based on the operational control approach and by referencing ISO 14064-1 and The Greenhouse Gas Protocol standards for GHG inventories.

The scope of GHG emissions statistics includes Taiwan, Mainland China, and the Philippines. Emissions from Taipei Headquarters have been added since 2023.

Unit: metric tons CO₂e

Item	2024	2025
Scope 1 (Direct emissions)	632.24	1,593.25
Scope 2 (Indirect emissions) – Location-based	22,954.26	28,818.41
Scope 2 (Indirect emissions) – Market-based	20,884.61	17,669.46
Scope 1 + 2 – Location-based	23,586.50	30,411.66
Scope 1 + 2 – Market-based	21,516.85	19,262.71
Scope 3	3,967,987.09	6,138,271.91
Revenue (NT\$ million)	56,789	53,999
Emission Intensity – Market-based	0.38	0.36

Remarks:
01. Global Warming Potential (GWP) values from the IPCC Sixth Assessment Report (AR6) were adopted.
02. Emissions intensity = Scope 1 and Scope 2 emissions (metric tons CO₂e) / total revenue (NT\$ million).

1-1-2 GHG Assurance Information

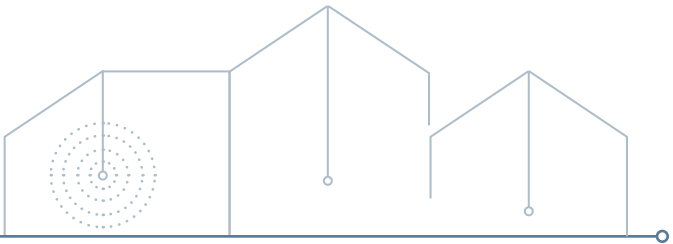
∴ Describe the assurance status for the most recent two years, including assurance scope, assurance provider, assurance standards, and assurance opinion.

- Since 2022, the Company has implemented ISO 14064-1:2018 at all Major Manufacturing Centers.
- The 2024 and 2025 GHG emissions of the Company's Taipei headquarters office and Chunan Manufacturing Center were independently verified in accordance with ISO 14064-1:2018 by DNV, while those of the Suzhou and Philippines Manufacturing Centers were independently verified by TÜV SÜD. Verification statements were issued accordingly.
- For the locations described in item 2, Scope 1 and Scope 2 GHG emissions of Taipei Headquarters and Chunan were subject to reasonable assurance, while Scope 3 GHG emissions were subject to limited assurance. Suzhou Manufacturing Center was subject to reasonable assurance for all scopes, while the Philippines Manufacturing Center was subject to limited assurance for all scopes.
- The Company's 2024 and 2025 Sustainability Reports underwent third-party assurance by TÜV NORD Taiwan.

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1-2

GHG Reduction Targets, Strategies, and Specific Action Plans



∴ Describe the GHG reduction base year and related data, reduction targets, strategies, specific action plans, and progress toward achieving reduction targets.

GHG Reduction Base Year and Reduction Targets

Sercomm signed the SBTi Commitment Letter in 2023 and received SBTi target validation in 2025, confirming that its GHG reduction targets are aligned with a 1.5° C decarbonization pathway.

GHG reduction base year:

2023.

Reduction targets:

Scope 1 and Scope 2: reduce absolute GHG emissions by 42% by 2030.

