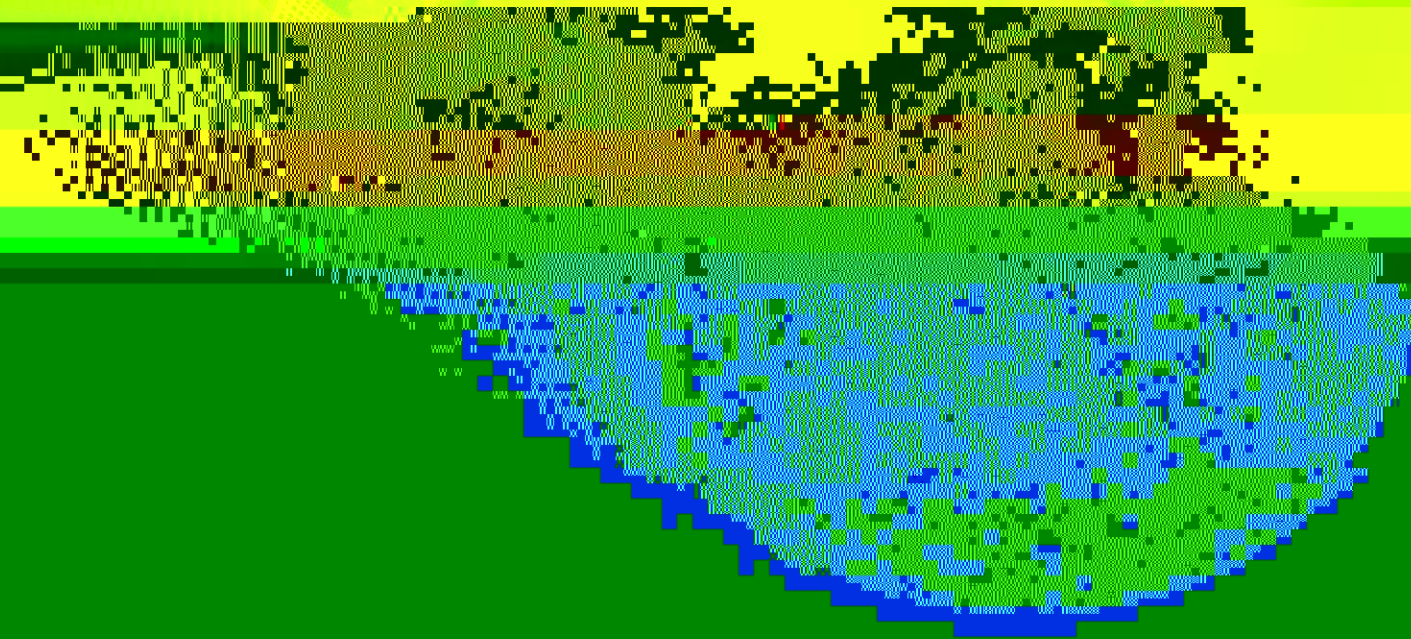
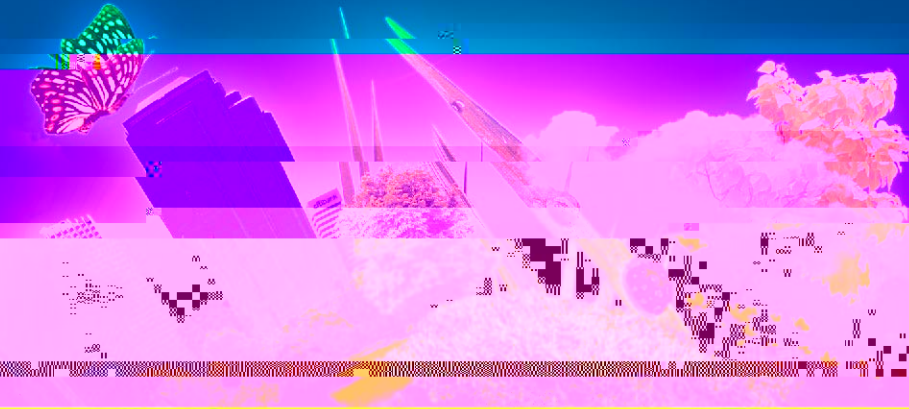


2011 Corporate Social Responsibility Report

TO BUILD A BETTER LIFE

Through
Electrical Technology



2011 Corporate Social Responsibility Report

2011 Corporate Social Responsibility Report



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For making the contents of this report conform to the disclosing standards of sustainable indicators by Global Reporting Initiative (GRI), USI established "USI CSR Promotion Committee". The committee coordinated with each related department providing the information related to the corresponding indicators, and then edited this report systematically.

"USI CSR Promotion Committee" is composed of 3 parts: core departments, related departments, and related units in all worldwide sites. The responsibilities of each part are listed as follows:

Core departments: include Corporate Quality Management Division, Central Staff Office and Corporate Service. Corporate Quality Management Division drafts the report, specifies how the report will be done to related departments, and collects all data required. Green & Environment-Health-Safety Management Department is in charge of integrating and coordinating so that the efficiency of the report compiling will be enhanced.

Related departments: include Fin & Legal, Material Supply Chain Management, Sales and Service, Central Engineering and TW Site Manufacturing Service Division. All related departments collect and compile the data required based on their responsibilities and submit the data to the core department.

Related units in all worldwide sites:

USI has been in the electronics manufacturing for more than 3 decades, and now is one of the leading global firms in electronics design, manufacturing that provide professional and 360° service in terms of new product design, manufacturing and logistics. Our competitive superiority comes from our integrity and reliability, the down-to-earth business philosophy and the attitude of constant innovation. These efforts, no doubt, have facilitated the economic prosperity of human society and yet brought to us the tension between human being and the environment!

An old saying goes: "give back to the society what we take from it." On the pursuit of better profitability and efficiency, we know deep in our hearts that there will be no future if we don't start allocating part of our efforts and resources on the building a better place to live for future. Naturally, caring for the planet becomes the consent and obligation for everyone in USI.

This year, the focus of our corporate social responsibility is on not only the realization of "USI's green commitments" by enforcing the energy efficiency and waste reduction policy, but also the employees' interests and corporate ethics.

USI does understand that the natural resource on Earth is limited. Therefore, it is without a doubt important to have energy conservation issue as one of the priority action initiatives every year. These initiatives cover from product development and design, material purchase, production and manufacture, logistics to after-sale service. We communicate our code of conduct for energy conservation with our employees, suppliers as well as clients. This year, we launch a whole new GPMS (Green Product management System) platform that allows suppliers to upload environmental data faster for more convenient green data management.

A company is an organic body and employees are the individual cells that are tiny building blocks of this body. There are more than 11,000 employees standing at their posts and finishing the jobs at hand in China, Taiwan, Japan and Mexico. What they are doing is not only to maintain the sustainable growth of the corporation, but also realize the spirit of USI for corporate social responsibility – to build a better place to live for future. It is always an important agenda to have a safe working environment and a group of employees healthy both physically and psychologically. So, all heads of department, including me, have to show that they care about employees' satisfaction with their jobs. As a result, internal training programs and accident rehearsals were provided this year to enhance the safety of the environment for the employees, and medical service was contracted to provide health consultation for employees and prevention of occupation-related diseases.

Believing in good company governance, USI is promoting the "Sunshine Law" and enforcing anti-corruption and anti-bribery

USI 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 works 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 extends industrial core values of "Practical Innovation" and "Enthusiastic Service" to corporate social responsibility. By integrating core values into the corporate policy and operation management, USI pursues the vision of sustainable development.

