

Realizing IDEAS Together



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The report is the first corporate social responsibility report published by USI. The contents include issues concerned by stakeholders of USI, such as the economic, environmental, and social information of Taiwan site and partial information of Shenzhen China, Shanghai China, and Mexico sites.

In each chapter of this report, performances are based on the statistics and information of 2008 and 2009 (from 2008/1/1 to 2009/12/31). The report refers to Global Reporting Initiative (GRI) 3.0 version, disclosing the executive achievements, responding policies, and future plans of various key issues about corporate social responsibility of USI. This corporate social responsibility report corresponds to application level "A" after being viewed with the GRI G3 application level criteria.



Reporting cycle: USI will publish corporate social responsibility report regularly each year  
Present Edition: October, 2010  
Next Edition: October, 2011 presumably

This report is written in both Chinese and English versions and published on the corporate website for reference. If you have any comments, questions, or suggestions, please contact us. The contact information is as follows:

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# President's Words

USI has long combined core values of “innovation and dependability” and “enthusiastic service” to realize corporate social responsibility from the economic, social, and environmental prospects. Meanwhile, we kept communicating with important stakeholders such as employees, suppliers, communities, customers, and shareholders regularly, with the prospect of how to improve the global sustainable development. And USI always thought of how to make use of our industrial resources and to develop a positive value as an enterprise citizen.

As a main designing & manufacturing services industry of electronic products in the world, USI kept promoting various practices of corporate social responsibility averagely through daily operation. “environmental protection,” “employee welfare and education,” and “community contribution” are three main directions which USI values to endeavor.

As for environmental protection, USI insists that production process must thoroughly comply with worldwide environmental and waste usage related regulations, and actively conducts green product manufacturing process for responding to global climate change. USI is the first DMS industry passing the “Hazard Substance Management System” certification in Taiwan. Besides, USI promoted halogen free manufacturing process to reduce the impacts on environment caused by products and manufacturing process. Meanwhile, for reducing the impacts caused by company greenhouse gas emissions, USI initiated the greenhouse gas baseline verifications of all sites actively. Then with the results, USI set up long-term reduction goals and improving plans, practicing these plans step by step. In addition, USI coordinated our suppliers through constant communication and negotiations, we invited partners to set up a safe and stable green supply chain together.

USI tended to take employee welfare and education as important operating goals. As for employee welfare, USI established “Employee Representative Congress” and “Industrial Relations Committee” in many sites, being responsible for dealing with employee welfare systems and industrial relations disputes. Meanwhile, USI provided four free mental health counselings every year by mental health counselor to lessen employees' working pressure. Through regular survey of employees' suggestions every year, USI understood employees' requirements and presented improving plans to provide employees better and healthier working environment. Besides welfare benefits, USI established USI University to provide integral learning programs for talented employees. Comprehensive physical, mental, and spiritual care in USI allowed employees to continue pursuing personal growth.

USI headquarter is located at Tsaotuen Township, Nantou County. USI has promoted many community feedback activities together with Nantou County government and many private arts and culture organizations. For example, USI supported “Taiwan Literacy and Culture Foundation” to set up “Libraries of Love” and bought new books for elementary students to read and expand their knowledge. USI sponsored the live tours of “Cloud Gate Dance Theatre” and “Ming Hwa Yuan Arts and Cultural Group”, providing Nantou residents and USI employees with more chances to experience world-class cultural and artistic performances which can enhance cultural awareness and accumulate creative ideas. In addition, USI encouraged employees to participate in community feedback activities together, establish charity clubs and support minority groups. With the cooperative power of enterprise, employees, and community, USI improved local development and created better community environments.

In the past, USI reached various achievements of corporate social responsibility and acquired many recognitions such



# 01

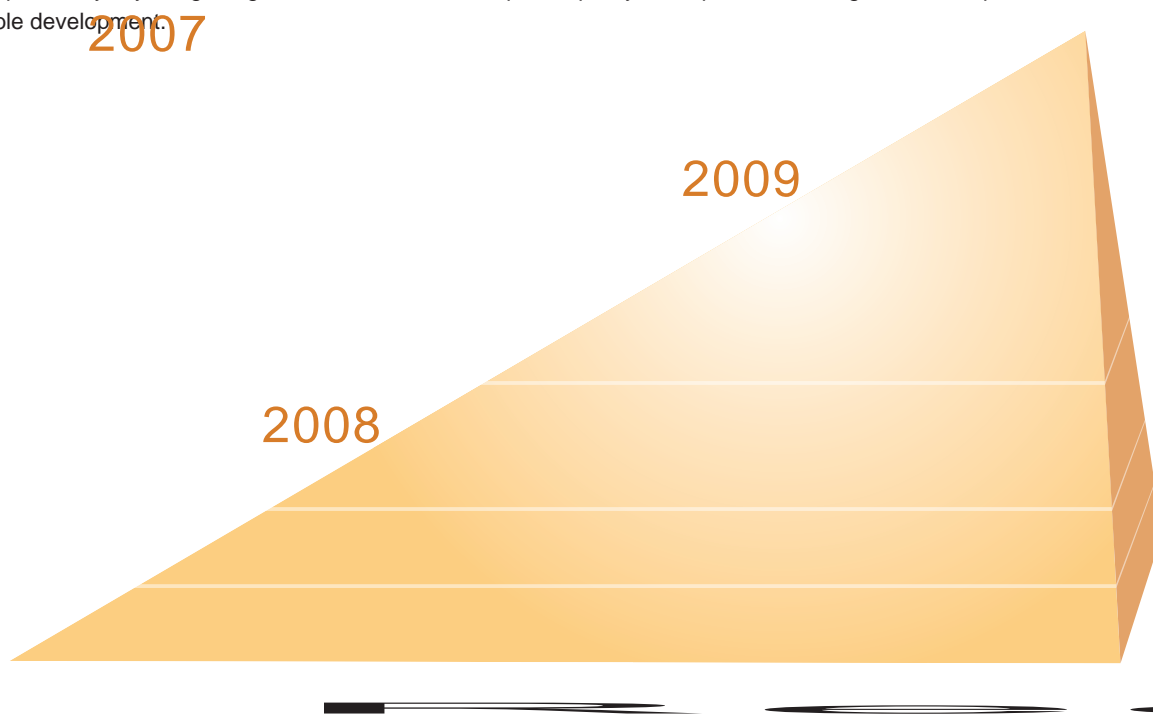
## and Corporate Social Responsibility

- 1.1 Vision and Promise
- 1.2 Policy and Operation
- 1.3 Identification and Selection of Stakeholders
- 1.4 Stakeholder Communication

## 1.1 Vision and Promise

USI is aware that modern industry should not only create economic value, bring in the most benefits for shareholders and investors, but create social value. As obeying morality and regulations, USI worked hard to practice social responsibilities such as corporate management, environmental protection, community participation, and employee rights protection. USI pursues the sustainable development of co-existing economy, society, and environment.

USI stretched industry core values of “innovation and dependability” and “enthusiastic service” to the realization of corporate social responsibility. By integrating core values into the corporate policy and operation management, USI pursues the vision of sustainable development.



## 1.2 Policy and Operation

USI, through the understanding of Corporate Social Responsibility (CSR), considers that the business sustainable development of USI is closely linked with benefits of employees, community, society, and stockholders. The scope of the CSR covers the issues of basic labor right, safe and healthy workplace, environmental protection, business ethics, and so on. In order to deploy the CSR in USI effectively and fit in with the expectancy of the stakeholders, USI will undertake the following measures to achieve the goal of CSR:

1. Comply with the national and regional laws, regulations signed by USI, and the international ordinances.
2. Concern about labors including a ban on forced labor, humanity management, forbiddance on discrimination, and the right to freedom of association.
3. Ensure the safe and healthy workplace, and reduce the environmental impact on manufacturing, activities, and products
4. Emphasize the business ethics of respect for the Intellectual Property Right, faith management, and Information Transparency; And to participate in the community activities zealously.
5. No procurement of metals & materials originating from the conflict regions like Congo by the following measures:
  - i. Ensure our suppliers to implement this requirement to their supply chain.
  - ii. Have a certification process for suppliers if necessary.
  - iii. Co work with the other partners including NPO, and trade organizations to come out with the solutions for this problem.
6. Continuously improve the achievement of the CSR management through the effective managing measures and open to the public.

USI participated in E-TASC (Electronics Tool for Accountable Supply Chains) , evaluating performances in employees' human rights, workplace health and safety, industrial morality, and environmental protection of USI. USI also followed EICC (Electronic Industry Code of Conduct) and asked all worldwide sites to realize their social responsibilities.

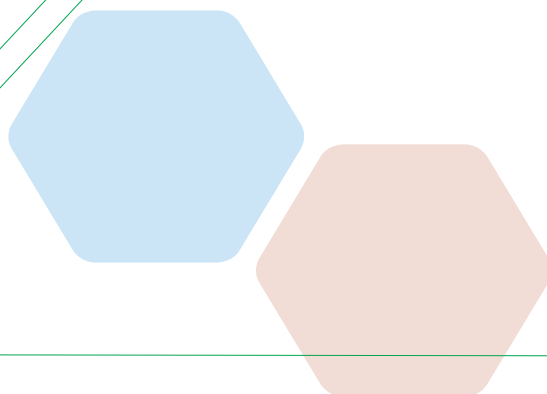
All worldwide sites have passed ISO 14001 Environmental Management System, ISO9001 Quality Management System, and OHSAS18001 Occupation Health and Safety Assessment Series. These authentications ensured the product quality and ESH management of USI correspond with international standards. USI cooperated with upstream and downstream companies to establish sustainable green supply chains. USI applied green environmental protection to raw material purchase, product designing, and production to meet EU environmental protection directives. China sites practiced cleaner production to enforce preventive policy of environmental protection and lower the influence on environment caused by production, product, and service. Meanwhile, USI devoted to improving employees' rights and acquired awards from Council of Labor Affairs and Bureau of Health.

### 1.3 Identification and Selection of Stakeholders

For pursuing the sustainable management, USI put emphasis on the interaction and communication with all stakeholders. By understanding the issues concerned by all stakeholders, especially corporate social responsibility, USI keeps presenting and improving policies and practicing them effectively.

Chairs of all departments of USI were surveyed with questionnaires to assess stakeholders cooperating and interacting with USI. Through the assessment, USI grasped concerned issues of stakeholders and how these key issues influence on USI's operation. According to the analysis of these questionnaires, USI drew up the contents and structure of the CSR report. Dealing with concerned issues of all stakeholders, USI disclosed complete and detailed policies and future plans for realizing corporate social responsibility.

According to the analysis of the questionnaires, the main six stakeholders of USI are as follows:



## 1.4 Stakeholder Communication

For responding to requirements of all stakeholders and satisfying their expectations, USI established excellent communication platform and adopted related policies to maintain and strengthen mutual relationships.

Investors	Managing performance Financial transparency Disclosure of non-financial information	Annual report Investor section on corporate website Spokesman system Annual meetings of shareholders	* USI publishes and updates the latest information such as interior operation, financial information, review, and analysis through the website and annual reports published yearly * Shareholder meetings are held regularly for explaining managing performance to investors and responding to their concerned issues
Employees	Employing situation Employee welfare Education and training Employee behavioral principles Industrial relationships Occupational safety	Employees' Welfare Committee Employee relationship website Employee suggestion box Industrial relations meetings	* Hold the principle of justice and anti-discrimination. Provide employees equal employing chances * Set up complete salary and welfare systems. Give employees reasonable treatment and reward * Set up USIU, provide employees with various education and training courses to improve their expertise * Pass OSHSAS 18001 occupation health and safety assessment certification to protect workplace safety for employees
Customers	Supply chain management Quality management Innovative research and development Green products	After-sales service system Customers' satisfaction questionnaire	* Provide healthy and safe products with the illustration of product's features to customers. Products and processing system all correspond to the standards and certification of international laws * Design green products, reduce the usage of hazard substances in production, and increase the recycling rate of products
Suppliers	Quality management Supply chain management Innovative research and development Environment policy Other: employing policy, green product	Seasonal QBR meetings	* Promote green supply chain, ask and help suppliers to pass quality management system certifications. Control the usage of raw materials to ensure the products and materials correspond to the regulations of USI green products * Require suppliers to realize human right policies for protecting employees' rights with USI
NGO/ Associations	Communication with stakeholders Industrial relations Environmental policy	Meeting participation Activity assistance	* Draw up environmental protection, occupational safety & health (ESH) SOP and measures of environment safety communication, consultancy, and participation. Keep friendly relationships with community residents * Keep donating new books to elementary schools in Nantou County. Sponsor the tour of artist groups and join in emergency service and rescue

The background features a collage of various currency notes, including a 50 Euro note and a 100 Euro note, and a hand holding a coin. The collage is overlaid on a dark red background.

