

(IV) Information on compliance with RoHS:

1. The Company sell its products directly and indirectly to EU, or areas governed by RoHS.
2. The compliance of the Company with RoHS is 100%.
3. The Company has been granted by the following companies or agencies the green product accreditation on environmental protection and ODM customer accreditation rate: 100%.
  - (1) The first company in Taiwan being accredited the SGS IECQ QC080000 RoHS green product.
  - (2) Approved by MOEA for a grant for supervision in Green Project in 2006, and complete the establishment and adaptation of GP system in 2007.
  - (3) Recognition by international giant firms: Lenovo (IBM), Fujitsu, Hitachi, NEC, Toshiba, Samsung, LG, Acer, HP.
  - (4) Equipment, production process, inspection standards and points of control are in place. There are also the ODM Mass Production and inspection for delivery locations with yield rate meeting the requirements of the customers.
  - (5) By the end of Q1 2006, the Company has attuned to full compliance with RoHS and has met the requirement of EU as early as July 2006.
  - (6) Complete the process and product evaluation of Halogen Free in 2008 to respond to the requirement of future environment protection law.

**V. Labor-Management Relation in the most recent year until the date this report is printed**

1. The status of employee welfare, continuing education, training, retirement system and others, and the agreement between the labor and the management and protection of employee benefits and rights:
  - (1) Employee insurance:

In addition to labor insurance and the national health insurance for the employees and families, the company takes group coverage for each employee including accident, injury and medical care and hospitalization for cancer victims.
  - (2) Annual salary increase and bonus:

The company will adjust the salary of each employee with reference to her/his performance at works, and bonus will be disbursed for substantial growth in production volume.
  - (3) Year-end bonus  
Bonus will be awarded to employees depending on the attainment of assigned goals.
  - (4) Fringe benefits provided by the employee welfare committee  
The employee welfare committee of the company is organized under law and by elected representatives of the employees. They will be responsible for the planning and execution of employee welfare. Examples are the organization for local and overseas traveling trips, gifts for the three major festivals, birthday gift vouchers, subsidized for matrimonial, celebration and funeral occasions, scholarships for the children of employees, special offers by participating shops, recreation and entertainments, social functions, language training programs, and the company will subsidize employees in taking local or overseas trips for pleasure. The amount of subsidy will vary with the years of service

- (5) Training and development of employees: according to the training system of the career development  
Develop training development system using core career as mainstream and emphasis on the cultivation of professional management, at the same time, host arts and humanity seminars irregularly to widen employees' views and balance out career and life. Establish e-learning platform to provide an irregular learning environment. Our scheduled training includes educational training for newcomers, professional management training, pre career training, specialized skill training, product enhancement training, general training, English language lessons and e-learning program.
  - (6) Employee bonus  
The corporate charter of the company requires that the company shall set aside 6% to 10% of the retained earnings as employee bonus to make the employees the shareholders of the company. This helps to enhance the convergence of the employees and allows for mutual gain between the labor and management.
  - (7) Reward for innovation  
Any new idea for positive contribution to the company proposed by employees will be rewarded, including management, marketing planning, research and development and production.
  - (8) Expression of opinions:  
The company values the opinions from the employees and seeks to find out how employees understand the management system, the leadership, the welfare system and work environment for good labor-management relations. There has been no labor-management dispute since the establishment of the company.
  - (9) The retirement system of the company has been instituted in accordance with the Labor Standards Law. The company hires an actuarial expert to work on the job, and appropriate 2% to 15% of the total salaries disbursed for each month as a contribution to the pension fund liability at the approval of the Taipei County Government. Such contribution, which is 2% for current period, will be deposited at the trustee account at the Bank of Taiwan under the title of the Pension Fund Supervisory Committee.
2. Loss caused by labor-management dispute in the most recent year until the date this report is printed, the estimated amount of loss in the future, and measures to deal with the problem: The labor-management relation has been harmonious since the establishment of the company in 1986. No loss has ever been inflicted from this cause.