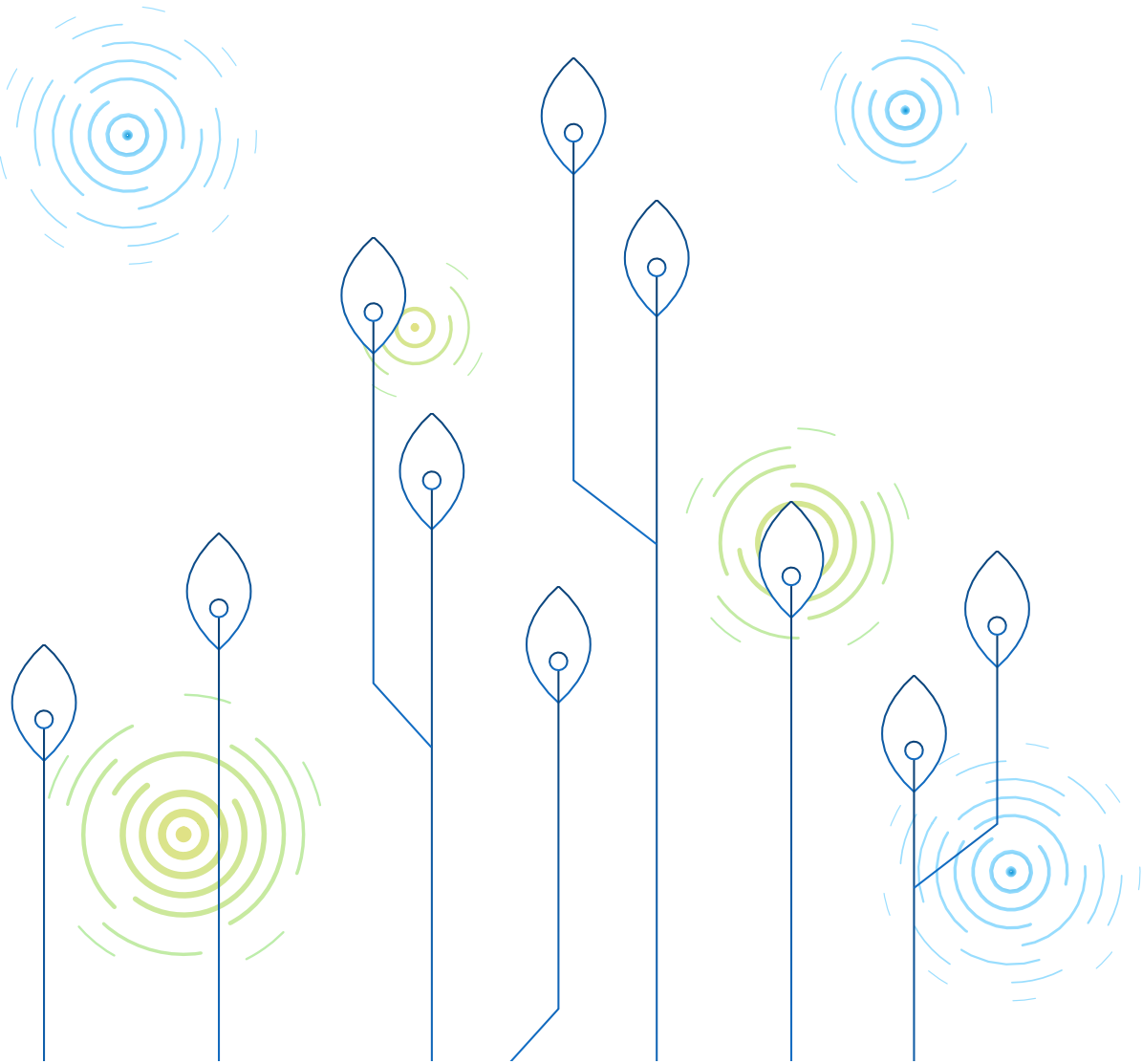
Scope 3 (covering purchased goods and services and use of sold products): reduce emissions by 25% over the same timeframe.

Progress Toward Reduction Targets

- Scope 1 and Scope 2 (market-based) GHG emissions decreased by 30.73% compared with 2023.
- Scope 3 GHG emissions decreased by 17.60% compared with 2023.
- The share of renewable energy increased to 35.91%.
- Packaging volume reduction was completed for four major product models, increasing the loading efficiency of 40-foot containers to up to approximately 2.78 times the original level.
- Fourteen suppliers committed to participating in Sercomm's Supplier Carbon Reduction Program.

GHG Reduction Strategies and Specific Action Plans

Reduction Strategy	Action Plan
Implement GHG Inventory	Adopt ISO 14064-1:2018 GHG Inventory Standard
Strengthen Energy Management and Improve Energy Efficiency	» Implement ISO 14001:2015 Environmental Management System and ISO 50001:2018 Energy Management System » Obtain LEED Green Building Certification for facilities
Utilize Renewable Energy	Actively install renewable energy systems and procure renewable electricity
Promote Green Product R&D	Follow green design principles and targets to enhance product energy efficiency, use environmentally friendly materials, and promote product recycling and reuse, in compliance with the EU Waste Electrical and Electronic Equipment (WEEE) Directive's "3R" principles: Reduce, Reuse and Recycle
Strengthen Sustainable Supply Chain Management and Promote Value Chain Decarbonization	» Conduct supplier carbon management status surveys » Organize ISO 14064-1 training to help supply chain partners develop GHG inventory capabilities