# 02

## and the Economics

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- 2.1 Corporate Operation
- 2.2 Investor Relations

## 2.1

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USI headquarter in Nantou

Company name	Universal Scientific Industrial Co., Ltd.
Year of foundation	1976
Headquarter location	No.141, Ln. 351, Sec. 1, Taiping Rd., Tsaotuen Township, Nantou County 542, Taiwan (R.O.C.)
Capital	About 10.8 billion NTD
Main products and service	Computer and Peripherals, Electronic Packaging and EMS, Communicatio

In 2000, USI became the first industry recognized by ACE Insurance's "AAA the Highest Standard"

For providing global customers fast, immediate, and comprehensive service, USI set up offices, R&D sites, and after service sites not only in Taiwan, Shenzhen, Shanghai, and Mexico, but in Japan, Europe, and North America.

USI is a leading global company in design and manufacturing industry, contributing to computer and peripheral products, communication products, micro-electronic packaging and EMS, network storage and server products, and industrial and automobile electronics products. USI provides the best DMS solutions in America, Europe, and Asia. The consolidated income of USI is broken down by major geographic areas for Y2008 and Y2009 as follows:

Unit: 1000 NTD

	2008		2009	
	Revenue	Percentage	Revenue	Percentage
Taiwan	15,598,579	24%	15,072,829	29%
Asia	47,514,240	73%	35,700,364	69%
Other	2,223,178	3%	1,194,969	2%
Total	65,335,997	100%	51,968,162	100%

Source: USI consolidated financial statement

According to data of MMI (Manufacturing Market Insider) in February, 2010, the statistics of four research organizations, ETP, IDC, Inforum, and iSuppli, revealed the average value of contract manufacturing (EMS + ODM) revenues in 2009 reaching USD 245.5 billion dollars in average (274.6 billion, 233 billion, 209.7 billion, 260.5 billion, respectively). In comparison, USI's consolidated revenues in 2009 reached 1.563 billion dollars and the market share was 0.64% of the average overall market. Out of values from four research organizations, USI market shares were 0.

Influenced by the financial crisis at the beginning of 2009, USI implemented many internal practices for controlling cost, including immediate adjustment of inventory level, rightsizing personnel, and promoting yield of products actively. With the contribution and cooperation of all colleagues, USI got rid of the financial crisis soon and all production lines maintained steady manufacturing po



#### Product research and development

- The 32nd industry in new patent applications in Taiwan

#### Social responsibility

- Awarded "County and City Friendly Workplace Award" by "Council of Labor Affairs"
- Global Views Monthly Magazine appraised USI as one of "The Best 50 Industries in Corporate Social Responsibility Performance"
- Awarded "Wenxin Award-Silver Award" by "Council for Cultural Affairs"
- Awarded "Reading Promotion Award-Group Category" by "Ministry of Education"

#### Industrial performance

- Awarded "The Best Customer Service Leader Award" by the global well-known research institute "Frost & Sullivan"
- Council of Labor Affairs, Executive Yuan hosted "2009 Taiwan Training Quality System (TTQS) Model Praising Ceremony." USI was recognized by the highest glory of model industry for establishing USIU, integrating global training resources, and reaching the goal of promoting innovative research energy

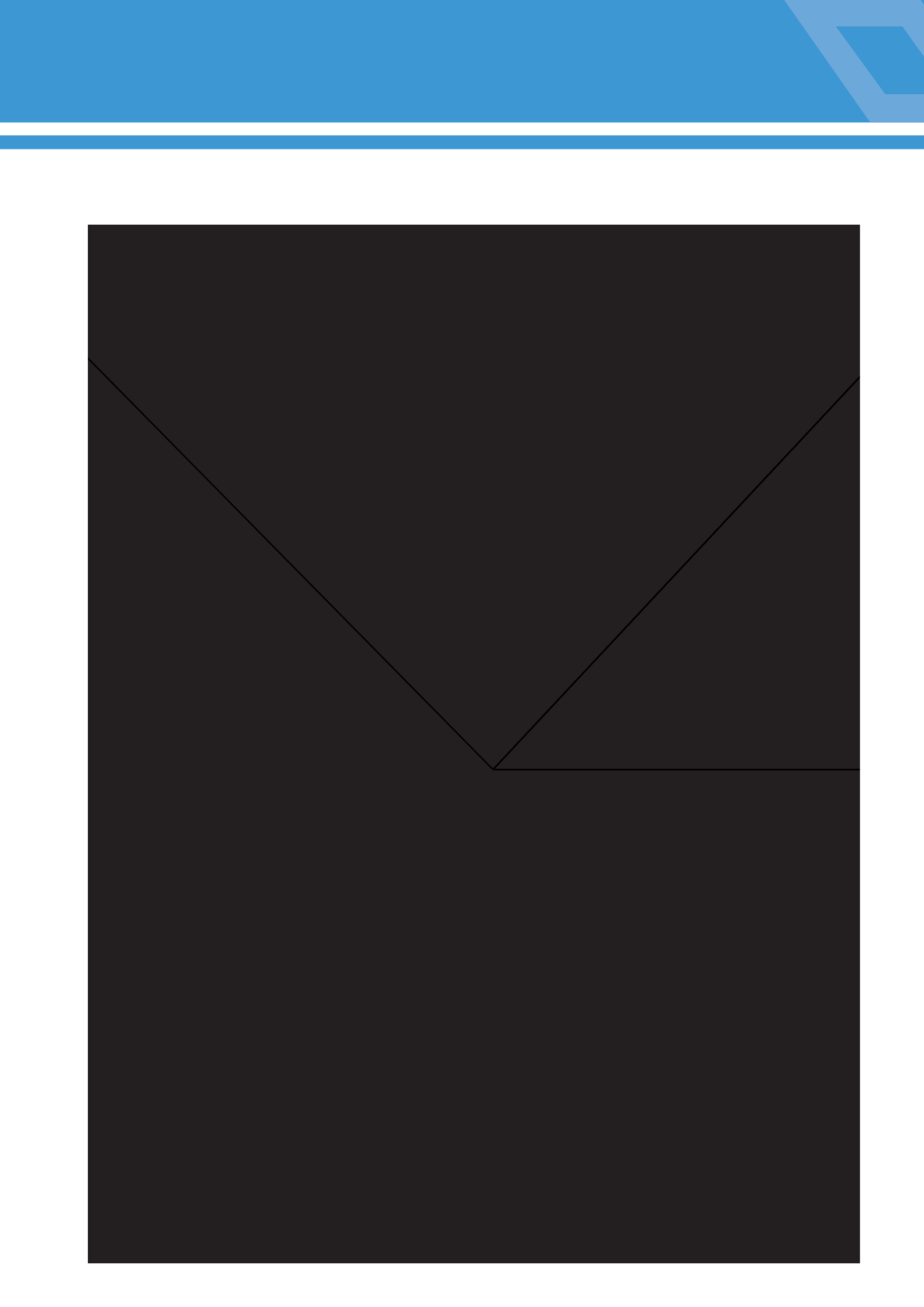
#### Product research and development

- Besides being awarded "National Invention and Creation Award" by "Intellectual Property Bureau, Ministry of Economic Affairs" in 2007, USI won the same recognition for the second time with the patent of "Electromagnetic Interference Suppressor"
- The Bureau of Standards, Ministry of Economic Affairs held the first national "Electromagnetic Compatibility (EMC) Programming Contest." Many famous Taiwanese industries participated in the contest. After fierce competitions, USI won the first prize with its excellent EMC designing and analyzing ability. USI displayed its outstanding competition of research and development

#### Social responsibility

- Common Wealth Magazine appraised USI as the 27th industry among "Excellence in Corporate Social Responsibility TOP 50"
- Global Views Monthly Magazine appraised USI as one of "The Best 50 Industries in Corporate Social Responsibility Performance"
- The branch of USI, USI Hong Kong emphasized personnel tra

Successful industrial operation depends on the common contribution of employer and em



USI followed regulations and principles related to corporate governance such as " Company Act," " Securities and Exchange Act," and " Corporate Governance Best-Practice Principles for TSEC/GTSM Listed Companies," establishing effective corporation managing structure and related moral standards and items to enhance corporate governance.

Directors of USI remained their independence so independent directors and audit committee are not yet established. Based on Article 2 of " Regulations Governing Procedure for Board of Directors Meetings of Public Companies," USI drew up " Rules of Meetings of the Board of Directors." In 2008, previous board of directors held 4 meetings and new board of directors held 7 meetings; in 2009, the board of directors held 12 meetings. In these meetings, supervisors, high-level managers, and shareholders communicate and discuss together. Internal auditing managers report to supervisors about their business regularly in the middle of the year.

Currently, USI has 9 directors and 3 supervisors selected among shareholders who are equal to the tasks. The duties of the board of directors are as follows:

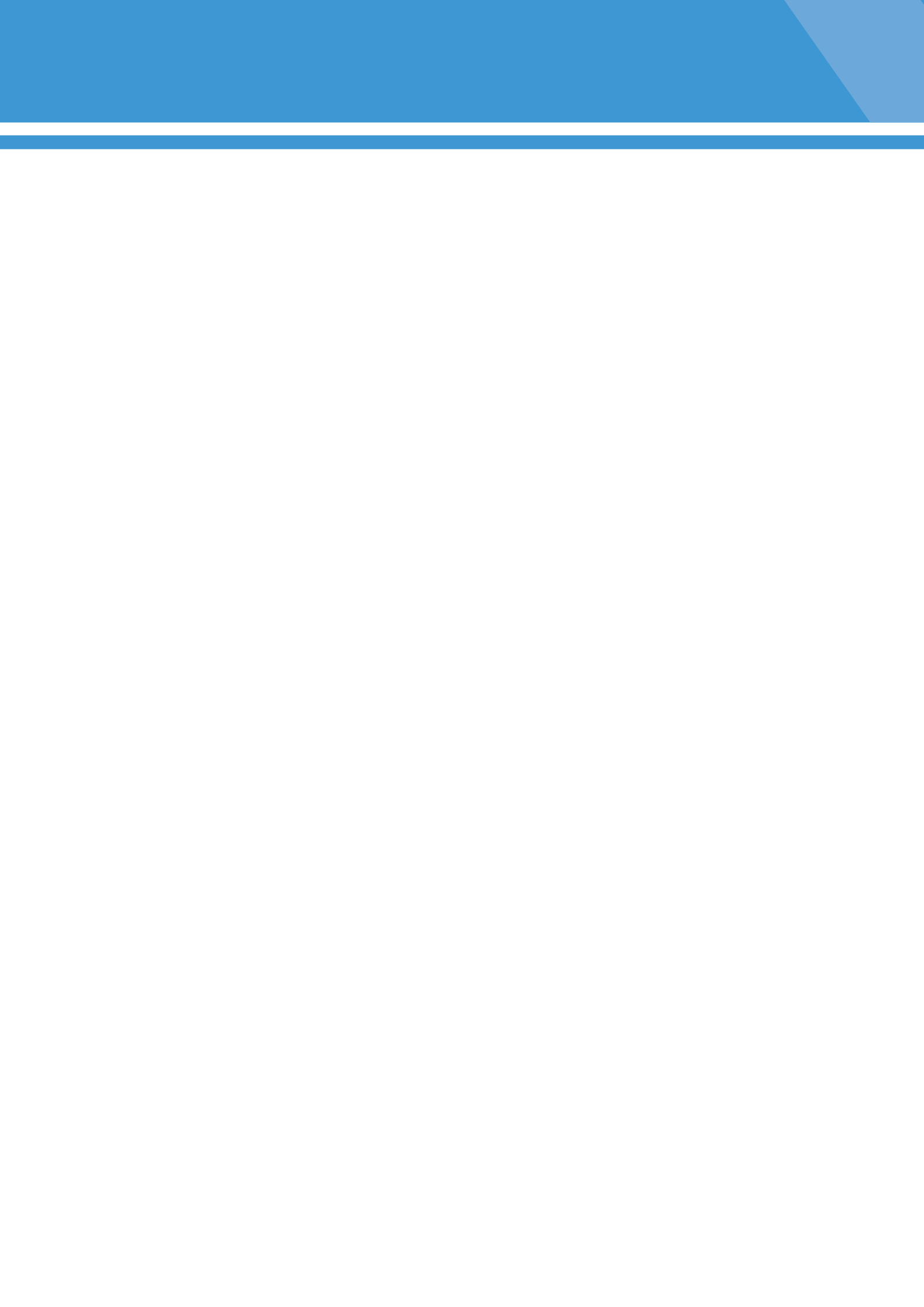
1. Draw up detailed regulations of important principles
2. Make up operative prospectus
3. Audit budget and final accounts
4. Select and dismiss general manager and vice general manager
5. Present the motion

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The internal audit organization belongs to the board of directors. The employment and discharge of the organization's manager must be agreed by more than half members of the board of directors. The organization is composed of one manager and three examiners.