We commit to:

- Provide rewarding and challenging working environment for employees
- Generate consistent return on investment for our shareholders
- Build a better place to live for future

2011

USI Shanghai was awarded "Cleaner Production Industry"
 USI Shenzhen was elected as one of "Top 100 Corporations in Shenzhen"
 USI Shenzhen was awarded "National Excellent Foreign Investment Corporation – Award for Facilitating Harmonic Employment Relation"
 USI Shenzhen was awarded "Advanced Enterprise of Waste Reduction of Shenzhen"

2010

Global Views Monthly Magazine appraised USI as one of "The Best 65 Industries in Corporate Social Responsibility Performance"
 Awarded "Wenxin Award-Silver Award" by "Council for Cultural Affairs"
 USI Shenzhen was awarded "2010 Chinese Outstanding Enterprise Citizen Award"
 USI Shanghai was awarded "Water Saving Enterprise of Shanghai"
 USI Shenzhen was awarded "Advanced Enterprise of Waste Reduction of Shenzhen"

2009

Common Wealth Magazine appraised USI as the 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"
 USI Shanghai was appraised as "Happy Production" outstanding industry of humane concern
 USI Shenzhen was awarded "Chinese Growing Enterprise Citizen Award"
 USI Shenzhen was awarded "Cleaner Production Industry"

2008

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"

2007

Shenzhen, Mexico, and Shanghai sites passed IECQ QC080000 HSM A0ulteounSI as one 11(omo157(p)Tj(a)Td(t)Tj(i)Tj(o)Tj(n)Tj(T)Tj(Q)1 Tf/Spn#ActualTextEF25CF8DC3500351576614T1732073Tm()TjEMC/C201Tf-1-0023Td0153H/T111Tf800815983183401727Tm()8075m(a)Tj519830Td(e)Tj(c)Tj(o)Tg(r)Tj7.9990T

2006

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 shareholders. 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 regional, national and international laws; and regulations signed by USI.
2. Labor Assurance:
 - i. Freedom of employment and association; humane treatment and non-discrimination.
 - ii. Legalize working hours, wages and benefits. Deductions from wages as a disciplinary measure shall not be permitted.
 - iii. Prohibit child labor* in any stage of manufacturing.
3. Ensure safe and healthy workplace, and minimize environmental impact on manufacturing, activities, and products.
4. Emphasize business ethics of respect for intellectual property, business integrity and disclosure of information. Besides,
 - i. Prohibit to provide or to receive bribes and other improper advantages.
 - ii. Conduct fair and free competition; carry out honest and fair corporate activities.
5. Participate in community activities.
6. Do not procure metals and raw materials originating in conflict regions (e.g. Democratic Republic of the Congo) by following measures:
 - i. Encourage suppliers to mandate this requirement to their supply chain.
 - ii. Implement supplier verification process if necessary.
 - iii. Collaborate with partners such as NPO, and trade organizations to provide solutions.
7. Strictly prohibit slavery and human trafficking; the supplier shall also comply.
8. Improve CSR achievement continually through effective management and public announcement.

* Child labors under the age of 16.

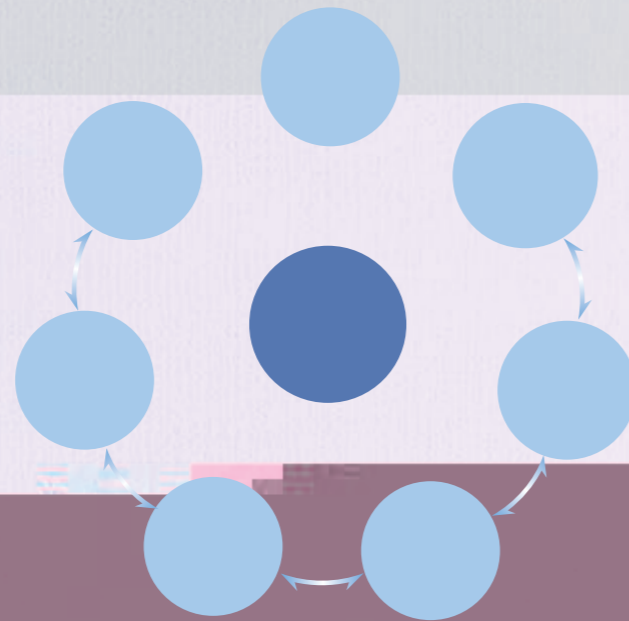
USI participated in 'E-TASC' (Electronics-Tool for Accountable Supply Chains) in 2008 and registers in 'EICC-On Tool' platform in 2012, evaluating performances in employees' human rights, workplace health and safety, industrial morality, and environmental protection of USI. USI also followed EICC (Electronic Industry Code of Conduct) and asked all worldwide sites to realize their social responsibilities.

All worldwide sites have passed ISO14001 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 is dedicated to improving employees' interests, ensuring the sanitation and safety of work place and providing a complete range of training programs, which was recognized by the "TTQS Gold Medal" of Council of Labor Affairs and the nomination of "National Training Quality Award."

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. A thorough discussion was carried out in the initial meeting of CSR promotion committee. A significance analysis was performed for the issues concerning stakeholders and the influence of these issues on USI operations based on the results of questionnaire survey. Issues of high and intermediate levels were included as major issues in 1.4 Communication with Stakeholders to develop the content structure of this report. The current policies and future plans for USI to realize its corporate social responsibilities were disclosed in full details for the issues concerning major stakeholders. The analysis results are shown in the figure below:



1.4 Stakeholder Communication



Currently, USI has set up R&D and manufacturing sites in China and Taiwan. In terms of customers' profile, we have many well-known international companies. There are five main manufacturing sites, Taiwan, Shanghai, Shenzhen and Kunshan, China, and Mexico sites. The global service network covers Asia and Americas.



2003

Shanghai Manufacture and Operation Center was established
R&D center started operating

2004

Completed first plant in Shanghai
Started manufacturing flat panel display control boards and wireless communication products
Expanded production capacity to six SMT production lines
Successfully integrated SAP, PDM and SFIS system

2005

Expanded production capacity to 15 SMT production lines
Be ranked 71 in Shanghai Top 100 Import & Export Enterprises
Taiwan Site became the first manufacturer to develop automatic vehicle navigation system

2006

Completed second plant in Shanghai
Expanded production capacity to 30 SMT production lines
Began to mass produce storage and palm appliances
Implemented supplier management inventory system

2007

Expanded production capacity to 39 SMT production lines
Began to mass produce automotive electronic products

2008

Successfully developed light weight Mobile Internet Device (MID)

2009

Continued to strengthen the penetration of ODM product, targeted wireless communication technology, digital storage and flat screen display

2010

Committed to rise ODM product ratio, developed miniaturization technology and enhance cloud computer technologies

2011

Official mass production at Kunshan Site
Production automation improvement project initiated at Shanghai Site; introduction of test automation in SIP products completed

2.1.2 Product and Service

Product	Appliance
Communications	<p>Wireless communication modules of laptops, corporate-level wireless access points, wireless network NIC modules</p>
Consumer Electronics	<p>LCD control panels -- laptop/monitor/TV, LED light bars -- laptop/monitor/TV, LCD FET, LED driver boards for TV motherboards, TV – power control panel/keyboard</p>
Computer and Storage	<p>Network storage equipment, disk array products, network storage server, solid state hard drives, server motherboard, server expansion card, server adoption card, server back board, computer peripherals</p>
Industrial	<p>Sales system, warehouse data collector</p>
Others	<p>Car parts and other electronics products</p>

2.1.6 Honorable Records

USI's overall corporate performance and the efforts we put in product development in 2011 are highly recognized by various institutions and win many awards. In addition to good corporate performance and innovative product development, USI is also committed in realizing corporate social responsibility. For the promotion of arts and culture, USI won the recognition of "Silver Medal – Arts and Business Award" held by Council of Cultural Affairs in 2008 and 2010. The winners of this award are elected once every two years.

Industrial Performance

The "Council for Labor Affairs" provides the "Taiwan Training Quality System (TTQS)" and the "First National TrainQuali Prize". USI Taiwan was recognized by the gold medal of TTQS for the establishment of USI University for the integration of the corporation's global training resources, and was nominated for the National TrainQuali Prize.

USI Taiwan was awarded "2011/05-2012/03 no record of disaster working-hour" certificate by "Council of Labor Affairs, Executive Yuan"

USI Shanghai was awarded "Cleaner Production Industry"

USI Shenzhen was elected as one of "Top 100 Corporations in Shenzhen"

USI Shenzhen was awarded "National Excellent Foreign Investment Corporation – Award for Facilitating Harmonic Employment Relation"

USI Shenzhen was awarded "Advanced Enterprise of Waste Reduction of Shenzhen"

USI Kunshan was recognized as one of the "People of the Year for Housing Fund in Kunshan City, 2011"



USI Shanghai was awarded "Cleaner Production Industry"



USI Shenzhen was awarded "National Excellent Foreign Investment Corporation – Award for Facilitating Harmonic Employment Relation"

USI Shenzhen was elected as one of "Top 100 Corporations in Shenzhen"

Product Research and Development

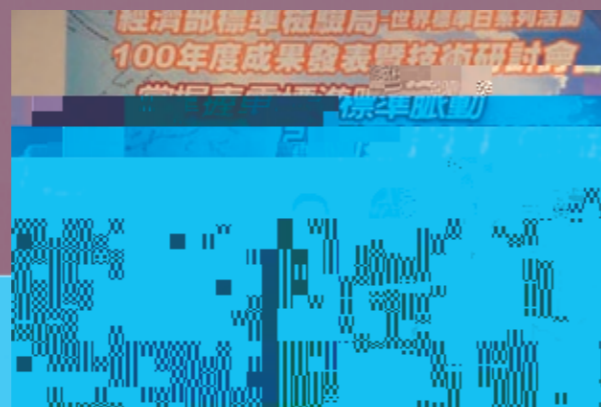
The "Bureau of Standards, Metrology and Inspection, M.O.E.A." organized the third "Electro-Magnetic Compatibility (EMC) Design Competition." A good number of major Taiwanese firms participated in this event. A fierce competition later, USI was awarded as excellent performance

for the outstanding EMC design and analysis capability, a demonstration of the solid R&D capability of USI in integrating mechanism and system design.