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United Nations Sustainable Development Goals (SDGs) Response Index

SDGs	Sub-targets (Corporate Level)	Sercomm's Response and Practices
 3 Good Health and Well-Being	Reduce health risks to employees and the environment from operating activities	Implement ISO 45001 and promote workplace safety, chemical management, and health risk controls to reduce operational hazards.
	Promote employees' physical and mental health	Provide health examinations, employee assistance programs, and workplace health promotion measures.
 4 Quality Education	Provide employees with continuous learning and skills development opportunities	Establish a comprehensive training system covering professional skills, ESG, and management courses to enhance employee capabilities.
	Promote equal learning and training opportunities	Provide diverse training resources to ensure fair development opportunities for employees from different backgrounds.
	Strengthen sustainability-related knowledge and awareness	Incorporate ESG, information security, human rights, and other topics into training to enhance employees' sustainability awareness.
 5 Gender Equality	Improve education opportunities and talent development for vulnerable groups	Support students from low-income families through donations to rural schools and the establishment of the Sercomm Scholarship, reducing financial burdens, cultivating promising young talent, and promoting equal educational opportunities.
	Eliminate workplace discrimination and unequal treatment	Establish a Diversity, Equity, and Inclusion policy that prohibits discrimination and harassment and protects employee rights.
	Establish a safe and violence-free work environment	Promote mechanisms to prevent unlawful workplace infringement and establish grievance and investigation procedures.
	Provide fair promotion and development opportunities	Provide equal development and promotion opportunities based on performance and capability.
 6 Clean Water and Sanitation	Strengthen gender equality systems and management	Continue optimizing human resource systems and promoting gender equality.
	Reduce the impact of operations on water resources	Improve water efficiency through process management and equipment optimization.
	Reduce pollution and strengthen wastewater management	Implement wastewater treatment and pollution prevention measures in compliance with environmental regulations.
	Improve water use efficiency	Continuously monitor water consumption and promote water-saving measures.
 7 Affordable and Clean Energy	Strengthen water resource management mechanisms	Establish a water resource management system and review it regularly.
	Improve energy efficiency	Implement ISO 50001 and promote energy-saving measures to reduce energy intensity.
 8 Decent Work and Economic Growth	Promote innovation and improve operational efficiency	Continue investing in R&D and process optimization to enhance corporate competitiveness.
	Promote employment and organizational development	Provide stable employment opportunities and optimize human resource management.
	Improve energy and resource use efficiency	Promote energy conservation, carbon reduction, and resource efficiency.
	Provide fair and protected working conditions	Implement labor regulations and protect employee rights, wages, and benefits.
	Prohibit child labor and forced labor	Implement supply chain management in accordance with human rights policies and RBA standards.
	Establish a safe and healthy work environment	Promote occupational health and safety management systems and risk prevention mechanisms.



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SDGs	Sub-targets (Corporate Level)	Sercomm's Response and Practices
 9 Industry, Innovation and Infrastructure	Promote sustainable and innovative development	Continue investing in R&D to enhance product competitiveness and technological capabilities.
	Develop high-efficiency and low-environmental-impact technologies	Promote green product design and improved energy efficiency.
 10 Reduced Inequalities	Establish a diverse and inclusive work environment	Promote DEI policies and respect employees from different backgrounds.
	Provide fair opportunities and treatment	Ensure non-discriminatory recruitment and management systems.
 11 Sustainable Cities and Communities	Reduce the environmental impact of operations	Implement air, waste, and environmental management measures.
	Promote sustainable buildings and facilities	Introduce energy-saving design and green building concepts at operating sites.
 12 Responsible Consumption and Production	Improve resource use efficiency	Promote energy conservation, carbon reduction, and material use optimization.
	Strengthen chemical and waste management	Implement hazardous substance management and waste reduction.
	Reduce waste generation	Promote recycling and reuse.
	Enhance sustainability awareness	Promote internal education and communication.
	Strengthen sustainable technology capabilities	Continue investing in green products and process improvements.
 13 Climate Action	Implement sustainable operations and disclosure	Publish sustainability reports regularly and disclose ESG information.
	Enhance climate change response capabilities	» Implement TCFD and SBTi, and promote carbon reduction strategies and risk management. » Participate in Earth Hour and Earth Day activities.
	Reduce the impact of operations on the marine environment	Reduce impacts on water environments through pollution prevention and wastewater management.
	Reduce the impact of operations on ecosystems	Reduce indirect impacts through energy conservation, carbon reduction, and resource management, while monitoring TNFD developments.
	Prevent corruption and illegal conduct	Establish business ethics systems and whistleblowing mechanisms.
 16 Peace, Justice and Strong Institutions	Strengthen corporate governance and transparency	Regularly disclose information and strengthen internal control systems.
	Implement fairness and non-discrimination systems	Promote relevant policies and ensure system implementation.
	Strengthen sustainable collaboration and supply chain management	Work with suppliers to promote ESG management and improvement.
 17 Partnerships for the Goals	Promote knowledge and resource sharing	Participate in industry organizations, associations, and international initiatives to promote exchange and collaboration on sustainability issues.
	Promote multi-stakeholder partnerships	Participate in international initiatives and strengthen stakeholder collaboration.



