



BOARD EVALUATION



CHAINYE

Sercomm Corporation

2025 External Evaluation Report
on the Operations and
Performance of the Board,
Functional Committees, and
Board Members

January 16, 2026



Introduction

Chainye Consulting Co., Ltd. (hereinafter referred to as the “Chainye”) has been engaged by Sercomm Corporation (TWSE code:5388) (hereinafter referred to as the “Company”) to perform an external evaluation on the operations and performance of the Company’s board, functional committees, and board members between January 1, 2025 and December 31, 2025.

Effective operations of the board of directors of a listed company influence the trust of investors in the securities trading market. Whether the board of directors can effectively operate and practically play its management and supervisory roles, fully depend on the effective composition and division of labor of the board of directors, chairman’s leadership, members’ involvement and continuous learning. In order to fully evaluate the operations of the board of directors of listed companies, Taiwan Stock Exchange and Taipei Exchange precisely indicate that, apart from annual self-evaluation and peer evaluation, the listed companies’ board performance evaluation shall be conducted by an external independent professional institution or a panel of external experts and scholars at least once every three years, and the said external evaluation shall be completed before the end of the first quarter of the following year.

The external evaluation of the board is designed to enable board members of the Company to better understand the operations of the board of directors and to effectively enhance the efficiency and effectiveness of corporate governance.

In view of Chainye Group’s abundant consulting experiences in corporate governance and practical operations of the board of directors, we are pleasant to assist listed companies in execute an external evaluation on the performance of their board of directors by providing our professional services and recommendation.





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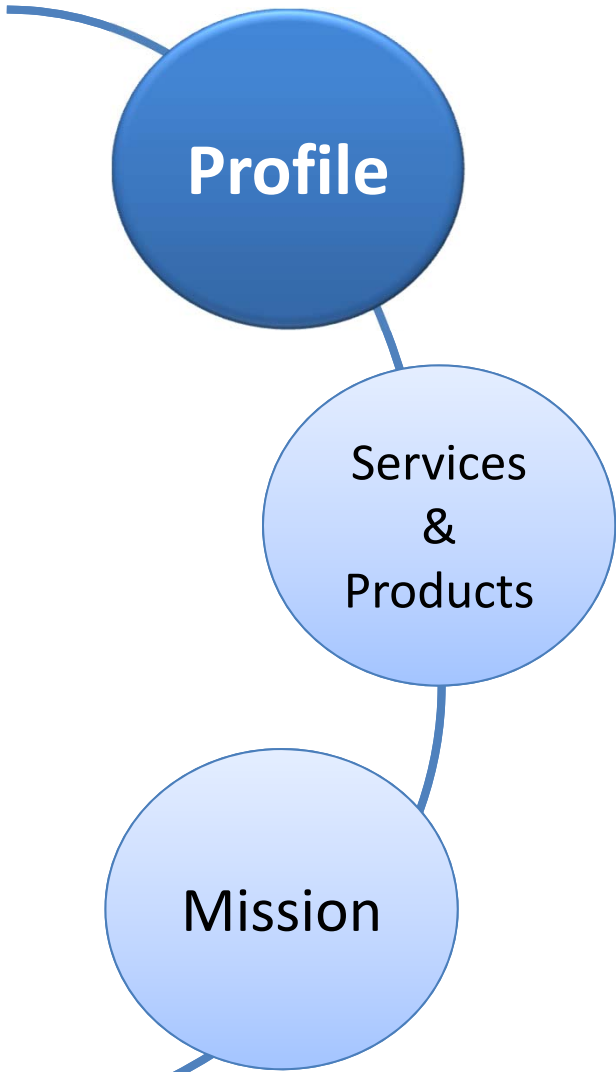
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- ▶ **Company Name : Sercomm Corporation**
- ▶ **Date of Incorporation : 1992/07/29**
- ▶ **Date of Listing : 2007/12/03**
- ▶ **TWSE code: 5388**

