



Employee-employer relations:

(1) List the company's employee welfare measures, continued education, training, retirement regulations and their actual implementation, along with employer-employee agreements, and measures for protecting employee rights:

1. Employee welfare

The Company and the employee welfare committee provide the following benefits for employees: mandatory labor and national health insurance, compliance with the Labor Standards Act and the labor/national health insurance statues, annual bonus, employee compensation (in accordance with the Company's Articles of Association), employee pension contributions under the new and old schemes, company accident insurance, annual health exam, birthday bonus, childbirth, marriage, bereavement and holiday bonuses, scholarships for employees and their children, company holiday subsidies, Dragonboat and Mid-Autumn Festival bonuses, annual company banquet.

2. Employee development and training

The Employee Training Management Regulations govern employee training to enhance the knowledge, skills and attitude required for their roles. This ensures they can accomplish their given responsibilities and targets.

During 2015, a total of NT\$8,701K was spent on education and training. 1,128 internal and external training sessions were undertaken during year with 11,006 people completing 34,239 hours of training.

Continuing education for managers:

Name	Date	Organizer	Course Name	Hour
Scott Ouyoung	2015.08.14	Securities & Futures Institute	2015 "Insider Trading Compliance Seminar for Public Listed Companies"	3
	2015.09.18	Taiwan Institute of Directors	Strategic Planning for Industry 4.0	3
Yu-Li Chou	2015.08.14	Securities & Futures Institute	2015 "Insider Trading Compliance Seminar for Public Listed Companies"	3
Chu-Wan Hong	2015.05.28	Industrial Development Bureau, MOEA	Future of Manufacturing and Industry 4.0 Round Table	4
	2015.08.11	Industrial Development Bureau, MOEA	2015 Mittelstand Forum - Industry 4.0	4
	2015.09.17	NRW.INVEST, German Trade Office Taipei, PwC Taiwan	NRW Industry 4.0 Symposium	4
	2015.11.26	Industrial Development Bureau, MOEA	Launch Ceremony for the Excellence in Environmental Sustainability Alliance	4

Anthony Chou	2015.07.14	KPMG Taiwan	Base Erosion and Profit Shifting: Taiwan and Global Trends	3
	2015.07.15	Deloitte & Touche	China tax and law update and TP trend	3
	2015.12.30	Accounting Research and Development Foundation	Professional Development Course for Principal Accounting Officers of Issuers, Securities Firms, and Securities Exchanges	12
	2015.03.11	Industrial Development Bureau, MOEA	Sustainable Industry Development and Responding to International Environment Standards Assistance Project CSR Report Promotion Workshop	3
	2015.10.06	PwC Education Foundation, Chunghwa Institute of International Taxation	Age of Cross-Strait Tax Agreements and Coming of Global Taxation Reforms - Are You Ready?	3
	2015.11.24	Ernst & Young	Symposium on the Latest Developments in Transfer Pricing, Base Erosion and Profit Shifting	3

Vice President Chu-Wan Hong left the Company on April 8, 2016.

3. Retirement system

The employee retirement regulations of our Company and all local subsidiaries applies to all regular employees. All pension fund contributions are managed by the Labor Pension Fund Supervisory Committee and deposited into the pension fund account under the name of the committee so is completely separate from the Company and local subsidiaries. The retirement regulations for overseas subsidiaries are based on local laws.

The employee retirement regulations of our Company and local subsidiaries has a defined contribution plan in accordance with the "Labor Pension Act." Under the Act, the Company's pension contribution for each employee shall be no less than 6% of the employee's monthly salary. Our Company and local subsidiaries makes a pension contribution each month equal to each employee's monthly salary to their personal pension account with the Labor Insurance Bureau in accordance with the Act.

For subsidiaries in China, a set proportion of each employee's total salary is set aside for pension insurance and paid to the relevant government agency in accordance with local laws. These are then deposited into individual pension accounts.

For other overseas subsidiaries of the Group, pension contributions are made to the relevant pension management organizations in accordance with local laws.

The employee pension regulations defined by the Company and local subsidiaries is a defined benefits plan under the "Labor Standards Act." The payment of employee pensions are based on a function of their years of service as well as their average monthly salary at time of retirement. For the first fifteen (or less) years of service, 2

points are given for every year of service. For additional years of service 1 point is given for each year. The maximum number of points is 45. Our Company and local subsidiaries make a contribution equal to 2% of the total salary to the pension fund every month in accordance with the Labor Standards Act. The contributions are deposited under the name of the Labor Pension Fund Supervision Committee in a dedicated account with the Bank of Taiwan. At the end of each year, our Company and local subsidiaries calculate the balance of the aforementioned labor pension fund before the end of each year. If the balance is not sufficient to pay the estimated pensions of employees eligible for retirement in the following year, then a lump-sum payment is made before the end of March of the following year to make up for the difference.

In 2015 one employee retired under the old pension scheme. The appropriate pension was paid by the Company in accordance with the pension rates set out under Article 55 of the Labor Standards Act.

4. Measures for protecting employee rights

Our Company's employee management policy complies with the Labor Standards Act and the relevant labor regulations. Internal management regulations are updated to reflect regulatory changes as necessary to ensure that employee rights are protected.

Establishment of mechanisms for regular employee communication to ensure that employees understand the Company's operating principles: Our Company uses electronic notices, monthly "Birthday Party" events, regular employer-employee meetings required by law as well as briefings on current activities for the year and planning for the following year to keep employee up to date on company affairs.

- (2) Disclose losses suffered due to industrial relation disputes in recent years up to the publication date of this annual report as well as estimations for similar losses in the future and coping measures: None.