

2017 Employee benefits Policy and Measures

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Employee benefits and implementation	(1). We have employee welfare committee to conduct all the welfare benefits implementation. In addition, the company pays more attention to employees' physical and mental health, and strives to create a better work environment for employees. (2) 1. Employee benefits and implementation thereof: The Company will provide employees with tours, and the employees' continuing education and training periodically each year: 2. Retirement system and implementation thereof: 2-1. (Voluntary retirement) Any of the Company's employees may apply for voluntary retirement under any of the following conditions: a. Where the worker attains the age of fifty-five and has worked for fifteen years. b. Where the employee has worked for more than twenty-five years. c. Where the worker attains the age of sixty and has worked for ten years 2-2. (Compulsory retirement) The Company shall not force an employee to retire unless any of the following situations has occurred: a. Where the employee attains the age of sixty-five. b. Where the worker is unable to perform his/ her duties due to mental handicap or physical disability. The Company may request the central competent authority to adjust the age prescribed in Subparagraph 1 of the preceding paragraph if the specific job entails risk, requires substantial physical strength or otherwise of a special nature; provided, however, that the age shall not be reduced below fifty-five. c. (Retirement age) The employee's retirement age shall be determined based on the age referred to in the household registration certificate. d. (Claim and calculation of pension) The pension shall be claimed and calculated in the following manner: I. Employee's individual account of labor pension: * · Monthly pension payment: The principal and accrued dividends from the employee's individual account of labor pension are paid in fixed installments. The amount of each installment shall be calculated based upon the life chart of annuity, average life expectancy, interest rate and other factors. *Lump-sum payment of retirement: The principal and accrued dividends from

	the employee's individual account of labor pension are claimed in lump sum at one time. II. Annuity insurance: The amount shall be claimed per the terms and conditions in the insurance contract. e. (Application for retirement) The employee who wishes to retire voluntarily shall submit the application in person to the President for approval. In the event of compulsory retirement, the HR unit will notify the relevant employee via his/her immediate supervisor. The employee shall complete the resignation and hand-over procedures per the relevant requirements prior to the effective date of retirement. ※ Status of implementation: The Company's implementation of Labor Standard Law and Labor Pension Act is considered well-founded.
Employee interest and right & employee care:	((1). The Company's management rules (including various employees' benefit policies and retirement system, et al.) comply with the labor laws and regulations. The Company has passed OHSAS18001 certification and acquired the occupational safety and health management system certification to help mitigate or reduce employees' risk in working. (2). The Company's products all comply with RoHS. The Company has set up the customer service unit to process quality issues and customers' complaints. (3). The Company provides employees with a safe and health work environment pursuant to Labor Standard Law and OHSAS18001, and also performs safety and health educational programs for employees from time to time, and health examination periodically to verify employees' health condition. (4). The Company has established the periodic communication channel with employees. Meanwhile, the Company will notify the employees of any information about changes in the Company's operation which might affect the employees materially in a reasonable manner. All of these are disclosed on the Company's "Investor Relations" website (www.cmmt.com.tw), or the M.O.P.S. (http://mops.twse.com.tw/index.htm) pursuant to laws.
Employment disputes	Status of measures implemented to protect employees' interest and right: So far, the Company has not been involved in any labor dispute. The Company maintains cordial and harmonious relationship with its employees. No dispute arises between the Company and employees, nor

	lost from the labor disputes is caused. The labor-management relationship tends to be harmonious and no loss is expected to arise.
Fulfillment of corporate social responsibility	(1) The Company's Board of Directors passed the "Corporate Social Responsibility Best-Practice Principles" on May 12, 2011. The main raw materials used by it comply with RoHS. It also prohibits any hazardous substance specified in the RoHS in production to mitigate the impact on the environment. The Company provides employees with a safe and health work environment pursuant to Labor Standard Law and OHSAS18001, and also performs safety and health educational programs for employees from time to time, and health examination periodically to verify employees' health condition. The Company will have its internal employees attend continuing education and training each year and establish an effective training program that helps employees develop skills over their career, e.g.: ①. ISO9001 and QC080000 internal auditor training (per year). ②. MTP mid-rank management skill training ③. TWI junior supervisor management skills - JI and JM. ④. Knowledge and promotion of Personal Information Protection Law personal information laws & regulations and personal information inventory-taking skills.
Improved employees' benefit or measures comparing to previous year	Compensation measures, group insurance, continuing education, training, retirement system and other measures are mostly the same comparing to previous year. In the future, the company will enhance the rights and interests of employee in accordance with laws and regulations.

Average Salary adjustment in 2017

Anticipated salary adjustment	Average salary adjustment	Note	non-management employees' salary adjustment	Note
N/A	1.0% ~ 2.5%		1.0% ~ 2.5%	

Average starting salary of freshmen in 2017

Master degree and above	College	High school and below	Note
Not disclosed	Not disclosed	Not disclosed	Not disclosed