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United Nations Global Compact (UNGC) Index

Category	10 Principles	Sercomm's Response and Practices
Human Rights	Businesses should support and respect the protection of internationally proclaimed human rights.	Sercomm has established the Labor and Human Rights Policy and is committed to following international human rights standards, while implementing human rights protection through training, grievance mechanisms, and management systems.
Human Rights	Make sure that they are not complicit in human rights abuses.	Establish a human rights due diligence mechanism to regularly identify and assess human rights risks, and prevent and address potential human rights violations through grievance and remediation mechanisms.
Labor	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	Protect employees' rights to freedom of association and labor-management communication in accordance with the law, convene regular labor-management meetings, and establish diverse communication channels to promote harmonious labor relations.
Labor	Elimination of all forms of forced and compulsory labor.	Clearly prohibit forced labor and ensure, through supply chain management and audit mechanisms, that no forced labor occurs, in compliance with the RBA Code of Conduct.
Labor	Effective abolition of child labor.	Strictly prohibit the employment of child labor, establish recruitment and identity verification mechanisms, and ensure that the overall value chain complies with relevant requirements through supplier management.
Labor	Eliminate discrimination in respect of employment and occupation.	Promote a diverse, equitable, and inclusive workplace, prohibit discrimination and harassment, and establish grievance and investigation mechanisms to protect employee rights.
Environment	Businesses should support a precautionary approach to environmental challenges.	Establish and implement an environmental management system (ISO 14001), promote GHG inventories and reductions, and incorporate climate risks into the risk management framework.
Environment	Undertake initiatives to promote greater environmental responsibility.	Promote energy conservation and carbon reduction, waste management, and water resource management, and set renewable energy and carbon reduction targets to implement environmental management responsibilities.
Environment	Encourage the development and diffusion of environmentally friendly technologies.	Develop green products and high-energy-efficiency designs to reduce lifecycle environmental impacts and respond to customer demand for low-carbon products.
Anti-corruption	Businesses should work against corruption in all its forms, including extortion and bribery.	Sercomm has established the Ethical Corporate Management Best Practice Principles and relevant management procedures, promotes anti-corruption communication and training, and maintains a whistleblowing mechanism to prevent illegal conduct.



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ESG Key Indicators and Targets

Pillar	Topic	Management Indicator	2025 Results	Short-Term Targets (2025-2029)	Medium- and Long-Term Targets (2030)
 Environment	GHG Management	Scope 1 and Scope 2	30.73% reduction compared to 2023	Gradually reduce by 8% annually	42% reduction from the base year
		Scope 3	17.60% reduction compared to 2023	Gradually reduce by 4% annually	25% reduction from the base year
	Energy Management	Renewable Energy Share	35.91%	Gradually increase by 15% annually	Reach 90%
	Waste Management	Waste intensity	0.0670	≤0.1010	≤0.035
	Water Resource Management	Water intensity	0.0042	≤0.0054	≤0.0028
 Social	Occupational Health and Safety	Number of serious occupational injuries	Employees: 0 Workers Who Are Not Employees: 1	Maintain zero cases	Establish a sound occupational health and safety management culture and strive to achieve zero occupational injuries.
	Human Rights Management	Human rights training coverage rate	72.12%	≥70%	Deepen human rights due diligence
		Number of child labor and forced labor cases	No child labor or forced labor cases	Maintain zero cases	Maintain zero cases
	Diversity, Equity, and Inclusion	Number of discrimination and harassment cases	No discrimination or harassment cases	Maintain zero cases	Maintain zero cases
	Employee Training and Development	Average global training hours per employee	5.10	Continue enhancing employee competencies and sustainability awareness.	Optimize talent development mechanisms that support long-term development.
	Human Resource Management	Overall employee satisfaction	92.50%	≥90%	≥90%
 Governance	Business Ethics	Employee Relations and Communication	Employee grievance response rate	100%	Maintain 100%
		Signing rate of Code of Ethical Conduct for new employees	100%	Maintain 100%	Maintain 100%
	Sustainable Supply Chain Management	Business ethics training coverage rate	71.93%	≥70%	≥70%
		Signing rate of Supplier Code of Conduct for new suppliers	100%	Maintain 100%	Maintain 100%
	Information Security	Implementation rate of on-site audits for important/key suppliers	100%	Maintain 100%	Maintain 100%
 Products and Services	Green Products	Number of material information security incidents	0	Maintain zero cases	Maintain zero cases
		Power conversion efficiency of all products not lower than 80%	>80%	≥80%	≥80%
	Product and Service Responsibility	Products comply with WEEE requirements	100% Compliant	100% Compliant	100% Compliant
		Number of product safety incidents	0	Maintain zero cases	Maintain zero cases
	Customer Relationship Management	Average customer satisfaction score	77.87	Average score >80	Continue improving customer satisfaction.