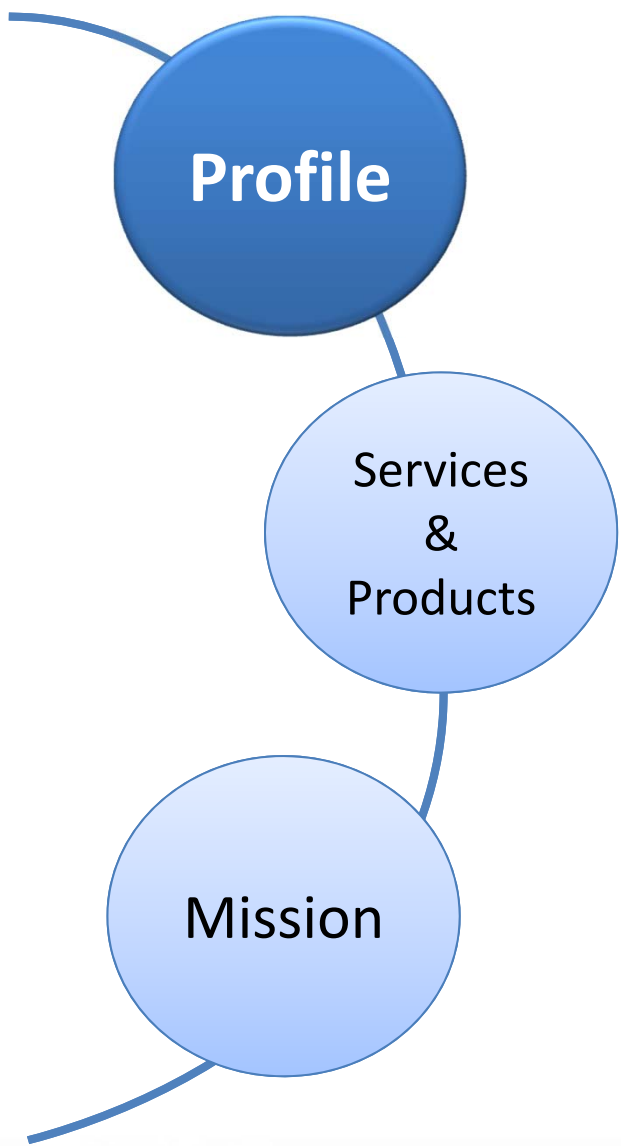


Sercomm was established with a core focus on broadband network software development, complemented by hardware manufacturing services, to deliver integrated networking and telecom solutions. Sercomm is a world-class leader in comprehensive telecommunications and broadband solutions. Its global headquarters is located in Taipei, Taiwan, with R&D centers and manufacturing facilities established across Taiwan and Mainland China. In parallel, Sercomm has established sales office in North America, Europe, China, and the Asia-Pacific. The Company employs several thousand people worldwide.





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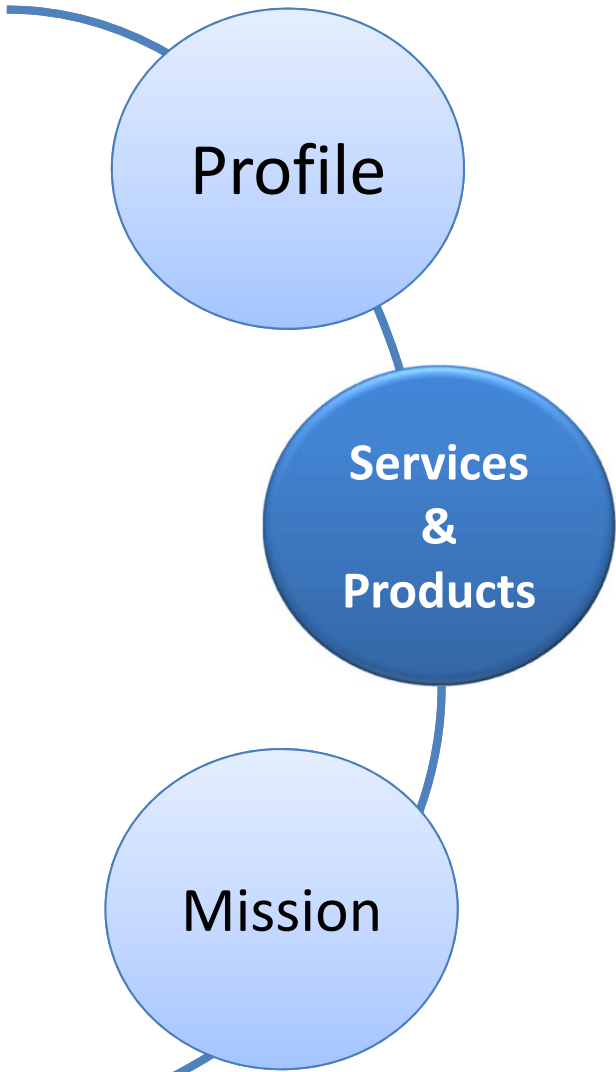