USI filed 86 patent applications worldwide in 2011 and over 53 are approved. As of now, there are 398 patents pending for review and 476 were approved.



USI Taiwan was awarded the gold medal of TTQS for integration of global resource and nominated for National TrainQuali Prize



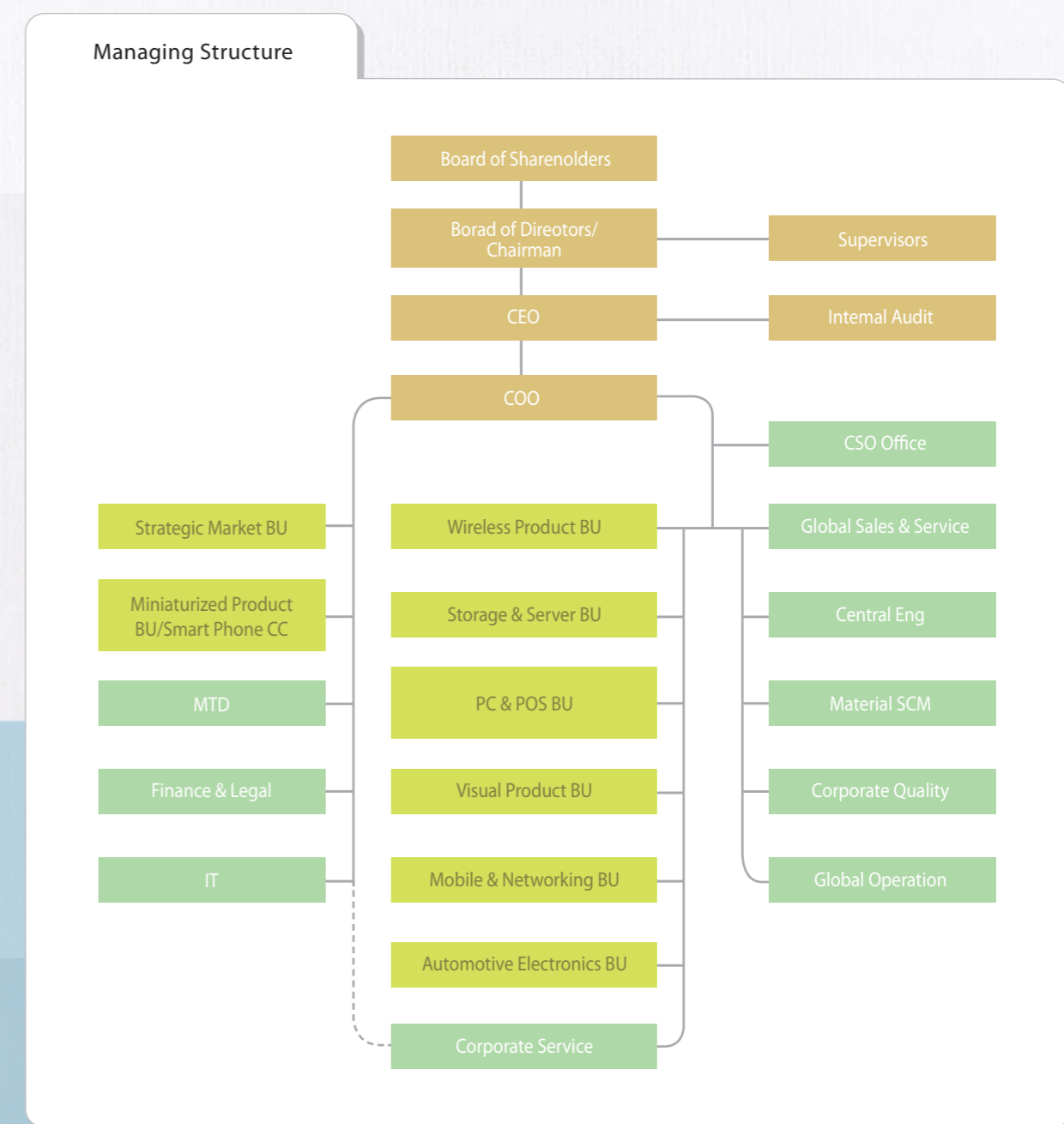
USI Taiwan won the excellent performance award for the outstanding EMC design and analysis capability

2.2 Investor Relations

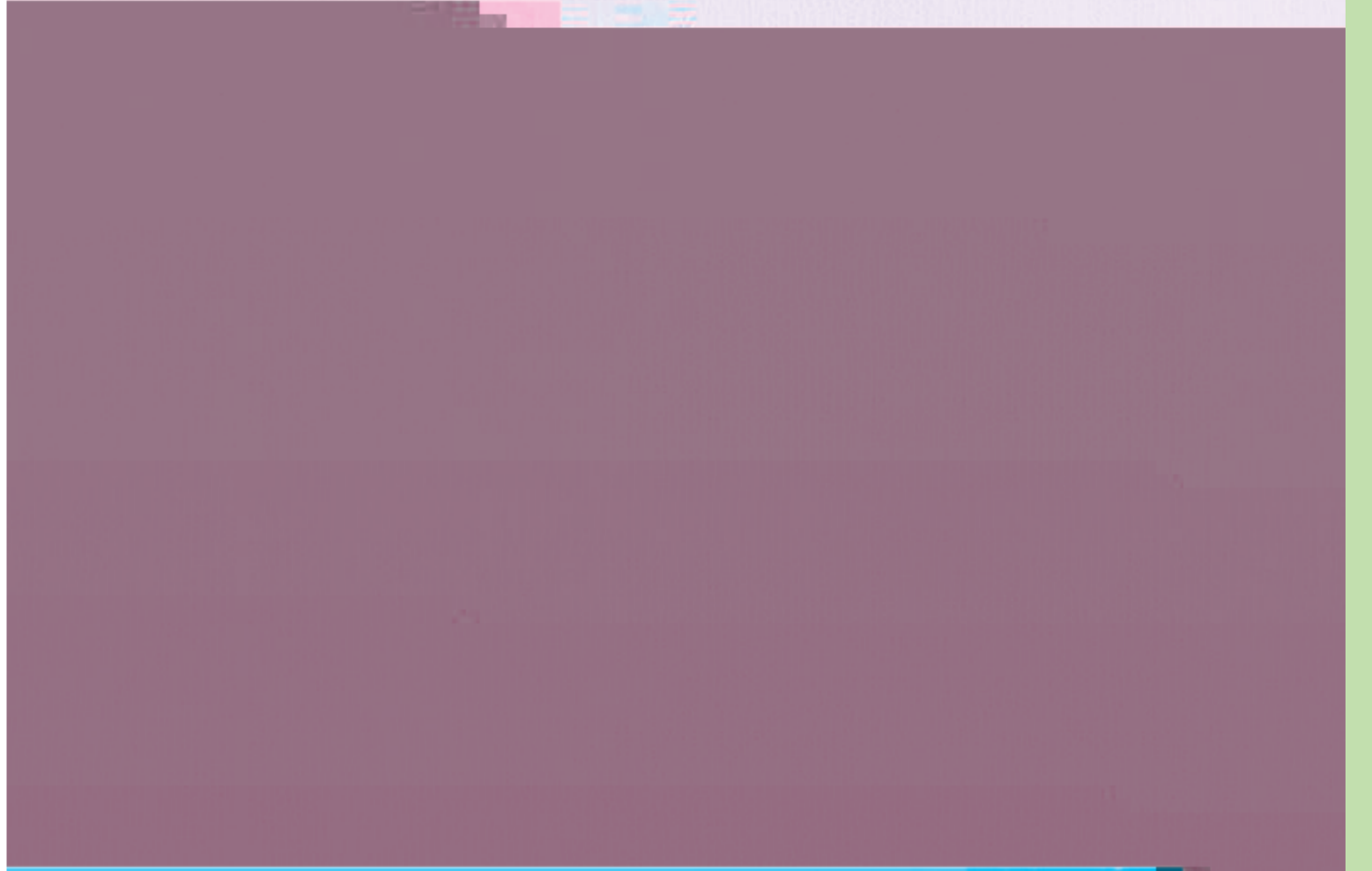
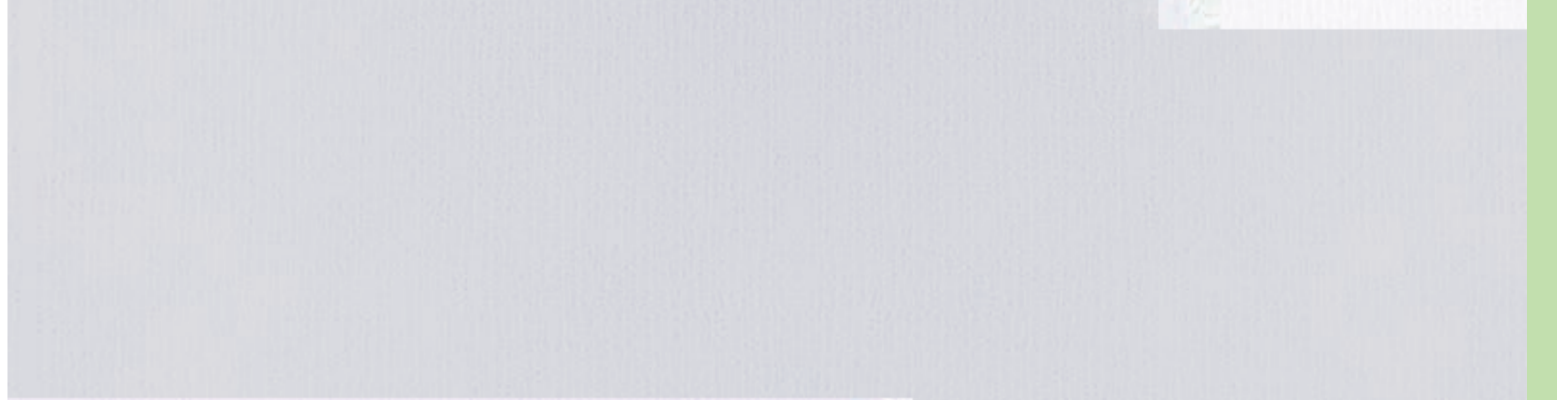
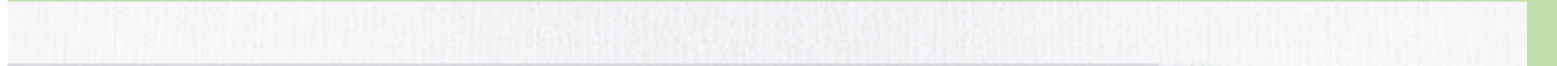
Successful industrial operation depends on the common contribution of employer and employees, and on all-out support from investors. Therefore, we established managing mechanisms in charge for respective responsibility and publish the operative condition. All departments worked as one, creating the highest value for investors.