Note: This table summarizes Sercomm's major management indicators and targets across the environmental, social, governance, and products and services dimensions. For detailed management practices and performance, please refer to the relevant chapters of this report.

(Aligned with the GRI Standards, SASB Standards, TCFD disclosure framework, and Taiwan Stock Exchange Sustainability Disclosure Indicators)

TUVNORD

Assurance Statement
Sercomm Corporation Sustainability Report

TUV NORD Taiwan Co., Ltd. (hereinafter referred to as TUV NORD) was commissioned by Sercomm Corporation (hereinafter referred to as SERCOMM) to perform the 2025 Sustainability Report Verification (hereinafter referred to as Sustainability Report) in accordance with the AA1000 Assurance Standard Version 3 and the GRI Sustainability Reporting Standards (GRI Standards) and related assurance standards.

The Scope of Statement and Assurance Standards

- 1) The scope of assurance is consistent with the scope of disclosure in SERCOMM 2025 Sustainability Report, which covers the period from 1 January 2025 to 31 December 2025.
- 2) The verification of compliance with the AA1000 Principles of Accountability for SERCOMM bases on the AA1000 Assurance Standard, Third Edition, Application Type I that does not include verification of the reliability of the information/data disclosed in the report.
- 3) Sustainability Accounting Standards Board (SASB) Hardware industry sustainability accounting metrics.
- 4) Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies, Sustainability Disclosure Indicators - Communications and Internet Industry.
- 5) TCFD Climate Related Financial Disclosure Recommendation.

Intended Users

The intended users of this statement are the stakeholders of SERCOMM.

Assurance Type and Level

In accordance with the requirements of the AA1000 Assurance Standard Version 3, Type I, Moderate of Assurance Level.

Opinion Statement

SERCOMM complies with the GRI Standards and AA1000 accountability principles of inclusivity, materiality, responsiveness and impact. The sustainability report presents the commitment of top management, the needs and expectations of stakeholders. To achieve sustainability performance indicators by stakeholders' engagement.

We assure that Sercomm complies with the SASB Hardware industry sustainability accounting standards to disclose relevant metrics

We assure that Sercomm complies with Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies, Sustainability Disclosure Indicators - Communications and Internet Industry.

We assure that Sercomm complies with TCFD's climate-related financial disclosure recommendations and discloses relevant metrics.

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TUVNORD

Methodology

The verification is in accordance with the above stated assurance standards and the TUV NORD Sustainability Report Verification Agreement.

Our verification includes the following activities:

- * Collect objective evidence of relevant performance metrics, as mentioned in the report.
- * Assurance of expectations of local or national regulations; international standards as set forth in public opinion and/or expert opinion are relevant to such general considerations.
- * Document review records and report content assessment in the context of GRI criteria application requirements.
- * Interviews with managers and related staff on issues of concern to the company's stakeholders.
- * Interviews with personnel involved in sustainability management, information gathering and report preparation.
- * Review significant organizational developments and review internal and external audit findings.
- * Review AA1000 (2018) Principles of Accountability and other compliance requirements.

Conclusion

The results of the AA1000 accountability standard for inclusivity, materiality, responsiveness and impact in the report are set out below.