Leveraging decades of accumulated R&D expertise, Sercomm has successfully mastered key technologies and market trends in the telecommunications broadband industry. Its diversified product portfolio covers residential, enterprise, telecommunications, security surveillance, and cloud application markets, providing customers with integrated design services for broadband products. Through long-term strategic engagement in the telecommunications market, Sercomm has achieved steadily materializing results. Its flagship products—including Integrated Access Devices (IAD), enterprise-grade networking equipment, FTTx Products, Cable DOCSIS Equipment, Small Cells, Smart Home, Mobile IoT, and SMB Products—hold leading positions in their respective markets.





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Sercomm’s product portfolio is primarily composed of three major categories:

- Broadband CPE
- Enterprise Networking Products
- Network Infrastructure and IoT Products

The revenues contributed by each major product category for 2024 are as follows, and totaled approximately NT\$56.8 billion:

Category	Percentage
Broadband CPE	68.6%
Enterprise Products	17.9%
Infrastructure & IoT Products	10.9%
Others	2.6%



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Profile

Services & Products

Mission

The Company's current new products include:

- 10G PON high-speed optical fiber access equipment
- DOCSIS Cable 4.0 products
- WiFi 7 devices
- 5G FWA fixed wireless access equipments
- Video-streaming devices
- Enterprise networking equipment and Smart Internet-of-Things products



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Profile

**Services
&
Products**

Mission

Competitive Niche

- Providing all round telecom broadband solutions
- Concentration on the research and development of internet protocol
- Providing global customers with nearshore manufacturing services
- High efficiency manufacturing system of advanced manufacturing process
- Insistence on quality management and environmental sustainability

Short-Term Development Strategy

- Marketing: Emphasizing and based on customized solutions, penetrate directly into the telecom operators' supply chain and provide technical support services through global service bases located nearby.



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Profile

**Services
&
Products**

Mission

Short-Term Development Strategy

- **Production:** Continuing to implement a globalized operational strategy to navigate geopolitical and market fluctuations. By leveraging global supply chain management, Sercomm enhances operational resilience, flexibly integrating resources across its five major manufacturing bases. Simultaneously, Sercomm is actively expanding into emerging markets in Southeast Asia, Latin America, and the Middle East in order to scale its direct sales operations to telecom operators and further reinforce its market leadership position.

Long-Term Development Strategy

- The Company keeps investing in research and development resources from the initial phase jointly development new technologies and products with customers. At the same time, Sercomm continuously strives for efficiency and quality optimization in manufacturing, quality control, and customer service.