- Range of audit: all financial and operational business and management are included. According to related regulations, there are eight divided circles responsible for respective audit.
- Object of audit: all institutes and legal branches around the world of USI.
- Audit strategy: the regular audit is practiced based on the annual audit project decided by the board of directors. Special case audit will be practiced if needed. The







# 03

## and the Environment

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- 3.1 USI and Climate Change
- 3.2 ESH Policy of USI
- 3.3 Green Promise of USI
- 3.4 Environmental Protection of USI
- 3.5 Green Prospects of USI



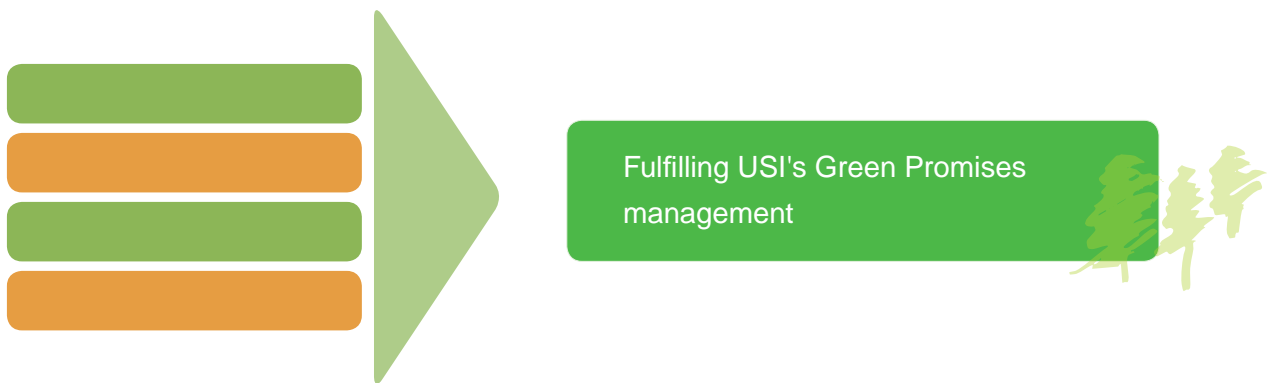
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Given that the record-breaking extreme weather and the common disasters, industries nowadays are facing a new operating environment and risks. In December 2009, the UN Climate Change Conference pointed out that industries need to pay special attentions to greenhouse gas emission reductions and corporate green management, in order to effectively alleviate the growing concern over global warming. With an emphasis on environmental protection, USI took active measures against climate change and has shown impressive results: Othe

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To fulfill industry green responsibility, USI established Green and Risk Management Department, implementing Green Quality Management System to assure products and operating systems comply with international environmental regulations. Within the green supply chain, from product materials procurement to product final disposal, a series of preventive green-management measures were implemented in order to reduce the environmental impact of the product and production process.

Meanwhile, USI conveyed earth-loving, eco-friendly and green concepts through meetings, training sessions and forums. Through a 3-way partnership, enterprise, employees and suppliers, USI fulfilled Green Promises as an enterprise citizen.



	<ul style="list-style-type: none"> <li>• Build a comprehensive green quality management system</li> <li>• Introduce Designs for Environment (DFE)</li> <li>• Build an EHS database</li> <li>• Implement auditing for the hazardous substances management system</li> <li>• Implement cleaner production in Shenzhen site and Shanghai site</li> </ul>
	<ul style="list-style-type: none"> <li>• Control the quality of materials with suppliers</li> <li>• Make sure all products are designed and produced in line with the energy conservation concept and environmental standards (i.e., non-toxic designs, halogen-free and energy-saving)</li> </ul>
	<ul style="list-style-type: none"> <li>• Provide employees, suppliers and contractors with environmental training, hold forums and meetings to underscore USI eco-friendly values</li> </ul>
	<ul style="list-style-type: none"> <li>• Provide funding for pollution prevention initiatives, cut resource consumption, properly dispose industrial waste, build an environmental management system and obtain certifications</li> </ul>

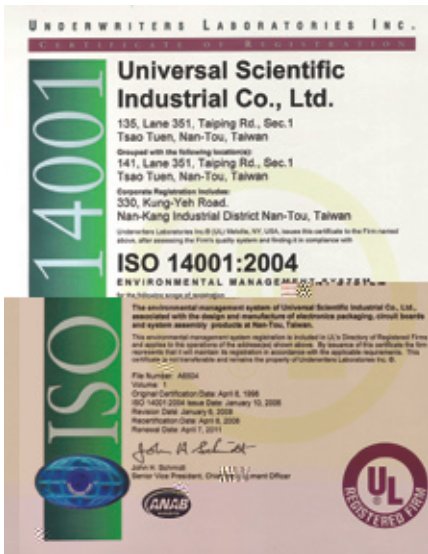
With the implementation of environmental directives in recent years, electrical and electronics companies are facing various challenges, particularly the Waste Electrical and Electronic Equipment (WEEE) Directive and Restriction of Hazardous Substances (RoHS), introduced by EU in August 2005 and July 2006 respectively.

USI was aware of the international trend toward environmental protection and established a Green and Risk Management Department under the Corporate Quality Management Division in 2002. The department actively promoted Green Product (GP) Management System and continually improved USI Green Product specifications to meet environmental directives as well as customer demands.

To cope with the growing demand for green products, the R&D staffs at USI are all equipped with the DFE capability to design GPs in line with the EuP directive, RoHS directive and WEEE directives.

USI established an environmentally hazardous substance database (EHS Database), helping th

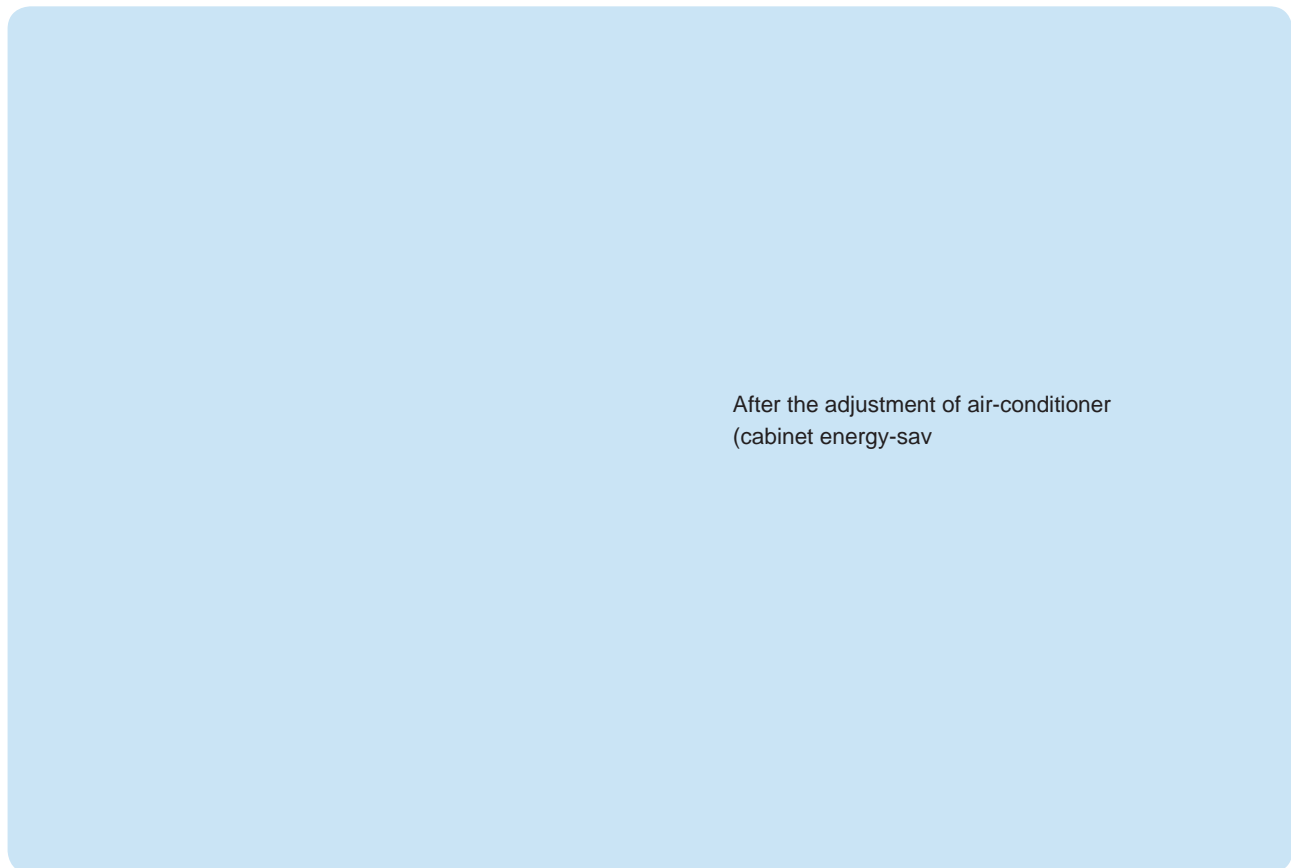




ISO14001 and IECQ QC080000 Certificates

By preventing pollution through sources at each site, USI saved usage of materials and energy consumption, used more recyclable materials and reduced the discharge and disposal cost of waste and exhaust gas. This way, USI can enhance the economic and ecological benefits at the same time.

USI also conducted cleaner production in Shenzhen site from January to July in 2009 and applied a series of preventive environmental measures to the manufacturing process, products and services to reach the goal of cleaner production ---such as using less organic solvent, cut the company's energy consumption, greenhouse gas emissions and total weight of waste. USI successfully obtained the cleaner production certificate for Shenzhen site. Shanghai site will pass the same certification by the end of June 2011.



After the adjustment of air-conditioner  
(cabinet energy-sav)

证

清洁生产证书

Certificate

Certificate: USI Electronics (Shenzhen) Co., Ltd.

深圳市龙岗区龙园工业园



深圳市工业和信息化委员会 深圳市人居环境委员会

二〇〇九年十二月

The transition towards sustainable products is inevitable only by establishing long-term management model of green supply chain to meet the up-coming challenges. As a result, USI ensures the entire production process---which includes procurement of materials, manufacturing and recycling---generates the maximum environmental benefit. In this effort, we work with our upper and downstream partners to create a sustainable green supply chain and become a Green Enterprise.