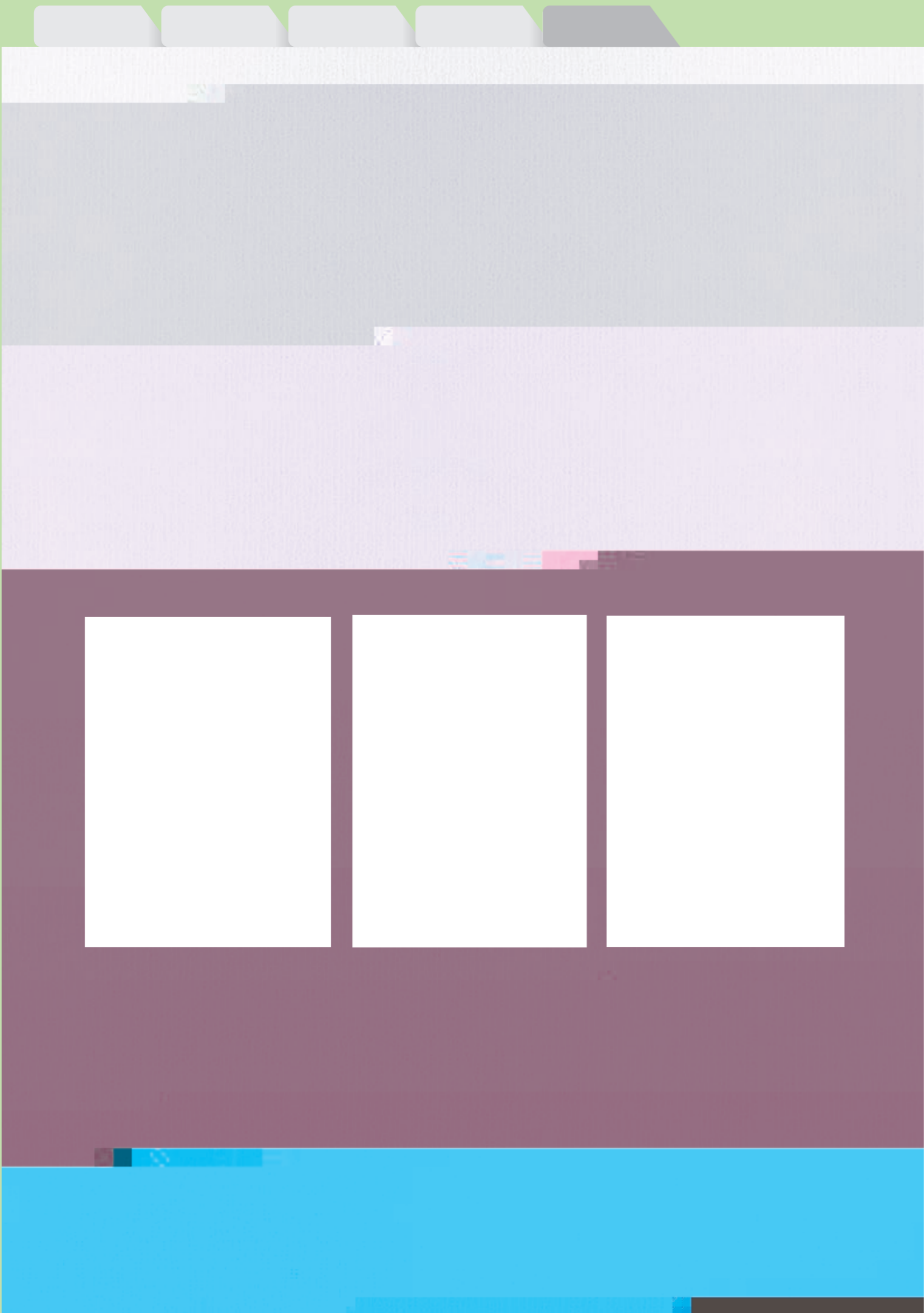
Through the investor relations section on the company website, USI publicizes the internal operating conditions, financial information and self-critic analysis openly to strengthen investors' confidence.