Term: From 2025/5/29 to 2028/5/28

MEMBER OF THE BOARD

Title	Name	Major Education /Experiences
Chairman	James Wang (representative, Chao Yue Investment Co., Ltd.)	Harvard Business School, MBA Carnegie-Melon University, ME CEO of Sercomm Corporation Independent Director of Formosa International Hotels Corporation (Current) Chairman of Sercomm Investment (Current) Chairman of Yun Zhou Investment (Current) Chairman of Yun Li (Current) Chairman of Chao Yue Investment (Current) Representative of Sercomm Trading Co., Ltd. (Current) Zealous Investments Ltd. (Current) Servercom (India) Private Limited (Current) Scnet (India) Private Limited (Current) Sercomm Technology Inc. (Current) Sercomm Japan Corp. (Current) Sercomm Turkey A.Ş. (Current) Director of Sercomm Philippines Inc. (Current) Director of MosoLabs Inc. (Current)
Director	Paul Wang (representative, Pacific Venture Partners Co. Ltd.)	Carnegie Mellon University, PhD in Physics Chairman of Sercomm Corporation Representative of Sercomm USA Inc. (Current) Director of Prosperity Dielectrics Co., Ltd. (Current) Director of Taiwan Cement Co., Ltd. (Current)

Board Members of the
Evaluated Company



Term: From 2025/5/29 to 2028/5/28

MEMBER OF THE BOARD

Title	Name	Major Education /Experiences
Director	Ben Lin (representative, Zhuo Jian Investment Co., Ltd.)	National Tsing Hua University, MS in Power Mechanical Engineering CTO of Sercomm Corporation Representative of Smart Trade Inc. (Current) Chairman of Zhao Jian Investment (Current) Director of Sercomm Investment (Current) Director of Sercomm USA Inc. (Current) Director of Sercomm Japan Corp. (Current) Director of Sercomm Technology Inc. (Current) Supervisor of Yun Zhou Investment (Current)
Director	Nicola Palmer (representative, Yun Zhou Investment Co., Ltd.)	University of Pennsylvania- The Wharton School, MBA Chief Product Officer, Chief Engineering Officer and Head of Wireless Networks, Verizon (Current)
Independent Director	Rose Tsou	Northwestern University, Kellogg School of Management, MBA Boston University, MS in Mass Communication Chief Product Officer, Chief Engineering Officer and Head of Wireless Networks, Verizon Media Independent Director of Delta Electronics, Inc. (Current) Independent Director of Giant Manufacturing Co., Ltd. (Current) Director of Easycard Corporation (Current) Director of FN Capital Co., Ltd. (Current) Director of Hong Kong Television Entertainment Company Limited (Current) Supervisor of Taiwan Women on Boards Association (Current)

Board Members of the Evaluated Company



Term: From 2025/5/29 to 2028/5/28

MEMBER OF THE BOARD

Title	Name	Major Education /Experiences
Independent Director	Paul Yang	Harvard Business School, MBA Massachusetts Institute of Technology, MS in ME Chairman of KGI Bank Co., Ltd. (Current) Director, President & CEO of KGI Financial Holding Co., Ltd. (Current) Director of KGI Life Insurance Co., Ltd. (Current) Vice Chairman of CDIB Capital International (Hong Kong) Corporation Limited (Current) Vice Chairman of CDIB Capital International Corporation (Current) Director of KGI Hong Kong Limited (Current) Director of Asian Equity Limited (Current) Director of DHC One Dalton (HK) Limited (Current) Director of Carlton Holdings (Cayman) Limited (Current) Director of Henwell Limited (Current) Director of Henning Limited (Current) Director of Harvard Club of Republic of China Scholarship Foundation (Current)
Independent Director	Hilo Chen	National Chiao Tung University, MS in Transportation Engineering and Management CEO & President, Systex Corporation Chairman of OneAD Inc. (Current)
Independent Director	Feng Zhu	Harvard University, PhD in Science, Technology and Management Harvard University, MS in Computer Science MBA Class of 1958 Professor, Business Administration, Harvard Business School

**Board Members of the
Evaluated Company**



Evaluation

Period

From Jan. 1, 2025

To Dec. 31, 2025

Scope and

Dimensions



Board of Directors

- Participation in the operation of the company
- Improvement of the quality of the board of directors' decision making
- Composition and structure of the board of directors
- Election and continuing education of the directors
- Internal control