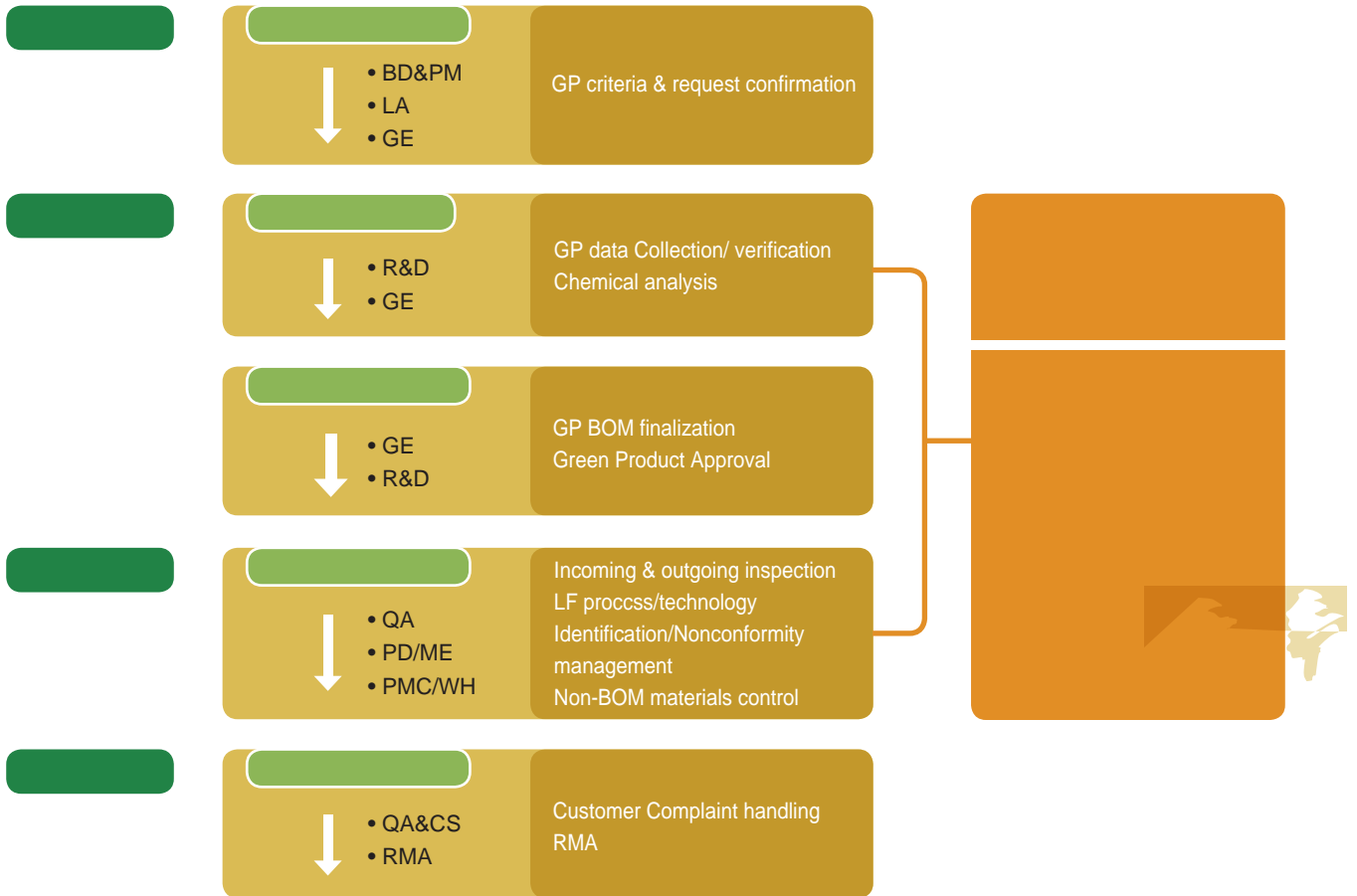
Many studies have indicated that the difference in manufacturing processes can lead to varying levels of material resource consumption and environmental impact. USI consistently evaluates its products across all life cycle stages

When a product is being developed /designed, the Project Management Unit at USI will inform the Green Design Engineering Unit to determine DFE requirements for products according to environmental hazardous substances, recyclable design and low energy consumption. The Green Design staff will collect information on the specs of DFE products after confirming such requirements.

The R&D and product engineering unit will give priority to select Green parts and ask suppliers for EHS-related documents (if necessary) to ensure quality of materials. Likewise, the external power suppliers will be asked to present documents, and low energy-consuming external power suppliers will be first chose.

In this phase, USI tests the energy consumption of products and would require the power-supplying procurement unit to conduct a re-assessment in case of failure to comply with the DFE principles design requirements.

Given the EuP directive, the power-supply testing unit would test the energy consumption of products. The design unit would assess the toxicity and recyclability of materials for parts suppliers before delivering a 3R recycling report and a WEEE report.



In 1,000 NT dollars

Cost of pollution prevention	Including the prevention of air, water and other forms of pollution	2,524	2,808
Cost of investing in energy-saving equipment	The investment in resource conservation (e.g. energy and water resources)	2,673	26,519
Cost of disposing industrial waste		1,803	2,163
Cost of building an environmental management system, and obtaining the certification		389	408

Note: The statistics covered only Taiwan, Shanghai and Shenzhen sites

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In 1,000 NT dollars

Items	Details	Total benefits for 2008	Total benefits for 2009
Recycled industrial waste	Including waste paper, waste plastics, IC trays, solder residues/ paste, waster products (registered quarterly), PCB end pieces, miscellaneous metal, used product trays, and wrapping materials	54,528	36,283

Note: The statistics covered Taiwan, Shanghai, Mexico and Shenzhen sites

Besides implementing the green management internally, USI made stakeholders further aware of the importance of environment protection, and applied the correct environmental concepts to various steps in production process (i.e., the product planning, raw material control and greenhouse gas emission reduction).

USI keeps communicating with its employees, suppliers and contractors regarding USI's ESH-associated principles, knowledge and re

## 3.4

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USI hbb lohg b

In kilograms

Paper cartons	184,500	118,200
Wood materials	27,610	33,510
Plastic materials	63,910	47,210
Solder residues	5,320	2,680
Miscellaneous metals	71,740	57,665

Note: The

USI set up targets for greenhouse gas emission reduction according to inventory for 2008 and 2009:

2010: 50 tons of CO<sub>2</sub>-e /US\$ 1 million  
2011: 45 tons of CO<sub>2</sub>-e /US\$ 1 million  
2012: 42 tons of CO<sub>2</sub>-e /US\$ 1 million

Most of USI's greenhouse gas emissions are resulted from the use of out-procured power. Thus, USI took aggressive action to improve energy efficiency and energy conservation by upgrading and replacing the equipment of factories. For example, USI equipped the air compressors with VF control, replaced the T8 light bulbs with the energy-saving T5, replaced the radiator of cooling water towers, equipped the chilled water system with Frigaid, and integrated the transformer. By these actions, USI could effectively cut greenhouse gas emissions.


To consume less energy and lower costs of business operations and manufacturing process, USI gave priority to low energy-consuming external power suppliers in product-design stage, and conducted an assessment to make sure each product meets the requirements for an energy-saving design. All the USI sites took energy-saving measures for the air-conditioning, lighting and equipment of factories, keeping reducing both the energy consumption and electricity expenditure. For example, USI sites adopted innovative, energy-saving lighting fixtures, adjusted temperatures of air-conditioning seasonally, and monitored the electricity expenditure. Compared to the 2008 electricity consumption



Note: The data covered Taiwan, Shanghai, Shenzhen and Mexico sites


The graph above showed that compared to 2008, USI had reduced the total amount of waste generated by 17% in 2009, with the annual recycling rate exceeding 70% in 2008 and 2009. In the future, USI will keep carrying out the waste reduction policy to achieve the sustainable use of resources (i.e., recycle and reuse).

USI collects the data of waste water discharge and water consumption



To reduce water consumption, USI adopted water-saving measures, such as adjusting water supply of the water-saving equipment in restrooms on each floor to avoid unnecessary consumption. USI also plans to introduce RO water purification systems to reduce water use by recycling /reusing the waste water.

Furthermore, USI sites are nowhere near water sources, hence polluting





# 04

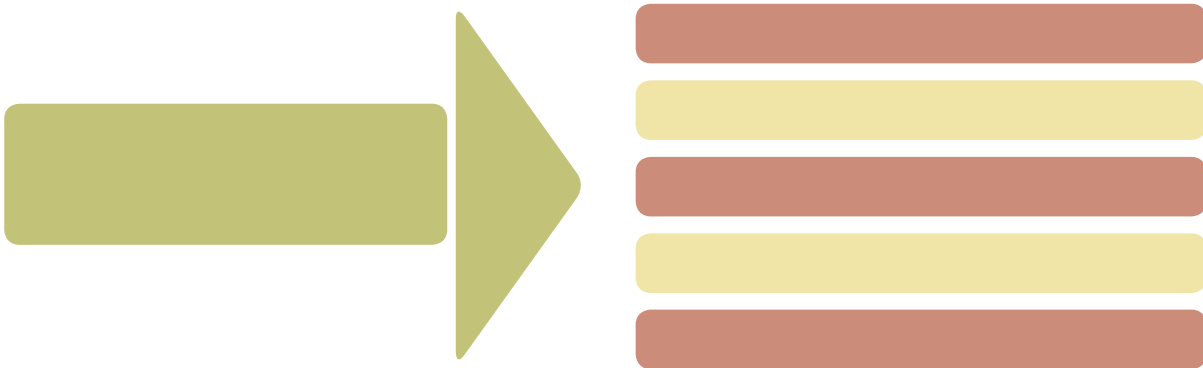
## and the Society

- 4.1 USI and Its Employees
- 4.2 USI and Its Customers
- 4.3 USI and Its Suppliers/Contractors
- 4.4 USI and the Community

# 4.1

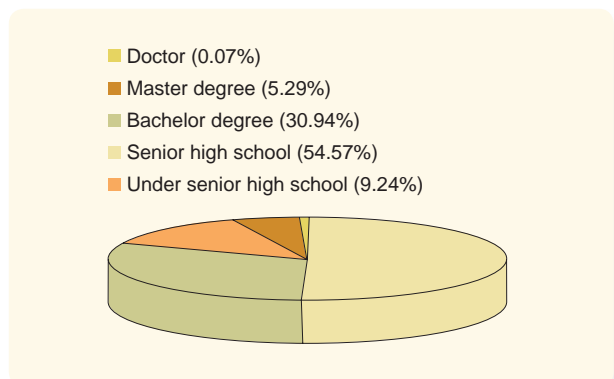
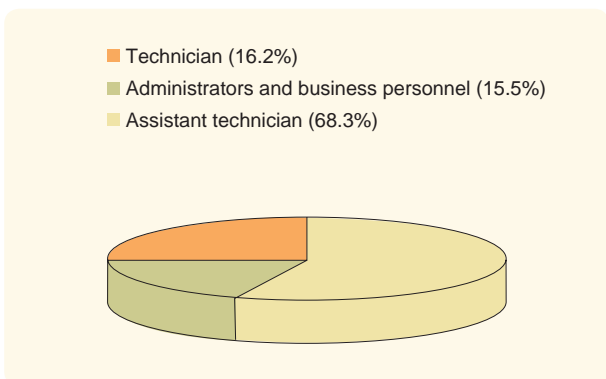
Human talents are important seeds for the constant growth of USI, requiring considerate care and irrigation. Therefore, we contributed to build high quality, safe, and stable working environments. Besides strictly ensuring the safety and health in the workplace and caring of employees' physical and mental health, we also provided well mature training programs. Through multiple education and training, employees could slowly grow as they develop expertise. There is also perfect welfare system in the company to ensure various employee rights, keeping harmonious labor-capital relationship and providing equal employment opportunities.

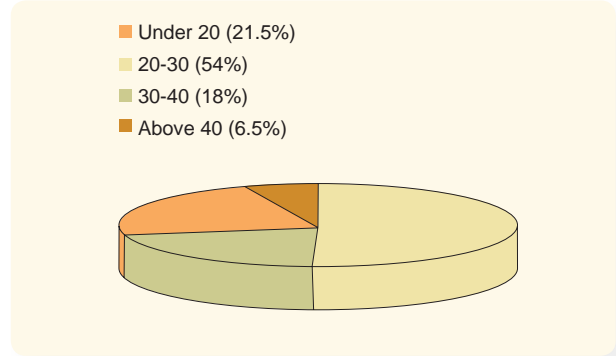
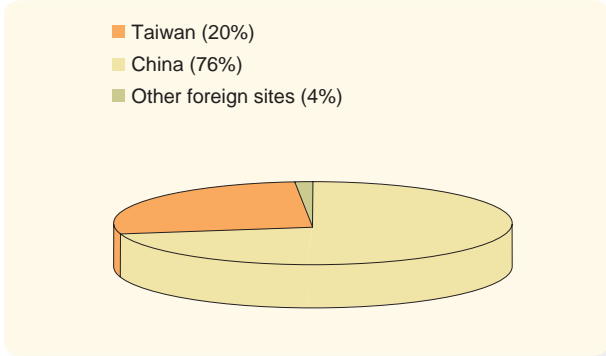
Heads of each department practice human-based management to focus on communication and coordination with the employees, while timely care for employees' job satisfaction conditions. These care and concern for employees were recognized by the 2008 "Friendly Workplaces in Counties and Cities."