2.2.1 Corporate Governance





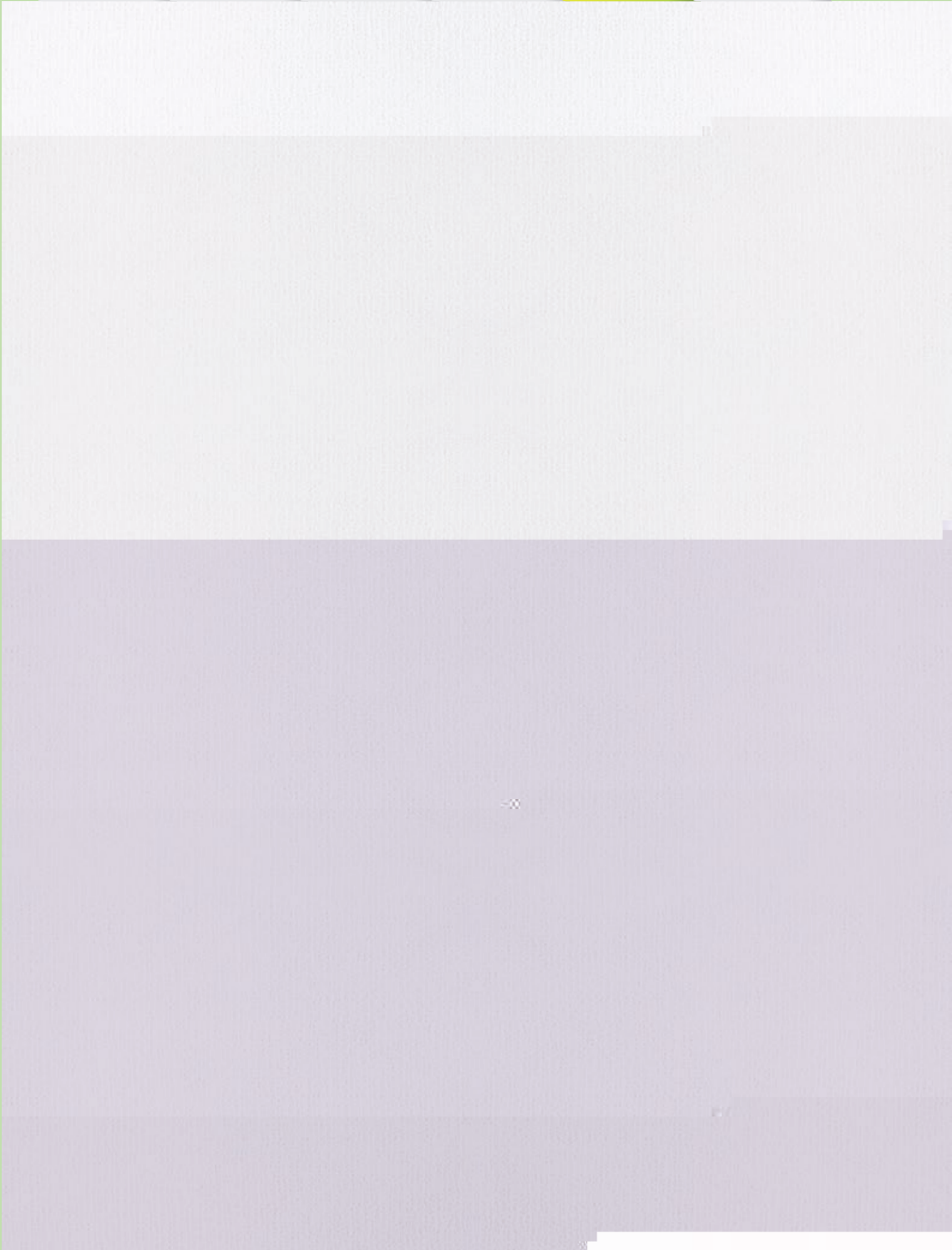




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Letter from COO

USI and the



USI will continue to collect and reveal relevant data as government regulations require, and publish the data of greenhouse gas emission in the corporate social responsibility report.

Greenhouse Gas Emissions

The most recent report of USI covers 2011 and includes 4 production bases in Taiwan, Shanghai, Shenzhen and Kunshan. Kunshan site is the new element of this report compared to the previous year, resulting in additional 2758.69 tons of emission compared to 2010.

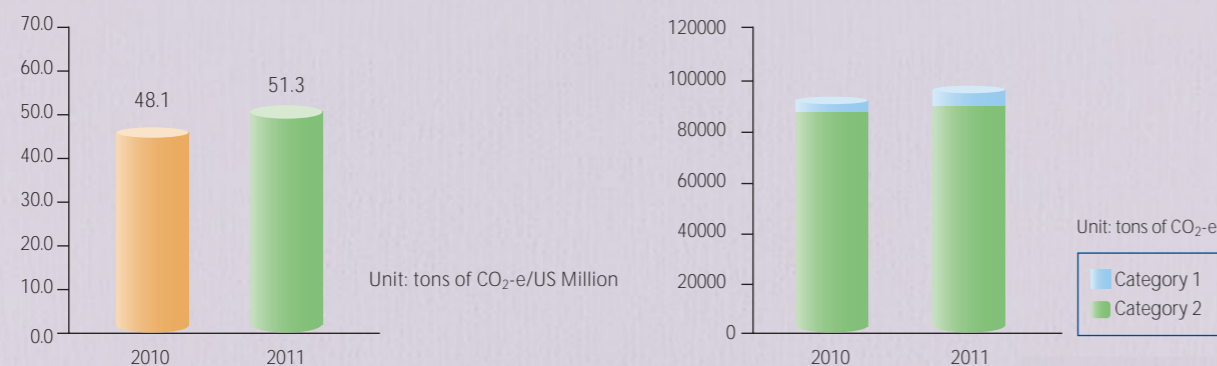
Third party certification was acquired in 2010 and 2011, so was the verification statement for the reasonable certification level. The third party DNV verification for 2011 was approved in June 2012 along with the verification statement for reasonable certification level.

All Greenhouse Gas Emissions

Year	Greenhouse gas emissions (Tons, CO ₂ e/year)				
	Fixed burning emission	Mobile burning emission	Fugitive emission	Processing emission	Indirect energy emission
2010	1,194	212	991	0	94,734
2011	3,249	254	1,033	0	95,354

Categories of Greenhouse Gas Emissions

Year	Emissions of each category (Tons, CO ₂ e/year)		
	Category 1	Category 2	Total
2010	2,397	94,734	97,132
2011	4,536	95,354	99,890



Note: The data collected above were rounded

USI set up targets for greenhouse gas emission reduction according to inventory for 2010:

2011: 50 tons of CO₂-e /US Million 2012: 45 tons of CO₂-e /US Million
 2013: 43 tons of CO₂-e /US Million 2014: 42 tons CO₂-e /US Million

3.4.3 Energy Management

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 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.

Energy Consumption

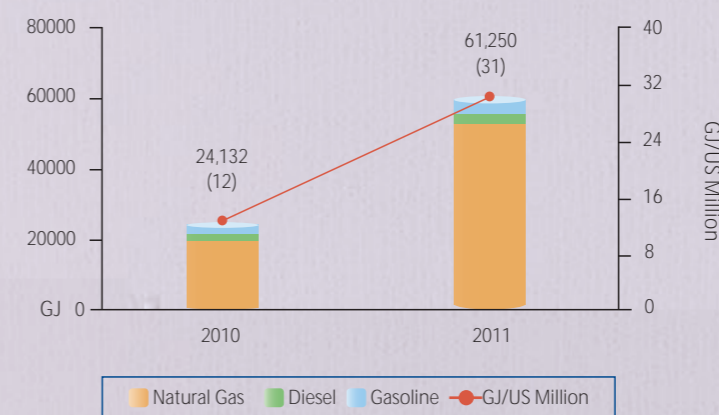
	Direct energy consumption						Indirect energy consumption	
	Gasoline		Diesel		Natural gas		Electricity	
	KL	GJ	KL	GJ	Km3	GJ	kWh	GJ
2011	26	941	80	25,560	1,483	57,750	114,313	411,132
Amount of change	6	230	11	336	938	36,552	987	3,510
Percentage of change	24%		13%		63%		1%	

Note: Data illustrations:

- A. The data shown are those collected during the ISO14064 inventory procedure and verified internally and externally.
- B. The 2011 envelope covers the production bases of Taiwan, Shanghai, Shenzhen and Kunshan. Kunshan is the new addition to the 2010 envelope.
- C. The "Amount of change" and "Percentage of change" are the result compared to the data of 2010.
- D. The data collected above were rounded.

The table above shows that the energy consumption is higher in 2011 than in 2010. The increase comes mainly from the increase of direct energy consumption. The cause is primarily the initiation of production at Kunshan site in 2011. The analysis is shown below:

Direct Energy Consumption



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USI and the Economics

USI and the Environment

USI and the Society

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About the Report

Letter from COO

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USI and the
Economics

USI and the
Environment

USI and the
Society



4.1 USI and Its Employees

Human capital is important seed for the constant growth of USI, requiring considerate care and irrigation. Therefore, we contributed to build high quality, safe, and challenge working environments. Besides strictly ensuring the safety and health in the workplace and caring of employees' physical and mental health, we also provided well systematic training programs. Through multiple training and development programs, employees could continually grow and increase their professional value. There is also comprehensive welfare system in the company to ensure various employee rights, keeping engaged employee relations and providing equal employment opportunities. Managers base on human oriented management philosophy to foster employee's sense of achievement and commitment.

USI Promises for Employees From Five Aspects



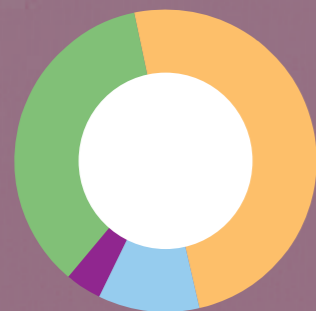
4.1.1 Employee Composition Profile

Employee Structure

In the end of 2011, USI had a total number of 11,913 employees, where both Taiwan and China possessed a total number of 1,600 and 9,959 employees respectively; the rest 354 employees were distributed to other overseas sites. And among all employees, there were 1,344 technicians, 1,320 managers and administrators and 9,249 assistant technicians. The number of female employees in USI reached 6,973, 59% ratio.