Board Members

- Alignment of the goals and missions of the company
- Awareness of the duties of a director
- Participation in the operation of the company
- Management of internal relationship and communication
- The director's professionalism and continuing education
- Internal control



Functional Committees

- Participation in the operation of the company
- Awareness of the duties of the functional committee
- Improvement of quality of decisions made by the functional committee
- Makeup of the functional committee and election of its members
- Internal control

Blueprint for the External Evaluation



Evaluation Indicators

Whether the board of directors already set policy and procedures related to the operations of the board of directors in accordance with relevant regulations and domestic corporate governance index.

Whether the board of directors is composed of directors with relevant expertise and whether directors' jobs are assigned according to their expertise and experiences.

Whether the Company respect every member of the board of directors and whether every director is capable/allowed to contribute their expertise and express their opinions at board of directors and functional committee meetings.

Whether members of the board of directors clearly understand the Company's industrial and mid-to-long term development goals.

Whether all directors proactively participate in board of directors and functional committee meetings; and maintain good communication channels with the Company's management team.

Whether the Company's management team appropriately and timely provide the Company's operating status to the directors in writing.

Whether the Company's board of directors and functional committees operate effectively.

Whether the Company's internal control measures can block man-made small defects away and whether it is required to enhance the promotion on the importance of internal control.

Whether the Company values Environment, Sustainability, and Governance ("ESG"), risk management or information security. Also, in regard to the Company's future development strategy and corporate governance goals, whether the Company considers setting up related functional committees.



- Meeting Date: October 31, 2025
- Meeting Format: Attendance via video conference
- Meetings Attended: Board of Directors Meeting and Audit Committee Meeting

Dimensions	Highlights of Interview
Composition of the Board	Sercomm has re-elected the board of directors this year. Of the eight directors, two are foreign nationals, demonstrating the Company's commitment to advancing internationalized operations. Among the four directors, two are members of the management team with in-depth knowledge of the Company's operations. Of the four independent directors, two are female, reflecting a diverse Board composition. All independent directors possess extensive industry and academic experience, underscoring the Board's high level of professionalism and diversity.
Participation in the operation	Board members actively participate in internal management and operational meetings, maintaining a comprehensive understanding of the Company's industry dynamics and business operations, and fostering effective interaction with the management team.
Improvement of the quality of the board decision making	The company provides comprehensive materials to the directors before each meeting. During Board meetings, directors are able to offer recommendations based on their respective areas of expertise and engage in thorough and constructive deliberations.

Highlights of the virtual site visit



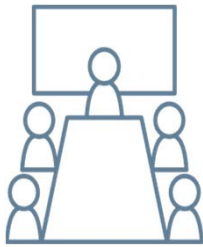
- Meeting Date: October 31, 2025
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Dimensions	Highlights of Interview
Internal control	The internal auditor regularly reports the status of audit results to the Audit Committee and the Board of Directors. Audit materials are comprehensive, and corrective actions are effectively implemented and tracked, with progress duly reported.
Operations of functional committees	The Remuneration Committee, Audit Committee, and Sustainability Committee convene on a regular basis. The engaged certified public accountant attends Audit Committee meetings to report on the Company's financial and operational status. The Audit Committee maintains effective communication channels with the external auditors and conducts rigorous assessments of their independence and suitability.
ESG	To concretely advance ESG practices, the Sustainability Committee is composed of directors and senior executives and is supported by a dedicated Sustainability Implementation Task Force. Through strong top-level governance, the Company identifies and manages sustainability-related risks and opportunities, ensuring alignment between sustainability objectives and overall corporate strategy. In addition to formulating sustainability vision and policies, the Committee monitors implementation performance to ensure that the Company's sustainability directions remains aligned with stakeholders' expectations.

Highlights of the virtual site visit



The results of the internal self-evaluation of the board, board members, and functional committees are summarized as below.