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In the end of 2009, USI had a total number of 11,100 employees, where both Taiwan and China possessed a total number of 2,224 and 8,431 employees respectively the rest 445 employees were distributed to other foreign sites. And among all employees, there were 1,796 technicians, 1,720 administrators and business personnel, and 7,584 assistant technicians. The number of female employees in USI reached 7,318, 66% ratio.



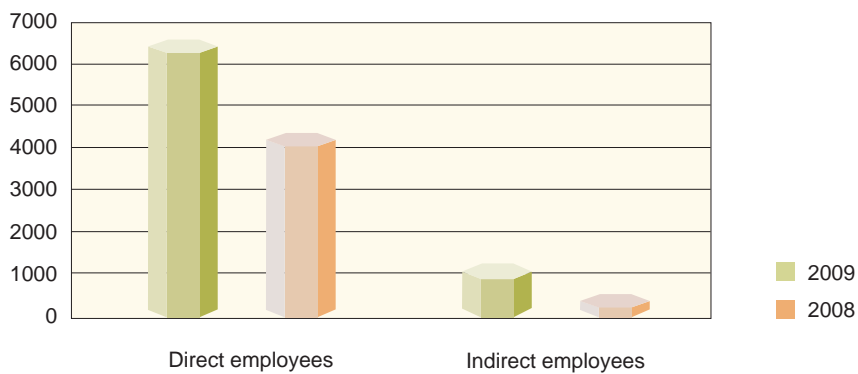


Note: above statistics covered worldwide sites

USI provided developmental training programs, perfect welfare system, comfortable and convenient working environments. USI also established excellent communication channel, cared employees' working and living condition for building up a sense of belonging and reducing employee demission.

Year	Direct employees	Indirect employees	Score
2008	6528 (64%)	1098 (10%)	8.20
2009	4334 (39%)	493 (4%)	8.87

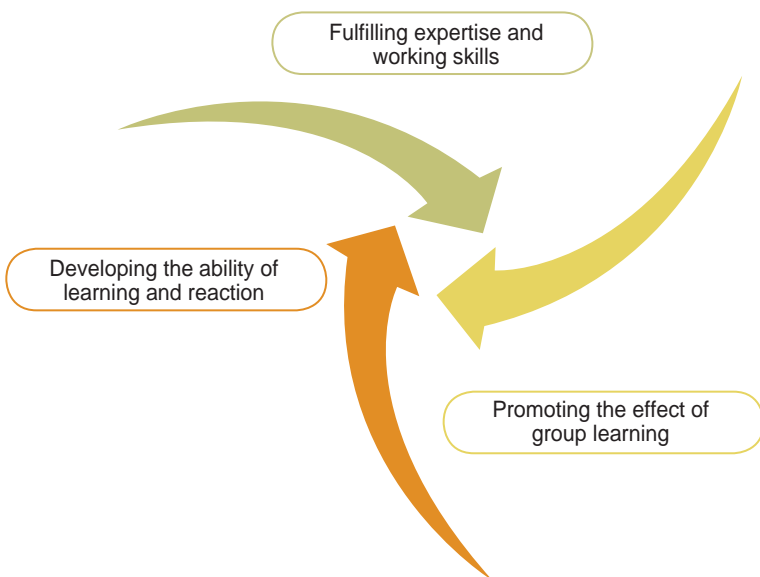
Note: 2009 statistics covered only Taiwan, Shanghai, and Shenzhen sites



USI recruited professional talents required by industries based on goals and expertise. In worldwide sites, USI established systematic employment policies and standardized procedures. According to the human resource requirement lists verified by each department, in the end of each year, the department of human resource recruitment proclaimed advertisements and recruitment procedure to hold recruitment publicly.

As recruiting employees, USI also followed fair and righteous principles regardless of age, sex, race, religion, nationality, or political party. USI treated all employees equally without bias and discrimination.

In the big family of USI, our mission is to help colleagues solve work problems, develop their expertise, and achieve the goal of the organization effectively. Therefore, we planned various employee educations and training courses for employees of different profession, provided them integral learning systems. USI established USI University (USIU) with four main pillars, "R&D College," "Management College," "Quality College," and "Manufacturing College." USIU integrated learning resources worldwide, created innovative learning environment, and provided all USI employees with advanced study. In the library of USI, more than 100 periodicals and journals relating management, electronic techniques, and computer information are prepared from various countries, allowing the employees to flexibly and instantaneously enhance professional expertise.

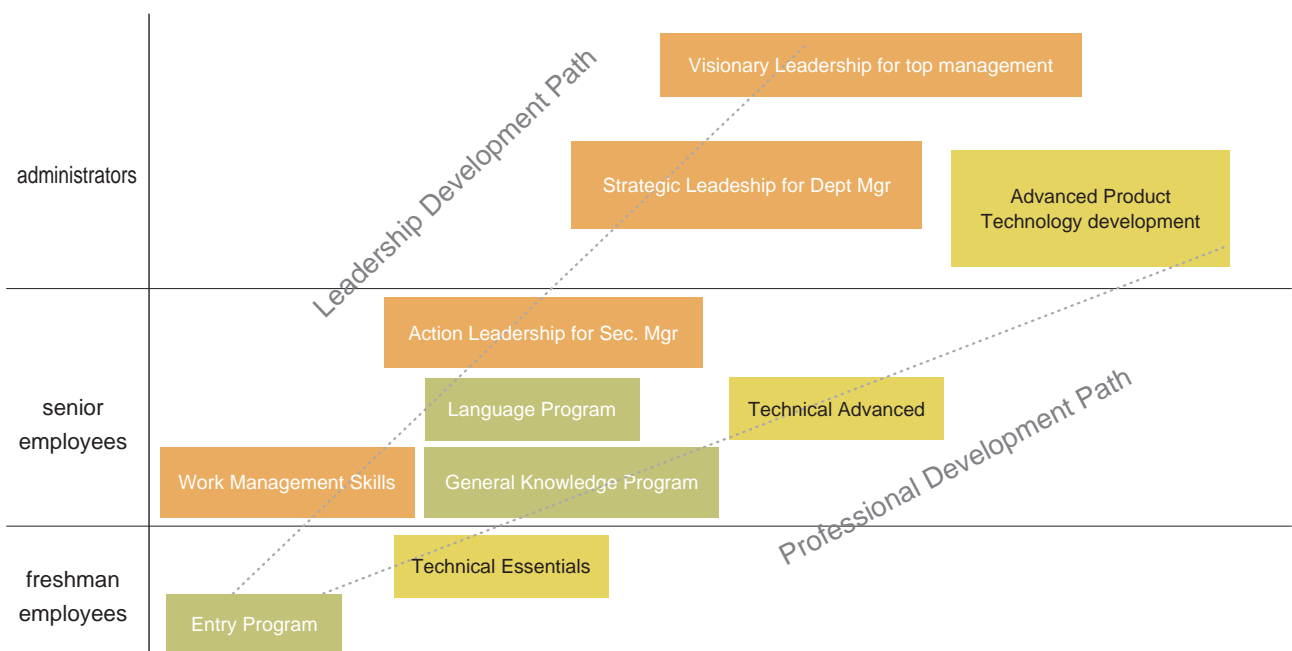


Based on the organization strategy, USIU integrated personal experiences and background, working skills requirements, performance evaluation, and career development, tailormaking each employee's Individual Development Plan (IDP). USIU helped employees to learn and to grow with goals and principles; fulfilling each professional knowledge and skill gradually.

By providing training courses for omnipotent talents, USIU offered multiple course contents, where the approaches and activities were designed according to course attributes. Proceeding case study or group discussion along with E-learning course trainings allowed USI employees to learn and pursue education in a more effective and flexible way.

For many years, USIU has developed excellent teachers and fine knowledge for delivering culture. And by providing employees with high quality and compromising courses, USIU developed world-class talents and promoted industrial competition for USI.

Orientation training program	When newcomers enter the company, USI quickly arranges guidance courses with three phases to help them understand the operation of compan. Then, USI will provide tailor-made professional skill courses for each newcomer to quickly get into the working environment.
Professional development course	To keep promoting employees' expertise, "R&D College," "Management College," "Quality College," and "Manufacturing College" will set up professional training toward the requirements of each department, such as series of production management and quality management courses.
Management training course	USI plans a series of management courses for administrators in the company, promoting administrators' ability of communication and negotiation and their leadership.
Direct employee training	In order to keep developing operative ability of production for direct employees after entering the manufacturing plants, USI invites engineers or administrators with excellent expertise as internal lecturers. USI also teaches employees working methods and skills directly according to their differnt operation features.
Indirect employee training	According to position and working features, USI designs different required and elective courses. The course planning is practical work-oriented. Lecturers share experiences, provide case study, and simulate the real working condition. After the training, trainees must pass the test to make sure they will imply what they learn to their work effectively.
External training	Employees are sent to various training organizations, schools, and business management consultancies inside and outside the country for accepting on-the-job training. Teachers are invited to give lessons in USI irregularly.



In 2009, the total number of trainees reached 10,150 and the total hours of training courses reached 18,866.27 hours in USI.

Taiwan	6.11	2.28
Shanghai	12.72	8.90
Shenzhen	4.63	7.51
Mexico	19.11	6.80

Taiwan	2.04	1.87
Shanghai	0.91	1.33
Shenzhen	1.45	1.62
Mexico	1.37	1.91

Taiwan	8.29	10.68
Shanghai	15.85	10.91
Shenzhen	4.90	8.42
Mexico	2.18	0.40

Taiwan	1.30	2.25
Shanghai	0.84	1.55
Shenzhen	1.62	1.65
Mexico	1.47	0.83

The mission of USI is to set up a learning organization and help employees realize their self growth. In the future, we will keep emphasizing human resource development, scheduling comprehensive training programs and improving the development of the company.

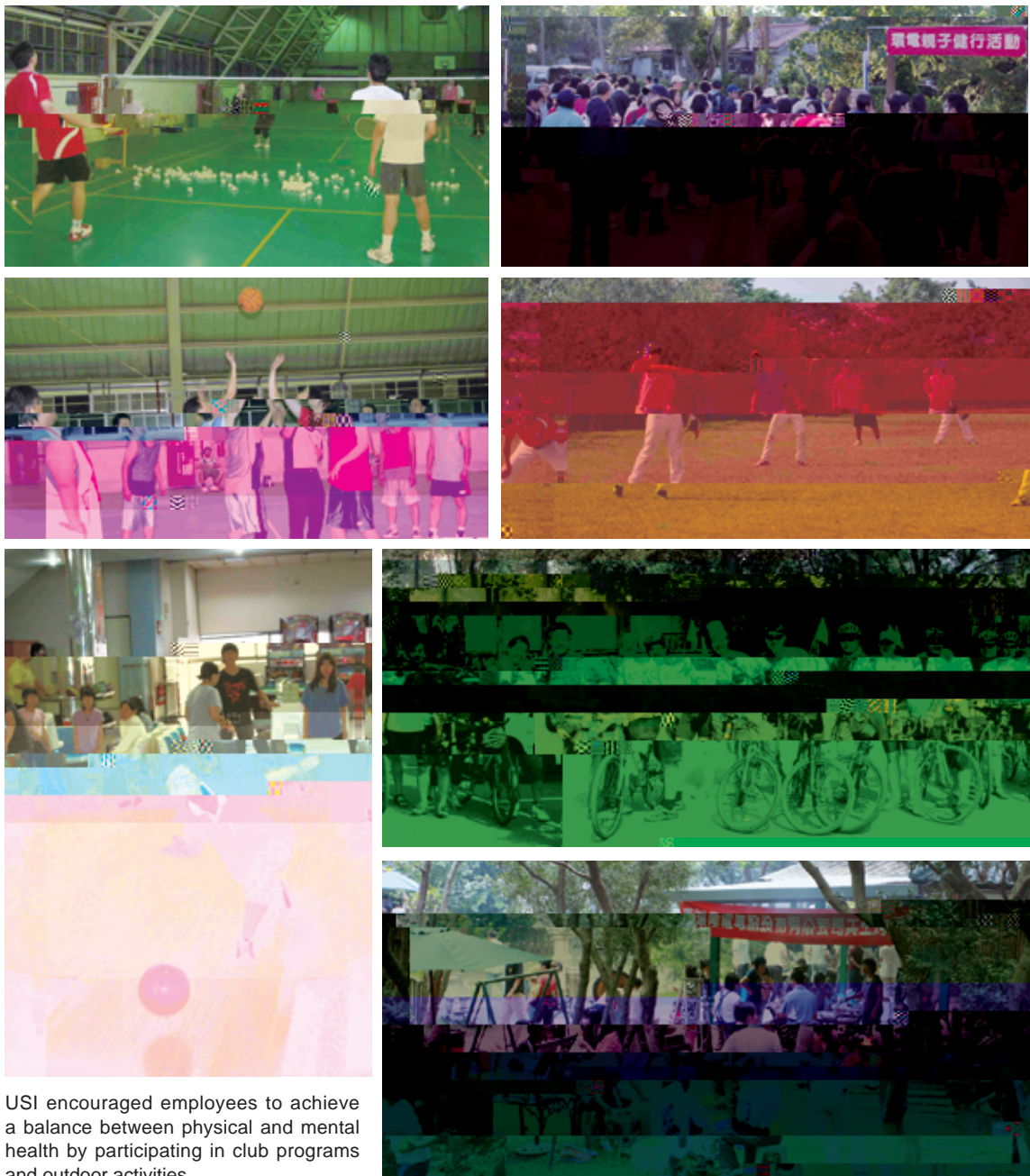
USI established a comprehensive performance evaluation system. Based on the organization strategy, guideline, and goal of USI, employees' personal working goals and working performance evaluation standards were set up to execute after the discussion and agreement between administrators and employees. The evaluating items included: working goals and professional performances. Professional performances included: professional skills, learning and applying ability, soft skills, and working attitude. Through the performance evaluation system, we hoped to help employees reach their personal and organizational performances targets, stepping forward to the integral goals set up by USI.