The percentage of hiring local employees as managers in Taiwan, Shanghai, Kunshan and Shenzhen sites are 100%, 75%, 90% and 94%; the others are Taiwanese executives because of operating requirements.

According to Age



- Under 20 (30%)
- 21-30 Years Old (50%)
- 31-40 Years Old (15%)
- 41-50 Years Old (5%)

According to Degree



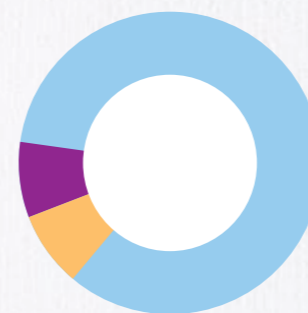
- Doctor (0%)
- Master (5%)
- Bachelor (16%)
- Senior high school (12%)
- Under senior high school (66%)

According to Region



- Taiwan (13%)
- China (84%)
- Other foreign sites (3%)

According to Job



- Assistant technician (78%)
- Technician (11%)
- Administration and business personnel (11%)

According to Nationality



- Taiwan (14%)
- China (82%)
- Others (3%)

The Proportion of All Types of Employees

Type	Site	Taiwan		Shenzhen		Shanghai		Kunshan	
		Male	Female	Male	Female	Male	Female	Male	Female
Executive		1	None	1	None	1	None	None	None
Middle-level Manager		1	0.2	1	0.2	1	0.2	1	0.3
Primary Supervisor		1	0.3	1	0.5	1	0.5	1	0.2
Indirect Labor		1	0.5	1	0.9	1	0.7	1	0.4
Direct Labor		1	3.2	1	2	1	1.9	1	1.4

Note: Executives exclude members of the Board

Employing the Disabled on December 2011

The Employment Number in Accordance With Regulations	17
The Employment Number in Accordance With Regulations	17
The Number Fails to Make Full	0
Paid Fully Differential Subsidy	0

Note: The data only cover site in Taiwan

Employee Retention

USI provided developmental training programs, comprehensive welfare system, comfortable and convenient working environments. USI also established excellent communication channels, cared conditions for building up a sense of belonging and reducing employee turnover rate.

Turnover Rate by Gender

Site	Gender	Male	Female	Average
Taiwan		9%(90)	3%(21)	6%(111)
Shanghai		92%(2,037)	158%(5,433)	132%(7,470)
Shenzhen		60%(684)	108%(2,473)	92%(3,157)
Kunshan		45%(274)	66%(519)	57%(793)
Average		62%(3,085)	116%(8,446)	94%(11,531)

Turnover Rate by Age

Site	Age	<20	21-30	31-40	>40	Average
Taiwan		0%(0)	8%(24)	7%(72)	3%(15)	6%(111)
Shanghai		144%(1,883)	139%(5,381)	49%(203)	5%(3)	132%(7,470)
Shenzhen		82%(1,027)	112%(2,039)	27%(90)	4%(1)	92%(3,157)
Kunshan		65%(238)	60%(529)	18%(24)	18%(2)	57%(793)
Average		107%(3,148)	116%(7,973)	21%(389)	3%(21)	94%(11,531)

Note 1: Data covered Taiwan, Shanghai, Shenzhen and Kunshan sites

Note 2: The turnover rate in China was rather high, presumably because of labor shortage in the entire area

Parental Leave

The reinstatement in 2011: female employees account for 80%, and male employees account for 50%.

Correlation analysis is as follows:

Parental Leave	Female	Male	Total
A) The number of employees who immediately back to work after take parental leave	4	1	5
B) The number of employees who apply for non-pay parental leaves after the expiration of non-pay parental leave	0	0	0
C) The number of employees who quit after the expiration of non-pay parental leave	1	1	2
D) The number of employees who apply for non-pay parental leaves (D=A+B+C)	5	2	7
Reinstatement rate(A/D)	80%	50%	71%
The number of retention	2	1	3
Retention Rate	50%	100%	60%

Note: The data only cover factory in Taiwan

4.1.2 Equal Employment Opportunity

USI recruited professional talents according to objectives and competency. In worldwide sites, USI established systematic employment policies and standardized procedures. According to the human resource requirement lists verified by each department, the recruiting department announced advertisements and recruitment procedure, and then 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.

Employee Recruitment

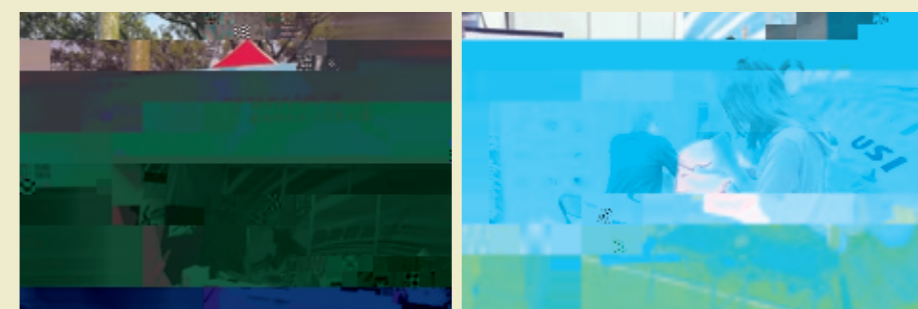
New Staff Ratio-According to Gender

Site	Gender	Male	Female
Taiwan		75.4%	24.6%
Shanghai		31.6%	68.4%
Shenzhen		29.6%	70.4%
Kunshan		39.2%	60.8%

New Staff Ratio-According to Age

Site	Age	<20	21-30	31-40	>40
Taiwan		0.0%	35.8%	44.9%	19.3%
Shanghai		33.2%	62.8%	3.8%	0.2%
Shenzhen		28.7%	68.9%	2.3%	0.1%
Kunshan		55.6%	42.7%	1.5%	0.2%

Note: Data covered Taiwan, Shanghai, Shenzhen and Kunshan sites



Human Resource Development Program

Human Resource Development

Our mission is to help colleagues achieve the professional growth they desire. To do this, we plan to establish an integral learning system. We will provide tailor-made professional skill courses for employees, such as "R&D College," "Quality College," and "Manufacturing College." We will also provide a positive learning environment, including training materials, journals relating to management, and other resources to enhance professional development.

Various Employee Education

USI will provide tailor-made professional skill courses for employees with three phases to help them get into the working environment. The training program of sites in Shenzhen, Kunshan, and Kunshan include EICC(Electronic Industry Code of Conduct) training courses, and site in Taiwan will provide professional skill courses in 2012.

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:

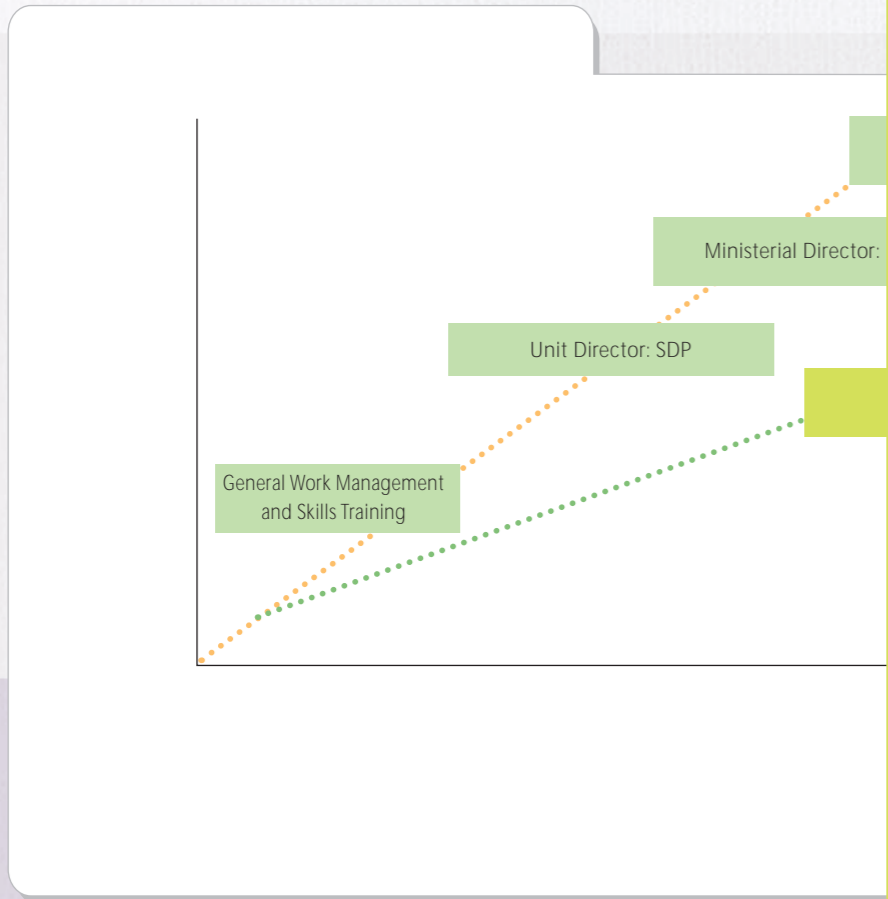
USI plans a series of management courses for administrators in the company, promoting administrators' ability of communication and negotiation and their leadership.