Board

- | | |
|--|------------------|
| A. Participation in the operation of the Company | <u>Excellent</u> |
| B. Improvement of the quality of the board of directors' decision making | <u>Excellent</u> |
| C. Composition and structure of the board of directors | <u>Excellent</u> |
| D. Election and continuing education of the directors | <u>Excellent</u> |
| E. Internal control | <u>Excellent</u> |



Board Members

- | | |
|--|------------------|
| A. Alignment of the goals and missions of the Company | <u>Excellent</u> |
| B. Awareness of the duties of a director | <u>Excellent</u> |
| C. Participation in the operation of the Company | <u>Excellent</u> |
| D. Management of internal relationship and communication | <u>Excellent</u> |
| E. The director's professionalism and continuing education | <u>Excellent</u> |
| F. Internal control | <u>Excellent</u> |



Functional Committees

- | | |
|---|------------------|
| A. Participation in the operation of the Company | <u>Excellent</u> |
| B. Awareness of the duties of a functional committee | <u>Excellent</u> |
| C. Improvement of quality of decisions made by the functional committee | <u>Excellent</u> |
| D. Makeup of the functional committee and election of its members | <u>Excellent</u> |
| E. Internal control | <u>Excellent</u> |

Results of Self-evaluation

Scoring Guidelines:

Total Score = (Sum of scores for all criteria ÷ Number of questions) × 100 × Weight

90 points or above: Excellent

80–89 points: Good

70–79 points: Satisfactory

Below 70 points: Needs Improvement



Results of the External Evaluation



Evaluation and Recommendations

Evaluation Results

After summarizing and evaluating the self-evaluation results of the board and attending the audit committee and board of directors meetings via video conference, we hold the belief that the Company's board of directors have set policy and procedures related to the operations of the board of directors in accordance with relevant regulations and domestic corporate governance guidance. The board of directors is composed by directors full of considerable and relevant expertise, and directors' jobs are assigned according to their competence and experiences. The board of directors and functional committees operate effectively. A score of "Excellent" is given to the evaluation results.



Evaluation and Recommendations

Overall Evaluation

01

The Company's Board of Directors consists of eight members, comprising four general directors and four independent directors. Among them, two are female directors and two are foreign nationals. The general directors are drawn from the Company's management team and individuals with in-depth knowledge of the Company's operations and development. All four independent directors are professionals with extensive experience in relevant industries, corporate management, and financial services. Among all directors, two hold doctoral degrees and five hold master's degrees, reflecting a diversified and well-balanced Board composition aligned with the Company's operational and development needs.

02

The Company provides complete meeting materials to the board of directors and all functional committees prior to each meeting. Directors actively contribute their professional expertise and express their views during board and functional committees meetings. The Chairman respects the professionalism and opinions of all directors, and major matters and strategic decisions related to the Company's development are jointly deliberated to ensure robust discussion. The board effectively fulfills its supervisory and advisory roles, fostering a constructive and sound governance culture.



Evaluation and Recommendations

Overall Evaluation



03

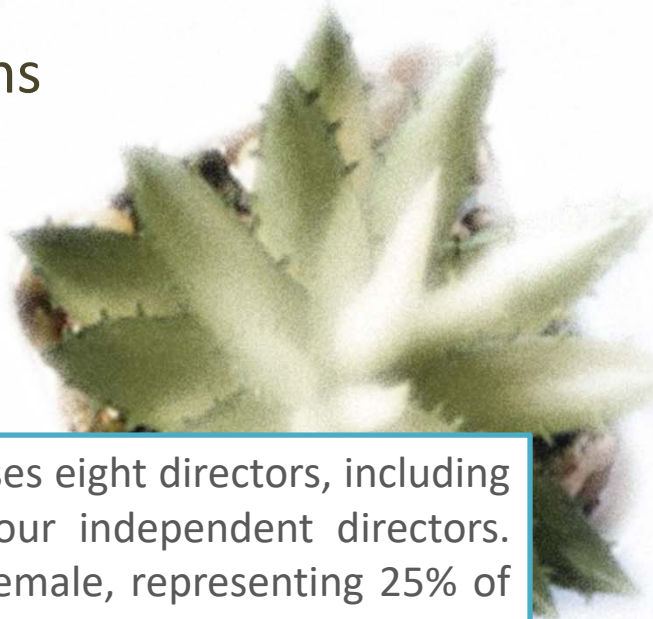
The head of internal audit regularly submits audit reports to the board of directors and the audit committee. In addition to routine audit items, supplementary audits are conducted based on the company's industry characteristics and internal operational needs. Follow-up actions on audit findings and corrective measures are tracked and reported to the board. The company also arranges professional training for audit personnel and continuing education on local regulations, demonstrating its strong emphasis on information security and risk management.