2008	9601	94%
2009	9230	83%

Note: statistics includes Taiwan sites only, excluding contractor workers and newcomers working less than three months

For providing USI employees mature welfare systems, USI established Employees' Welfare Committee, made of 18 committee members. The company designates one appointed committee member and the rest of members are elected by all employees. The committee is re-elected every two years, hoping with their different specialties, each committee member could be responsible for recreation, medical care, education, and other benefit activities for employees to seek better welfare measures.

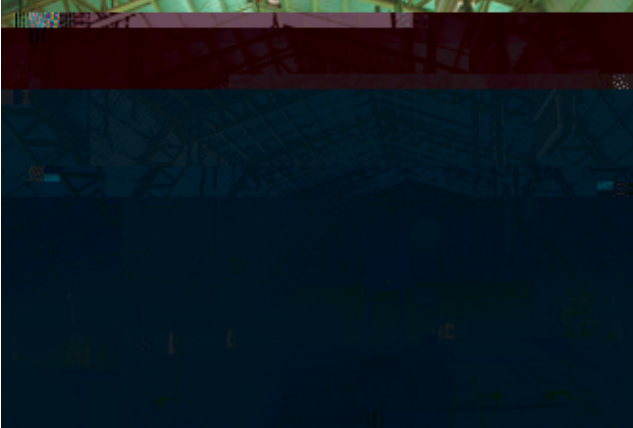
There are recreation activity rooms for special purposes in the company, such as computer and internet classroom, library, KTV room, fitness, and recreation room. Many other recreation facilities such as table tennis, billiards, basketball machine, outdoor basketball and badminton courts are also available. There are many clubs for employees to relax, such as table tennis club, badminton club, basketball club, golf club, bicycle club, and dance club.



USI encouraged employees to achieve a balance between physical and mental health by participating in club programs and outdoor activities.

Employees' excellent performances are recognized through various incentive systems. In addition to R&D incentive and performance bonus, there are policies on stock bonus and profits distribution from the operation achievements to share with employees.

Following governmental regulations, USI took part in labor insurance and national health insurance, and held group insurance covering life insurance, accident insurance, and occupational accident insurance. USI will be responsible for all insurance premium to ensure employees' life. As for employees' retirement policy, USI established Employee Retirement Fund Supervisory Committee. According to the regulations, the retirement fund was contributed monthly, saved in the special retirement fund account in Central Trust of China. Based on the regulations in Labor Pension Act, fixed ratio of employees' salary is contributed to their personal retirement fund account.



The company restaurant ensured a clean, sanitary dining environment and a wide variety of recreational facilities.

USI gave reasonable and concrete payback for employees' contribution. According to the salary standard on the market, external competition of talents, and supply and demand in the labor market, USI set up competitive salary systems. Based on the operation of the company, employees' annual performance evaluation, and their working performances, USI adjusted their salary and provided bonus and dividend so that they obtain reasonable treatment. The salary strategies of USI sites worldwide followed local regulations and the minimum income standards. The designing of salary policies held fair principles without sexual differences. The basic salary ratio between two sexes was 1 : 1.

- Recognize employees' contribution to the company, formulate the differences between each position, and maintain the balance of paying salaries.
- Respond to employees' performances appropriately for encouraging employees and recruiting required human talents.
- Provide employees fair and reasonable treatment and adjust the salary as responsibilities are increased.
- Adjust flexibly with the human recourse market and the changes of organization.

To establish an outstanding industrial relation communication mechanism, USI Corporate Service Office set up employee relationship website and employee suggestion box. USI holds COO free talk for every season, administrators and all employees are invited to hold a communication conference to promote industrial relations and employees' sense of belonging effectively.

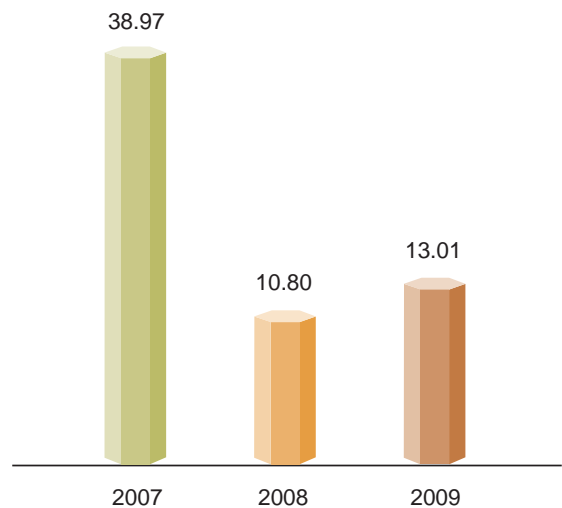
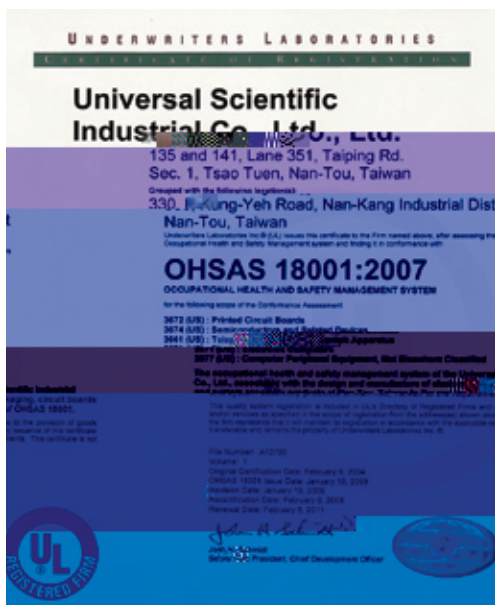
Taiwan	According to the regulations, industrial organizations with more than 100 employees should have more than 5 representatives from both the labor and capital. Taiwan sites hold Industrial relations Conference each season, the labor and capital designates five representatives respectively.
Shanghai	“Employee Representative Congress” is established with 30 employee representatives. Currently, Shanghai site discusses issues about employee systems through meeting and voting.
Shenzhen	Industrial relations committee is established for solving labor-capital disputes,a total of 11 representatives from both parties. Human resource communication conference is held each season and all employees could participate. If both parties meet trouble in solving important issues, the labor party and employee representatives will apply to hold employee representative meeting where issues and solution will be decided.

Employee suggestion box	73.1%
Employee relationship department	47.1%
Supervisor	64.1%
Employee Welfare Committee	26.4%
Others	2.8%

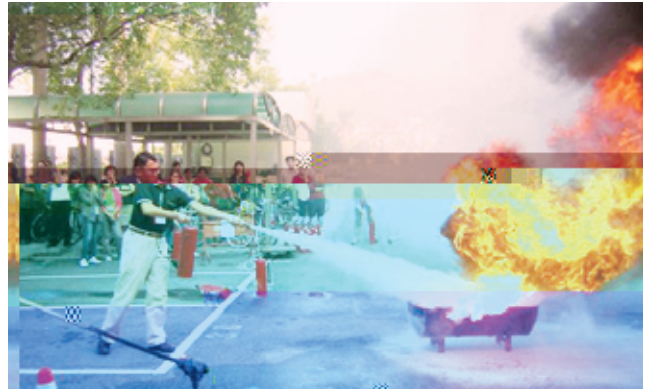
Note: in the percentage statistics of the effective communication channels which were reliable for USI colleagues, other channels include e-mail



To ensure employees' working safety and to keep a healthy environmental, USI passed OHSAS 18001 occupational safety and health management system verification as a principle to maintain the safety and health of employees in workplaces, and to records the number of occupational hazards in each site regularly in accordance of improving working environment and reducing occupational hazards. In 2008 and 2009, the ratios between one million working hours and occupational hazard hours (PPM) were 10.80 and 13.01 respectively.



USI established Emergency Response Center, implemented response training for earthquake and fire, and held environmental safety and health promotion courses. Through various rehearsals and training, possible occupational hazards may be prevented.



Self-protection and firefighter organizing training



Emergency response rehearsal



Emergency evacuation rehearsal

For protecting and ensuring the health and safety of employees responsible for radiation and avoiding against the damage of ionizing radiation, USI followed ionizing radiation operation management regulations and practiced comprehensive radiation shelter and control strategies. Based on automatic inspection and management regulations, USI checked all the machines, equipments, and vehicles used by the company in the regulative range.

In addition, USI also followed Work Environmental Measure Regulations, monitoring plant noise, CO<sub>2</sub> concentration, organic solvents, specialized substances, and lead-exposing workplaces. USI ensured that workplaces maintained within allowable hazard concentration and noise under a standard threshold.

Noise	6 months
CO <sub>2</sub>	6 months
Workplaces with organic solvents/specialized substance	6 months
Lead-exposing workplaces	1 year

Keeping employees healthy is the concept of industrial property. USI sets up dispensaries and various exercise appliances. For following Gender Equality in Employment Law and taking care of female employees' requirements, dispensaries provided nursery room, an excellent suckling environment for mothers. Besides, USI held one free health examination and four free mental health counseling services every year. The items of health examination included: abdominal ultrasonic, oral health screening, and bone density test. EAP (employee assistant program) was introduced to record all employees' personal health information, and all medical resources were combined to provide comprehensive medical service and consultation to reduce working pressure and care physical and mental health of the employees.



Set up dispensary and nursery room

Through “health promotion survey” combined with abnormal information of health examination, USI drew up annual health promotion programs for employees and discussed the practice of these practice

Universal Scientific Industrial Co. Ltd. (USI), the world's leading provider of Design & Manufacturing Services (DMS), has been committed to providing professional services and fine-quality products since its inception and fulfilling various needs of customers. Besides its advanced R&D capabilities and manufacturing process, USI offers each customer a comprehensive package that includes services ranging from product design to distribution. The company's worldwide manufacturing bases also ensure immediate and flexible on-site support, both technologically and logistically.

To ensure effective communication with customers worldwide, USI eagerly collects the voices of customers through satisfaction surveys, establishing websites and the designed workflow system to e416(ta)-19(b)-19(d)TJ/o drte

	Wireless Products (WP): 100%
	Mobility and Networking solution (M&N): 100%
	Storage and Computing system (S&C): 100%
	Visual Product Devices (VPD): 100%
	Application-Specific Devices (ASD): 100%
	Wireless Products (WP): 60%
	Storage and Computing system (S&C): 60%
	Visual Product Devices (VPD): 30%
	Application- Specific Devices (ASD): 4%
	Wireless Products (WP):100%
	Mobility and Networking solution (M&N): 100%
	Storage and Computing system (S&C):100%
	Visual Product Devices (VPD): 100%
	Application-Specific Devices (ASD): 100%
	Automotive (Auto): 100%

USI has long valued its partnership with customers. To meet the needs, or even exceed the expectations of customers, USI provides good-quality, efficient and flexible services that range from customer satisfaction-boosting measures to all-encompassing after-sales services. The company set up a special unit to handle customer complaints, to collect customer feedbacks through meetings or questionnaire surveys, and incorporated into product design. USI is able to continually improve the service quality, and establish a profound relationship with customers to create the maximum value.