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 different 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.



Average Time of 2011 Employ Education and Training (hour)

Sites	Direct Employees			Male
	Male	Female	Average	
Taiwan	7.4	8.0	7.8	11.2
Shanghai	19.1	17.6	18.0	13.3
Kunshan	8.10	5.69	6.55	5.00
Shenzhen	28.9	22.9	24.5	13.3

Executive	
Female	Average
15.3	11.5
9.7	6.8
15.00	7.88
9.0	8.7

f growth. In the future, we will keep and improving the development of

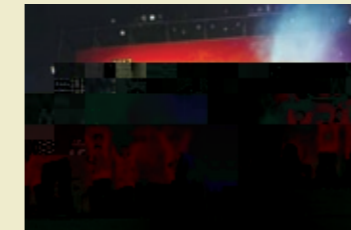
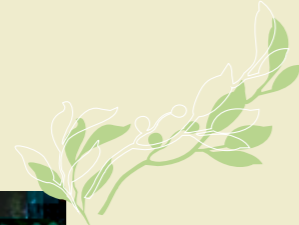
n strategy, guideline, and goal of USI, et up to execute after the discussion d: working goals and professional ying ability, soft skills, and working h their personal and organizational

d Employees' Welfare Committee in onerable for recreation, medical care,

and internet classroom, library, KTV room, fitness, and recreation room. Many other recreation facilities such as table tennis, billiards, basketball machine, outdoor basketball, badminton and tennis (Shanghai and Kunshan sites) courts are also available. There are many clubs for employees to relax, such as table tennis club, badminton club, basketball club, softball club (Taiwan site), bowling club (Taiwan site), golf club (Taiwan site), bicycle club (Taiwan site), swimming club (Taiwan site), fishing club (Taiwan site), Tai Chi & Qigong & Yoga health club (Taiwan site), caring club (Taiwan site), camping club (Taiwan site), roller skating club (Shenzhen site), and choir (Shenzhen and Kunshan sites), etc

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

Taiwan Site



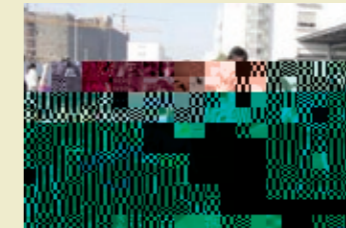
Shanghai Site



Shenzhen Site



Kunshan Site



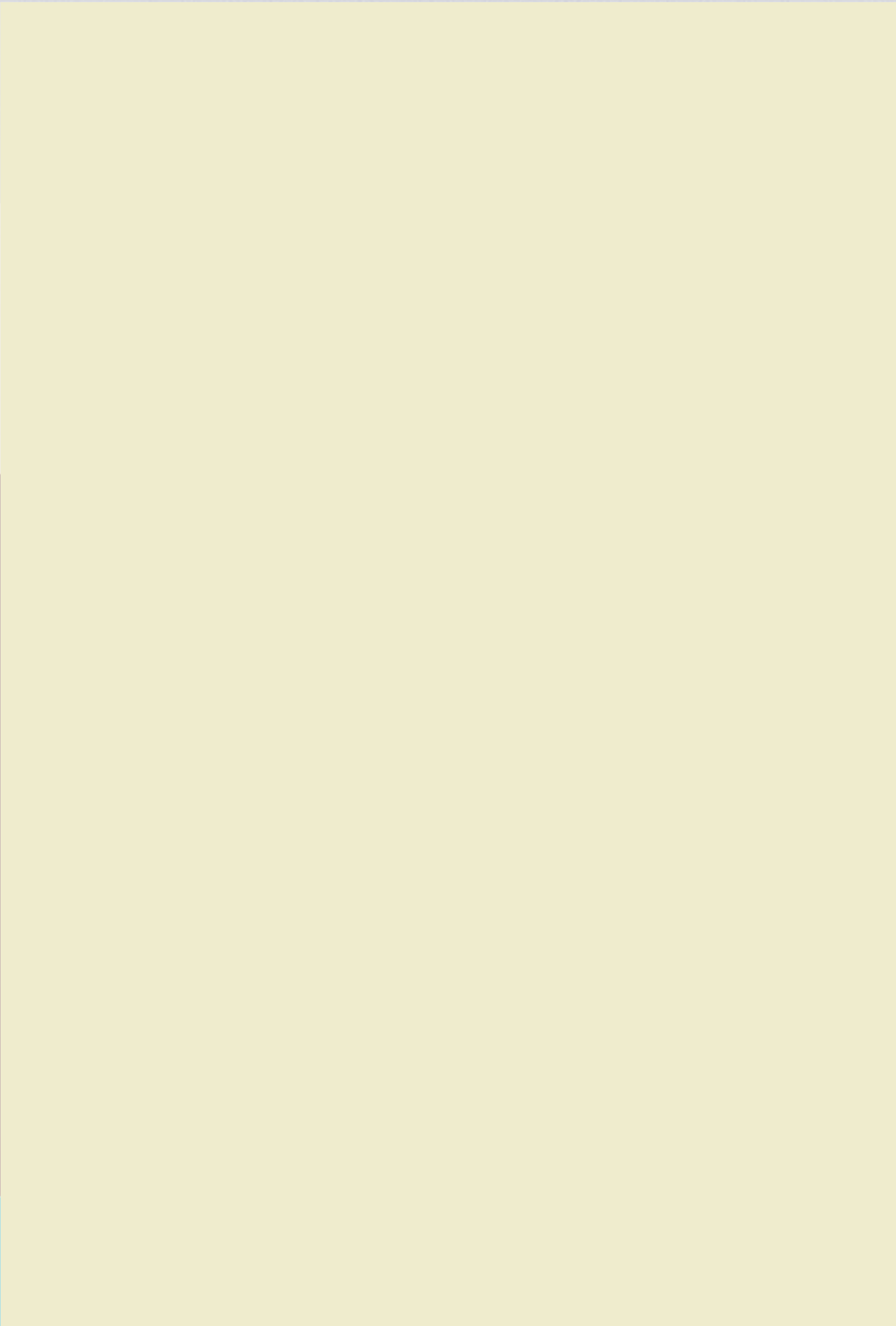
Employee Incentives

USI rewards its employees by various incentive systems, such as R&D prizes and achievement bonus for employees with excellent performances. Remarkable employees are elected by ballot and are awarded in public. Employees also get bonuses and share USI's operating achievements.

Kunshan site held Advanced deeds Contest to praise and reward employees for advanced deeds.