Evaluation and Recommendations

Recommendations



01

The Company’s board comprises eight directors, including four general directors and four independent directors. Currently, two directors are female, representing 25% of the total board seats. In accordance with regulatory requirements effective from 2025, listed companies whose boards do not have at least one-third representation of a single gender are required to disclose the reasons and improvement actions in their annual reports. In addition, from 2027 onward, independent directors should not serve more than three consecutive terms. At present, one independent director is serving a third term. We recommend that the Company further strengthen its director nomination mechanism, enhance the election, training, and development of directors and key management personnel, increase female director representation, and advance board diversity and succession planning.



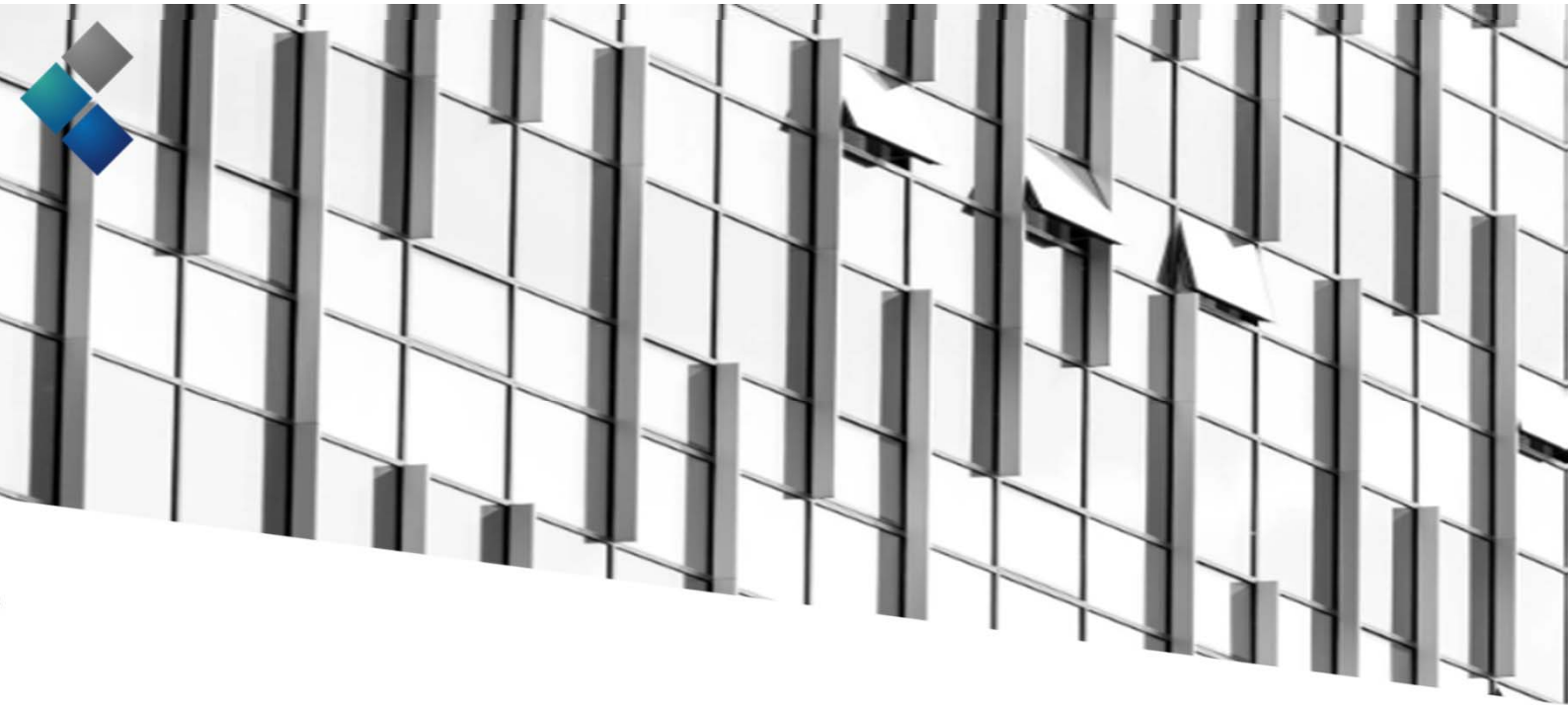


Evaluation and Recommendations

Recommendations

02

The Company has established a sustainability committee to promote ESG-related matters, with Director Ben Lin serving as the convener. The members of the Committee include the Chief Operating Officer, Chief of Staff, Chief Financial Officer, among others. However, as the government continues to promote sustainable development action plans and expects boards of directors to take into account the risks and opportunities might cause, we recommend that the Company consider, in the future, appointing an independent director with relevant expertise and experience in sustainability to join the sustainability committee as the convener or a member. Such director would be responsible for overseeing and coordinating the Company's corporate social responsibility and sustainability strategies, as well as supervising the implementation of specific action plans. In addition, the abovementioned director is capable of assisting the board of directors in creating value for shareholders and other stakeholders and facilitating the Company's sustainable operation and long-term development.



Attribution of Responsibility