By means of customer-satisfaction surveys and Quarterly Business Reviews (QBR), USI eagerly seeks customer opinions and responses to understand their satisfaction with USI products--- in terms of technical aspects, quality, price and delivery ---before making adjustments to the company operating strategies. After the completed questionnaire and opinions at QBR are collected, USI associated managers will first convene a meeting to draw up practical coping strategies, then with customers' demands to consult, to discuss improvement plans and to monitor subsequent improvement conditions.

Upon receiving the customer complaints or the requests for defect analysis, USI also has a systematic process that initiates confirmation and records history, and quickly provides effective strategies for different departments to set up different working procedures and avoid the recurrence of defect conditions.

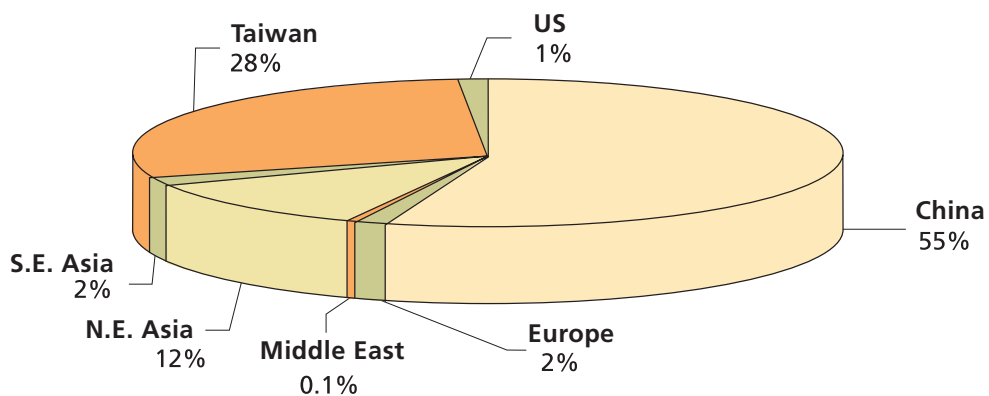
According to various needs of customers, USI creates a diversified after-sales service that is tailor-made not only to meet the industry standards, but to work closely to develop genuinely satisfying solutions that meet customer requirements.

Through an ERP-based SAP global service network, the After-sales Department at USI collects, categorizes product defect rates via e-RMA system, and sends information back efficiently for defect analysis. Meanwhile, the customers can also monitor the RMA for a real-time status & information via e-RMA application process and progress search function at all times.

After-sales service solutions Warranty and maintenance Project rescheduling and replacement of parts Product replacements Product repairs	Selling regular and critical spare parts/ components service	On-site technical support at customers' requirement Training program for maintenance staff Trouble shooting and defect analysis Test equipment/fixtures and technical documents
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## 4.3

USI major manufacturing sites are located in Taiwan and China. In 2009, USI procured more than 80% of its raw materials from Taiwan and China in an attempt to effectively save energy and time consumed by transportation, which reduces environmental pollutions.



The progress of the suppliers' corporate social responsibility (CSR) will be one of many key factors behind USI's future prospects. USI considers its supply-chain development from the viewpoints of resource-use improvement and environmental pollution reduction, controlling and keeping track of all products from the start of raw-material procurement. This practice ensures full compliance with environmental regulations at the stage of product research & design thereby reducing environmental impact during the period of product use and recycling.

Meanwhile, USI has established both a standardized supplier assessment system and an evaluation mechanism, continue to maintain a close working relationship with the suppliers, and jointly create a stable and sustainable green supply chain. Through supplier management, USI can fulfill CSR by safeguarding human rights, environment, and providing consumer with products that meet safety and health requirement.

The global strategic procurement division at USI specializes to handle procurement issues worldwide: Ensures supplier quality control system, and the life-cycle management for raw materials which is in line with the international regulations and customers' requirements. USI expects together with suppliers, to value corporate ethics and consequently requests companies of supply chain to safeguard employees' rights, implement the human rights policy, and improve corporate social performance according to the "Electronic Industry Code of Conduct" (EICC) standard.

A majority of USI's suppliers have already obtained certificates for both quality and environmental safety and health management systems, and is maintaining a long-term and good relationship with USI. To ensure pricing competitiveness for all the materials supplied, the top procurement management office at USI would adjust the procurement strategy in line with industry trends as well as the nature of raw materials. Meanwhile, the company decentralizes the sources origin of raw materials to lower the risks of supply and to ensure raw materials supplied at a reasonable price, on-time delivery and good quality.

USI's CSR policy has a clear commitment not to procure metals and materials from conflict regions. Such policy has been added to the supplier management standard that requires suppliers to inform their supply-chain partners, and complete investigating the potential involvement of possible conflict regions in procuring specific metals, as well as the child labor exploitations. Currently, no suppliers were found violating human rights and corporate ethics related matters.

Prior to supplier deliveries, USI Vendor Quality Assurance (VQA) Division evaluates both supplier's quality and green management systems accordingly. To ensure all raw materials, parts and products supplied comply with USI Green Products Specification, as well as international environmental regulations and customer requirements.

To establish a good communication with the suppliers, USI call together a supplier assessment team that consists of representatives from quality control, engineering and procurement divisions. The team is in charge of communication with suppliers and inviting them to attend USI quarterly QBR (Quarterly Business Review), where the team members explain to the suppliers USI's viewpoints on social responsibility and environmental safety and health policies, such as USI's green supply chain, restrictions on using hazardous substances in product, environmental regulations and customer product quality requirements, while maintaining a close working interactions with suppliers.

According to Taiwan Corporate Social Responsibility Best Practice Principles for TWSE/GTSM-Listed Companies, a listed company (including OTC-listed ones) should scrutinize the procurement behavior toward impact on environment and society of the source-supplying community. USI will keep discussing such related issues with the suppliers and to build a stable partnership.



Green Supply Chain Seminar

The effect of green supply chains and a growing green procurements trend, resulting from green products regulations and directives proposed by EU, is now a major concern among electronics/electric manufacturers.

To ensure all the raw materials and component parts are non-environment-harming, low energy-consuming and highly recyclable, USI eagerly integrates with upper-stream suppliers and strengthen the entire green supply chain. As for the planning, design and manufacture of products, related supplier environmental verification will be added into procurement standards. USI requires suppliers to submit an ISO17025-certified test lab report to a specialized green design & engineering unit, where product life cycle assessment and non-hazardous substances evaluation are carried out. Also; low energy consumed external power suppliers are first chosen to conduct testing and evaluation, to ensure compliance with USI green product requirements.

USI also associated with the supplier chain to implement restricted hazardous substances in the manufacturing process. A total of 243 controlled substances according to the RoHS directive, halogen and both banned & reportable substances are monitored to alleviate the environmental impact of the entire supply chain.

Companies outsource technical and professional projects to contractors have become an inevitable trend. Besides the requisition of contract project quality and schedule, USI values contractor's safety and health management. Environment safety and health policy clearly commits "on a continuous basis, employees, suppliers and contractors must conduct environmental safety and health policy, knowledge and requirements through communication, participation and consultation. USI also provides training and exercise to reduce safety and health risks & incidents". And by implementing safety and health management evaluation, contractors could enhance their safety and health performance.

- Annually, USI provides long-term, on-site contractors a 3 hours safety and health training program, qualified contractor receives certificates once every year.
- Contractor employers must commit to follow labor safety laws and USI regulations, and shall undertake to ensure work safety for the employees.
- USI requires contractors to submit proof of either employees' labor or group insurance policies, to ensure the basic rights of employees.
- Improve workflow process application for contractor constructions.
- Strengthen the supervisory responsibility of outsourcing unit for monitoring the contractors.

To ensure the safety of contractors, USI enhances the safety and health evaluation for unusual dangerous projects and recidivism contractors. Any contractor with major violation and fails to improve within a designated period will face one-year suspension after USI discusses with the outsourcing and procurement divisions.

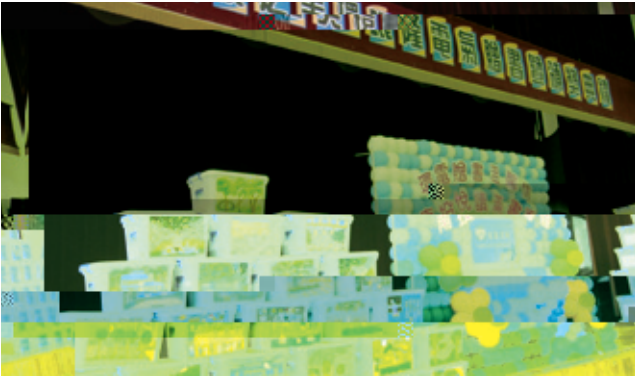
Through training and evaluation by USI Environmental Safety and Health Management Division from 2008 to 2009, 392 contractors had successfully obtained the construction licenses, and no contractors were involved in any industrial accident at USI sites.



USI provides contractors with safety and health training programs, construction permits only issued for qualified contractors.

Starting out in central Taiwan, USI has created a business empire with operations across Europe, America and Asia

In a joint effort, USI & Taiwan Literacy and Culture Foundation, continued to establish 85 Libraries of Love in 21 counties/cities nationwide



USI was in the book donation and award presentation ceremony at Hushan Elementary School, Tsaotuen, Nantou.

USI helped build Library of Love and funded the procurements of new books, in a bid to encourage class reading projects and narrow the city-country gap in educational resources.





USI believes that the capability to make innovations and R&D projects come from imagination and creativity. Hence, USI teamed up with Mingdao Literature & Arts Magazine to encourage creative writing among students ---through a partnership that combined humanistic concerns and technology, and hopefully helps students acquire good literary skills while gaining inspiration.

Started in 2006, USI sponsored the National Students Literature Contest as well as the creative writing contest held by Mingdao Literature & Arts Magazine.



With long-term dedication in

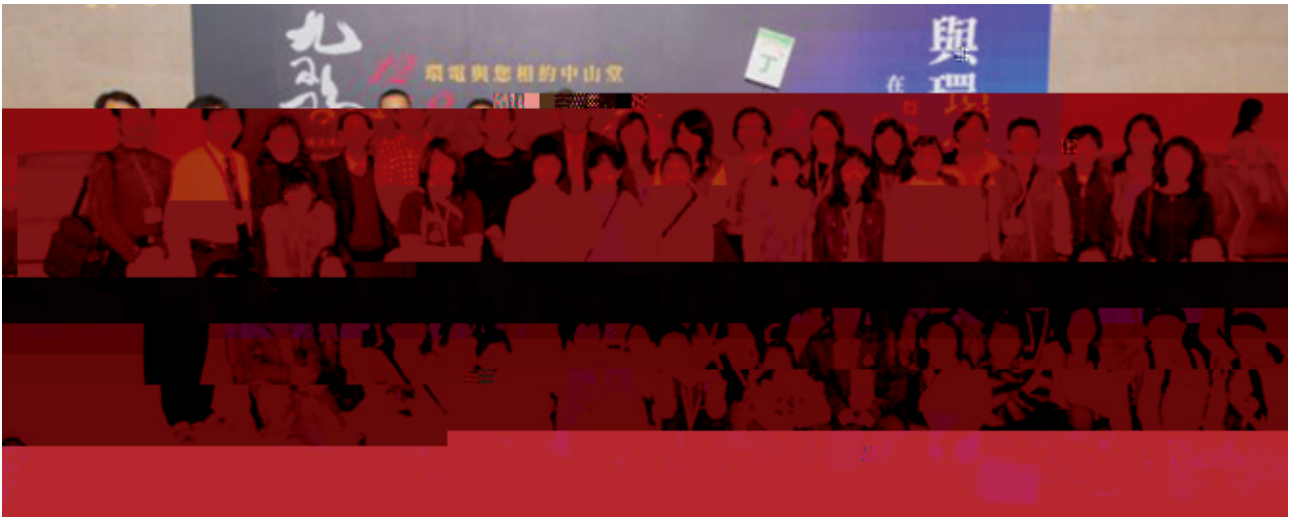
Through support and sponsorship of arts and cultural events, USI hopes to increase cultural awareness, to increase creative talents, and to introduce wholesome values to the society. That is why USI is enthusiastic about the promotion of folkloric arts and culture, taking up sponsorship of various arts and cultural activities, such as the presentations of music program at Tsaotuen Junio

Maichung County  
Children's Center

exp.