Inclusivity

SERCOMM identifies 5 stakeholders and their concerns via the questionnaire, and decides materiality through stakeholder engagement, sustainability committees and experts. There are 13 material topics determined among the 23 sustainability topics including economic, governance, social, human rights and climate impact.

Materiality

SERCOMM complies with the GRI Standards SASB Hardware industry sustainability Indicators disclosure related metrics, Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies, Sustainability Disclosure Indicators - Communications and Internet Industry, and TCFD Climate Related Financial Disclosure Proposed Indicators to fully disclose the company's material risks and opportunities, taking into account the extent of impact on the company and prioritize the materiality of the report.

Responsiveness

SERCOMM Sustainability Report clearly describes the relationship between sustainability and organizational strategy and the performance metrics corresponding to the materiality and their achievement status, and adequately addresses the main issues of concern to stakeholders.

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TUVNORD

Impact

SERCOMM Sustainability Report fully identifies materiality that reflect the significant economic, environmental, and social impacts on the organization. The company has established a robust process to monitor and measure the impact and establish short, medium, and long-term strategic planning through corporate governance.

GRI Sustainability Reporting Standards

SERCOMM Sustainability Report complies with the GRI 1 to GRI 3 universal Standards and the GRI 200 Series, GRI 300 Series and GRI 400 Series topic standards, and meet the requirements for disclosure.

Limitations

The financial report was certified by PwC Taiwan, the accounting firm.
The data of carbon emission verification was verified by the third party, DNV and TUV SUD.

Independent Statements and Competence

TUV NORD Group is a leader in the supervision, testing and certification. It operates businesses and provides services in more than 150 countries around the world. The services include management systems and product certification; quality, environmental safety, social and moral audits and training; corporate sustainability report assurance.
TUV NORD and SERCOMM are mutually independent organizations, and there is no conflict of interest with SERCOMM or any of its affiliates or interested parties when performing the verification of the sustainability report. Regarding the sustainability report of SERCOMM, TUV NORD bases on the SERCOMM verification agreement, and does not assume any legal or other responsibilities. SERCOMM is responsible for responding to any questions that intended users concerned.

The verification team is composed of experienced chief reviewers such as ISO 9001, ISO 14001, ISO 14064-1, ISO 14067, ISO 45001, SA 8000, ISO 50001, ISO 27001 etc., and has received the CSAP verification practice qualification certification of AA1000 AS v3 accountability training. The verification team bases on extensive knowledge and experience in the industry to provide professional advice in this assignment.

Jack Yeh
Chairman



Date of Issuance: 2026.08.03
TUV NORD Taiwan Co., Ltd.
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Errata and Restatements for the 2024 Sustainability Report



The following corrections apply to the 2024 Sercomm Sustainability Report published by the Company in August 2025. We apologize for any inconvenience caused.

Section	Page	Correction
2.1 Sustainability Management Framework	21	Chairperson: President Committee members: Senior executives of each department
2.6.2 Supply Chain Management System and Framework	39	In 2024, Sercomm distributed 969 carbon management status surveys to all Tier 1 suppliers. A total of 763 suppliers responded, representing a response rate of 78.74%.
3.1.2 Environment Management Indicator	44	Renewable energy accounted for 11.30% of total energy consumption in 2024 (consistent with the renewable energy share in total energy consumption on page 52).
3.3.1 Greenhouse Gas Management	51, 52	The 2023 GHG emissions data have been revised. For details, please refer to the restated data disclosed in this report.
3.3.2 Energy Management	52	Sercomm's total energy consumption in 2024 was 157,354.47 GJ (consistent with the total energy consumption in the four-year energy consumption statistics on page 53).
3.4 Water Resource Management	55	Due to an adjustment to the wastewater discharge calculation methodology, the Company retrospectively restated the relevant data for 2022 through 2024 using the revised calculation basis to improve consistency and comparability across reporting years. For details, please refer to the restated figures disclosed in this year's report.
3.5 Waste Management	56	The non-hazardous waste treatment data for the past four years were revised. For 2023, the revised total amount of non-hazardous waste was 2,830.16 metric tons, with a recycling rate of 89.53%.
6.1.3 Green Design Principles	124	WEEE-3R disassembly test results: Reuse and Recycled Rate >86.04%; Recovery Rate >95.62%

Note: The revisions were made to correct typographical errors and revise the calculation methodology. They did not change the reporting period, reporting boundary, or conclusions regarding material disclosures.



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2025