Our evaluation was fully based on the data analysis results (including the Market Observation Post System's data and self-evaluation questionnaires filled in by the board of directors, board members, and functional committees for year 2025) and attending the audit committee and board meetings via video conference.

The Company is responsible for the accuracy and integrity of the Company's public information and self-evaluation questionnaires.

Statement of Independence

Chainye has evaluated the performance of Sercomm Corporation's board of directors with fairness and objectivity without being affect by any matter that damages our independence. We hereby declare that:

1. Members of our expert team and the spouses and dependent relatives thereof DO NOT:
 - 1) Having any significant financial interests with the Company, directly or indirectly.
 - 2) Having any business relationship, which is sufficient to affect their independence, with the Company or any of its directors.
 - 3) Possessing more than 10% of the total shares of the Company on their own behalf or under the names of other parties.
2. None of the members of our expert team is the spouse, direct blood relative, or collateral blood relative within the second degree of kinship of the evaluated company's directors or managers.
3. Our expert team and their spouses thereof do not serve in the evaluated company as a director or in a position that can have direct and major impacts on the results of the evaluation report.

Chainye Consulting Co., Ltd.

Team members : Karin Lin

林必徑



Sophia Ni

倪佩玲

Cindy Huang

黃鈺涵



Background of Export Team

Name	Karin Lin
Current Job	Partner of Chainye Accounting Firm
Education	MBA, University of California, Irvine Master in Accounting, National Cheng Chi University
Professional	CPA of the ROC, Internal Auditor, CPA of the U.S.

Name	Sophia Ni
Current Job	Director of Chainye Consulting Co., Ltd.
Education	Bachelor in Finance, National Chung Hsing University
Professional	Consultant and members of the R&D group of the Stock Affairs Association of the ROC

Name	Cindy Huang
Current Job	Senior of Chainye Accounting Firm
Education	Bachelor in Accounting, Tunghai University
Experience	Manager of Ernst & Young Accounting Firm



CHAINYE

Professional Group

**WE CONSIDER WHAT
YOU CONSIDER**