To encourage reading, USI treated the students who borrowed the largest number of books to Cloud Gate's dance performance, allowing them to feel the beauty of literature and arts.



USI gave away free admissions to the " Big Show for Little Champions: The Cloud Gate Dance Theatre Show" , an accompanying event of the already successful " Libraries of Love" that offered grade-school teachers and students who loves reading an opportunity to enjoy a world-class arts and cultural extravaganza.



In 2008, USI invited Lin Hwai-Min, artistic director at Cloud Gate Dance Theatre, to deliver a speech at USI. He shared with the employees some thoughts on the limitlessly possible relations between sense and sensibility; technology and culture.

In every November USI would sponsor the Grass Sandal Cultural Festival (Cao Xie Dun Cultural Festival) in Nantou County, funding the countryside tour of Ming Hwa Yuan Arts & Cultural Group. The local residents, USI employees and their families were all treated to the unique Taiwanese opera.

Thanks to the long-term sponsorship by USI, Ming Hwa Yuan's annual countryside tour invariably drew enthusiastic response from the

With a commitment to build " A caring society; a friendly neighborhood" , USI along with its entire staff is keen to support social welfare initiatives and get involved with local communities, hoping to seek corporate growth while giving back to the neighborhood as well as the Taiwanese society. In 2008 and 2009, USI participated in the following community initiatives:

- USI sponsored fairs organized by Nantou Lifeline Association, as well as fundraising campaigns (and fairs) of the Association of Excellent Angel, the Nantou Rescue Association, the Tsaotuen chapter of Lions Club, the Association for Victims Support, the World Peace League, the Nantou Branch of Taiwan Fund for Children and Families, the Tsaotuen Psychiatric Center and the News Reporters' Association. The sponsorship cost an approximate NT\$ 120,000.
- USI participated in traditional religious/charitable events in the neighborhood, as well as various school events (i.e., anniversaries, graduation ceremonies, community field days and fairs) at Tsaotuen, Bifong, Beitou, Fushan, Shuguang elementary or junior-high schools, with prizes given to athletes and well-performing students. The sponsorship cost an approximate NT\$ 80,000.
- To boost the military and police forces morale, USI participated in the armed forces, Voluntary Police Battalion, Voluntary Fire Fighters' Association and the Friends of Police Association (FOPA) activities, while sponsoring armed forces with an approximate NT\$ 100,000.
- To maintain public order and social harmony, USI participated in " Public Safeguard" (as a private organization) and " Civil Defense Corp" . Such efforts prompted the National Police Agency to named USI as " Excellent Private Organization" for 6 years straight.
- USI participated in Taiwan Electrical and Electronic Manufacturers' Association (TEEMA), Nantou County Industry Association (NCIA) and Association of Manufacturers in Nangang Industrial Park activities, to enhance better interaction between the manufacturers in the area.

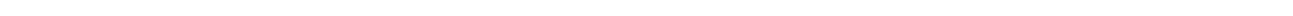
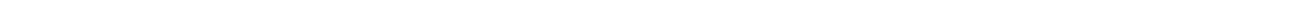
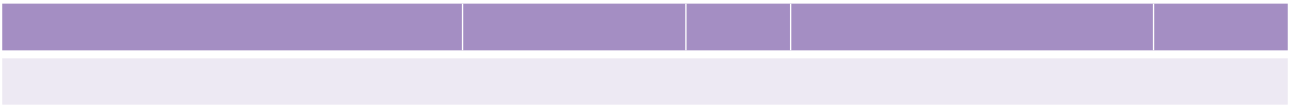
USI funded road maintenance projects in Tsaotuen to take care of the street plantations on an out-sourcing basis, in order to beautify the appearance of the township.

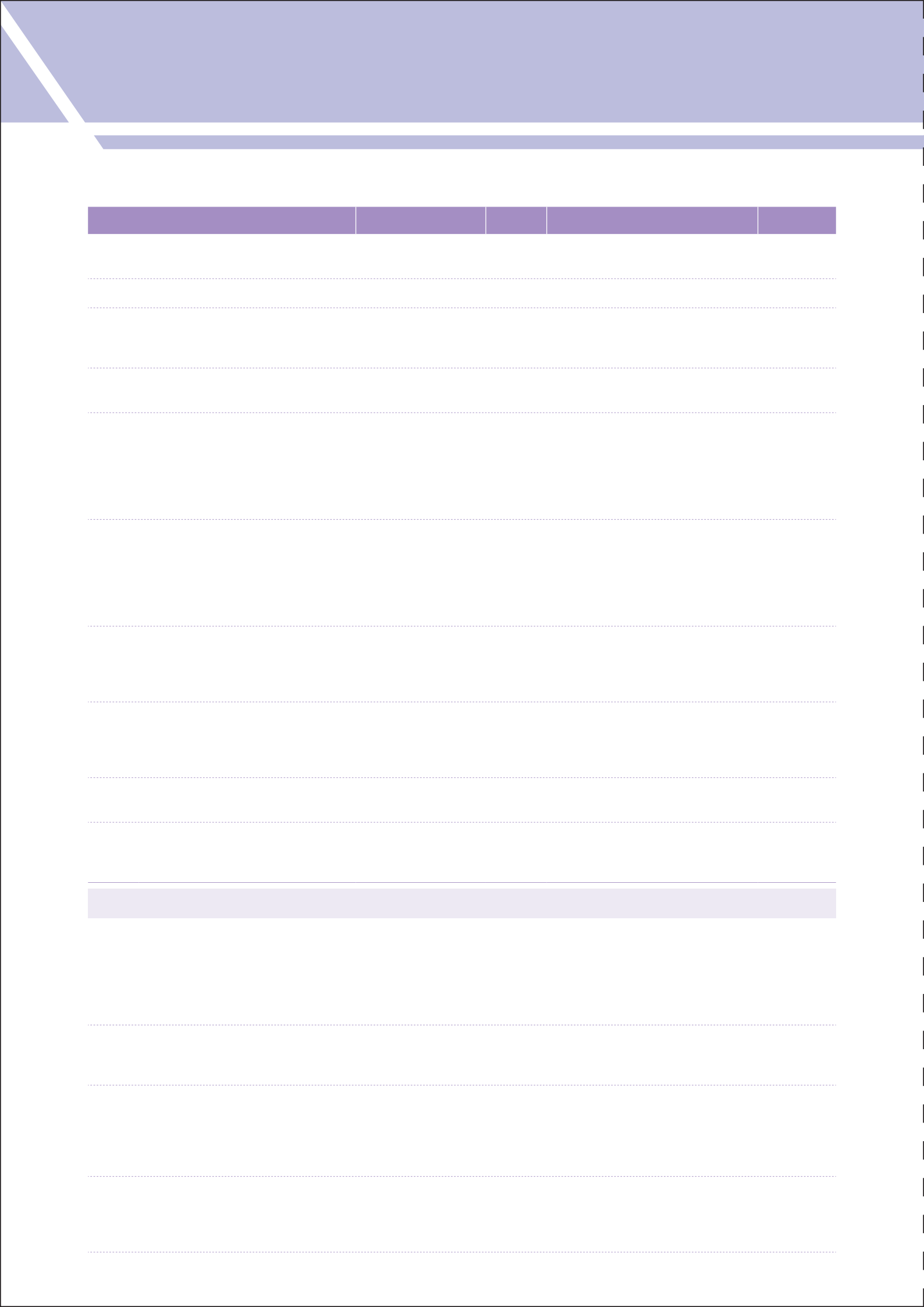


In recent years, many natural disasters brought serious misfortunes and casualties in urgent need of social and corporate timely rescue. In the occurrence of 2008 Sichuan Earthquake and Aug. 8th, 2009 Floods, USI was duty-bound to first initiate a company-wide fundraising. For the 2008 Sichuan Earthquake, USI and the ASE Group donated NT\$ 30 million in disaster relief effort. And the Aug. 8th 2009 Floods that hit Taiwan,, c , , a \$ a ~~00~~ R

## GRI Content Index

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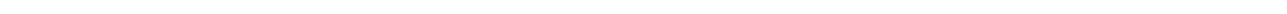
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EN1	Materials used by weight or volume	3.4.1 Material Management	32	Core
EN2	Percentage of materials used that are recycled input materials	3.4.1 Material Management	33	Core
EN3	Direct energy consumption by primary energy source	3.4.3 Energy Management	34	Core
EN4	Indirect energy consumption by primary source	3.4.3 Energy Management	34	Core
EN5	Energy saved due to conservation and efficiency improvements	3.4.3 Energy Management	34	Add
EN6	Initiatives to provide energy-efficient or renewable energy-based products and services, and reductions in energy requirements as a result of these initiatives	3.3.1 Green Management 3.4.3 Energy Management	26-27 34	Add
EN7	Initiatives to reduce indirect energy consumption and reductions achieved	3.4.3 Energy Management	34	Add
EN8	Total water withdraw by source	3.4.5 Water Resource Management	36	Core
EN9	Water sources significantly affected by withdrawal of water	3.4.5 Water Resource Management	37	Add
EN10	Percentage and total volume of water recycled and reused			2008-2009, USI didn't drain waste water in production process and only produced domestic sewage.





LA10	Average hours of training per year per employee by employee category	4.1.3 Integral Training Program	43		Core
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	4.1.3 Integral Training Program	41-42		Add
LA12	Percentage of employees receiving regular performance and career development reviews	4.1.3 Integral Training Program	43		Add
LA13	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity	4.1.1 Employee Composition Profile 4.1.2 Equal Employment Opportunity	39-40		Core
LA14	Ratio of basic salary of men to women by employee category	4.1.5 Harmonious Industrial Relations	46		Core
HR1	Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening			USI supports and respects international human rights, integrating principles in accordance with human right spirits such as EICC into the internal managing strategies and investment policies. Besides, the working principles of employees mentioned the following items: protects employees' rights of freely chosen employment, humane treatment, non-discrimination, and freedom of association; does not purchase the metals and materials from the conflict regions; enforces human rights investigation on purchasing materials and employing child labor of suppliers.	Core
HR2	Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken	4.3.2 Supplier Management	56		Core
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained	4.1.6 Excellent Working Environment	51		Add
HR4	Total number of incidents of discrimination and actions taken	4.1.6 Excellent Working Environment	51		Core
HR5	Operation identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights	4.1.6 Excellent Working Environment	51		Core

HR6	Operations identified as having significant risk for incidents of child labor, and measures taken to contribute to the elimination of child labor	4.1.6 Excellent Working Environment	51		Core
HR7	Operations identified as having significant risk for incidents of forced or compulsory labor	4.1.6 Excellent Working Environment	51		Core
HR8	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations			All USI security guards have accepted strict selection and professional training. They understand their duties and USI's regulations about human right policies clearly. As being on duty, they will not get involved in any cases violating human rights.	Add
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken	4.1.6 Excellent Working Environment	51		Add
SO1	Nature, scope and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating and exiting			All USI sites drew up SOP about environment and occupational safety and health. USI also conducted communication, consultancy, and participation of environment and safety. These measures protect community environment comprehensively and help for keeping friendly relationship with community residents.	Core
SO2	Percentage and total number of business units analyzed for risks related to corruption	2.2.3 Anti-Corruption and Anti-Bribery	21-22		Core
SO3	Percentage of employees trained in organization's anti-corruption policies and procedures	2.2.3 Anti-Corruption and Anti-Bribery	21-22		Core
SO4	Actions taken in response to incidents of corruption	2.2.3 Anti-Corruption and Anti-Bribery	21-22		Core
SO5	Public policy positions and participation in public policy development and lobbying			USI didn't canvass for public policies.	Core
SO6	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country			With the authorization of Ministry of Finance in 2008, the total amount of USI's donation to political parties, candidates, and all departments in Nantou County Government reached 1,826,000 NTD; in 2009, it reached 2,690,000 NTD.	Add
SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes	2.2.4 Regulations Abidance	22		Add



Core



Core

Add

Core

Add

Add

Core

2008 and 2009, USI did not  
implement any regulations concerning  
direct marketing communication.

Add

2008 and 2009, USI was not  
penalized for invasion of customers'  
privacy or losing customers' data.

Add

2008 and 2009, USI did not  
implement any regulations.

Core



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