Employee Insurance and Retirement

- Bonus** Full attendance bonus, birthday gift certificate, annual bonus, overtime wage, R&D incentive bonus, patent incentive reward, performance bonus, three festival gift certificate and DL senior bonus (Shenzhen and Shanghai sites).
- Holiday and vacation** Besides national holidays and weekends, there are accompanying maternity leave for male employees, female employees to take prenatal visit leave (Kunshan site), parental leave for female employees, nursing leave (Kunshan site), menstrual leave, earned paid sick leave, annual leave and paid-time off (Shenzhen, Shanghai and Kunshan sites).
- Insurance** Labor insurance, health insurance, employee comfort and compensation, employee/dependants group insurance
- Dining** There is broad and sanitary employee restaurant and meal subsidy.
- Accommodation** Different types of accommodations with household appliances, air-conditioner, hot-water heater, wireless net, and furniture.
- Transportation** USI provides comfortable and convenient transportation between plants and well-equipped exclusive parking lots for employees
- Recreation** Domestic and foreign employee travels, family day, parent-child activities, end-of-the-year banquet and drawing lots Birthday celebration, athletic meet, singing competitions, and chorus (Worldwide sites)
- Health** USI sets up professional dispensary providing free health consultancy. USI holds free health examination for employees annually.
- Other** Employee wedding subsidy, domestic and foreign employee studying subsidy, funeral subsidy for employees and dependants, birth subsidy, education subsidy and scholarship for employees' children, consolatory money for hospitalized employees and dependants

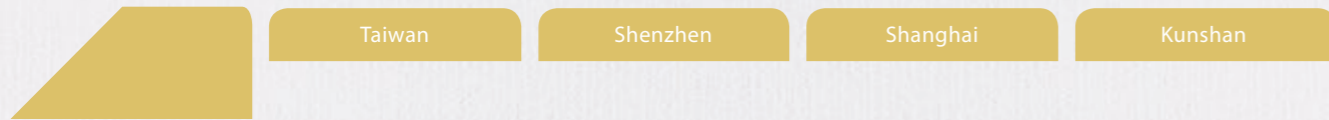


4.1.5 Harmonious Industrial Relations

Salary Management Strategy

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.

The Proportion of Remuneration of All Staff Categories



Employee Opinion Survey

A. Purpose

1. Evaluation of managerial levels' leadership, management, ability to supervise, fairness and righteousness of task designation and evaluation, communication and authorization, etc., as a reference for managerial levels to improve their ability of development and management.
2. Evaluation of efficiency of internal management, operation, team work, coordination and communication between departments as a reference to adjust USI's internal operational mechanism.

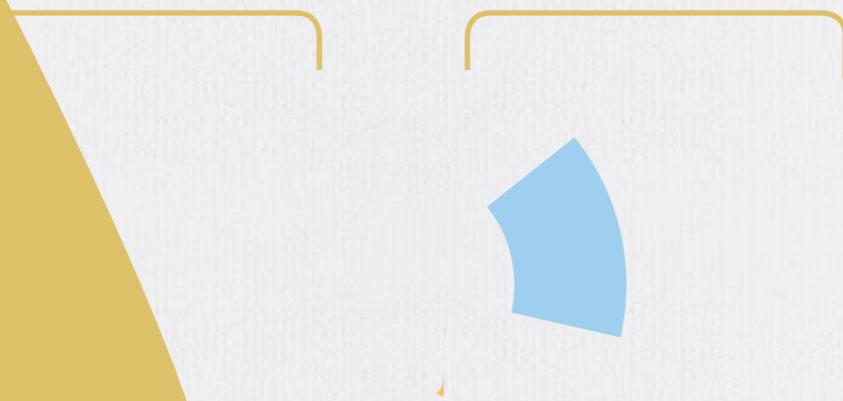
direct employees with a 1/3 sampling survey.

Survey mode: in written form, anonymously.

Subjects, including working responsibilities and environment, learning and development, payroll and performance

Internal service and benefits, direct supervisors, organization communication, job dedication

etc.



Industrial Relations and Communication Channel

Industrial Relations and Communication Channel

According to the regulations, industrial organizations with more than 100 employees should have more than 5 representatives from both the labor and capital. Taiwan site hold Labor-Management Meeting quarterly, the management designates five representatives respectively.

"Employee Representative Congress" is established with 30 employee representatives. Currently, Shanghai site discusses about employee systems through meeting and voting.

Disputes committee is established for solving labor-capital disputes, a total of 11 representatives from both parties. Human resource communication conference is held quarterly and all employees could participate. If both parties can't reach an agreement, they will hold employee representative meeting to make a decision.

Communication Channel in Shenzhen Site

Since October 2010, the HR department has arranged monthly interviews with employees in each department; 20-30 employees will be sampled to fill in a questionnaire. Based on the answers to the questionnaire, the HR department will arrange interviews with employees to understand their needs and cognition of related laws and company regulations. The HR department will also report employees' opinions and suggestions to related departments and managerial levels.

Since December 2010, HR department samples 3-4 employees who will resign every week and arrange interviews with Site General Manager, in order to understand the reasons they want to resign and listen to their opinions and suggestions. So that the managerial levels can know employees' thoughts and the turnover rate will be decreased.

Evacuation Drill

Taiwan Site

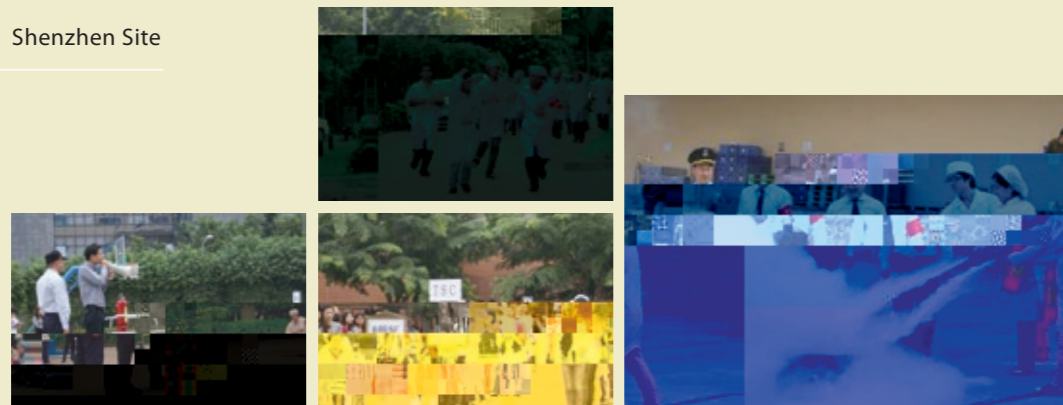


Fire Evacuation Drill

Shanghai Site



Shenzhen Site



In order to ensure the health and safety of the employees in the radiation workplace and to protect them from the harm of non-ionizing radiation, USI follows "Ionizing Radiation Operation Management Regulations" and fully implements radiation protection and control and examines all used X-ray machines based on related laws and regulations.

Besides, USI also monitors noise, concentration of CO2, organic solvent, specific chemical substance, lead hazard in the workplace, etc. and ensures all workplaces are under the permitted concentration of hazardous substance and the noise threshold.

Physical and Mental Health Care

USI regards employees as the most valuable assets and capitals of the company, and therefore USI sets a goal for the employees to improve their health every year so that employees are wholesome in every way. The goal is set based on employee opinions as well as abnormal results of employees' health examination reports.

The Dispensary is equipped with not only simple wound dressing facilities, but also a nursery room, which provides a comfortable place for female employees to collect the breast milk. In addition, tunnel-type blood pressure monitors, weight scales, body fat scales, measuring tapes, etc., are offered for employees to use.

In addition to annual physical examination, health data filing, follow-up examinations and management of physical abnormalities, special examination, health management and prevention & treatment of infectious disease, the company also cooperates with local health authorities, health examination centers of hospitals, and South Occupational Health Promotion Center implementing a variety programs to promote health, for instance, free cancer screening (such as mammography and pap smear), traditional Chinese medicine courses, bone densitometry, fight against allergy, nutrition and sports courses of "2011 Taiwan Health Promotion Activity," Hepatitis B vaccination, and Influenza vaccination, etc. The company not only participated in press conference of "2011 Taiwan Health Promotion Activity" declaring its determination to managing weight, but also took part in the national contest of Nantou's Health Bureau, which indirectly led to Nantou's achievement in "Weight Management"; the cooperation between government and enterprise created an atmosphere of "Social Health Management" in workplace and household.



Bone Densitometry



Pap Smear



Traditional Chinese Medicine Course

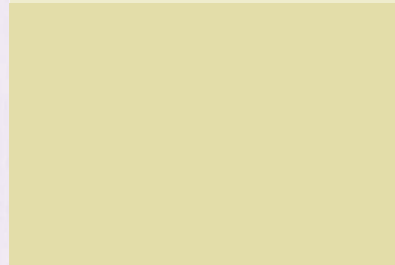




Fight Against Allergy



Shanghai Site- Blood Donation



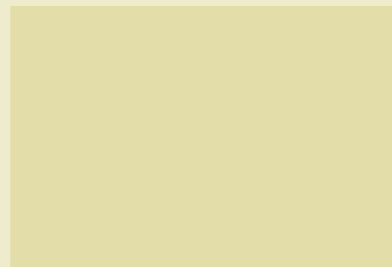
The Declaration of "2011 Taiwan Health Promotion Activity"



Nutrition Courses of "2011 Taiwan Health Promotion Activity"



Sports Courses of "2011 Taiwan Health Promotion Activity"

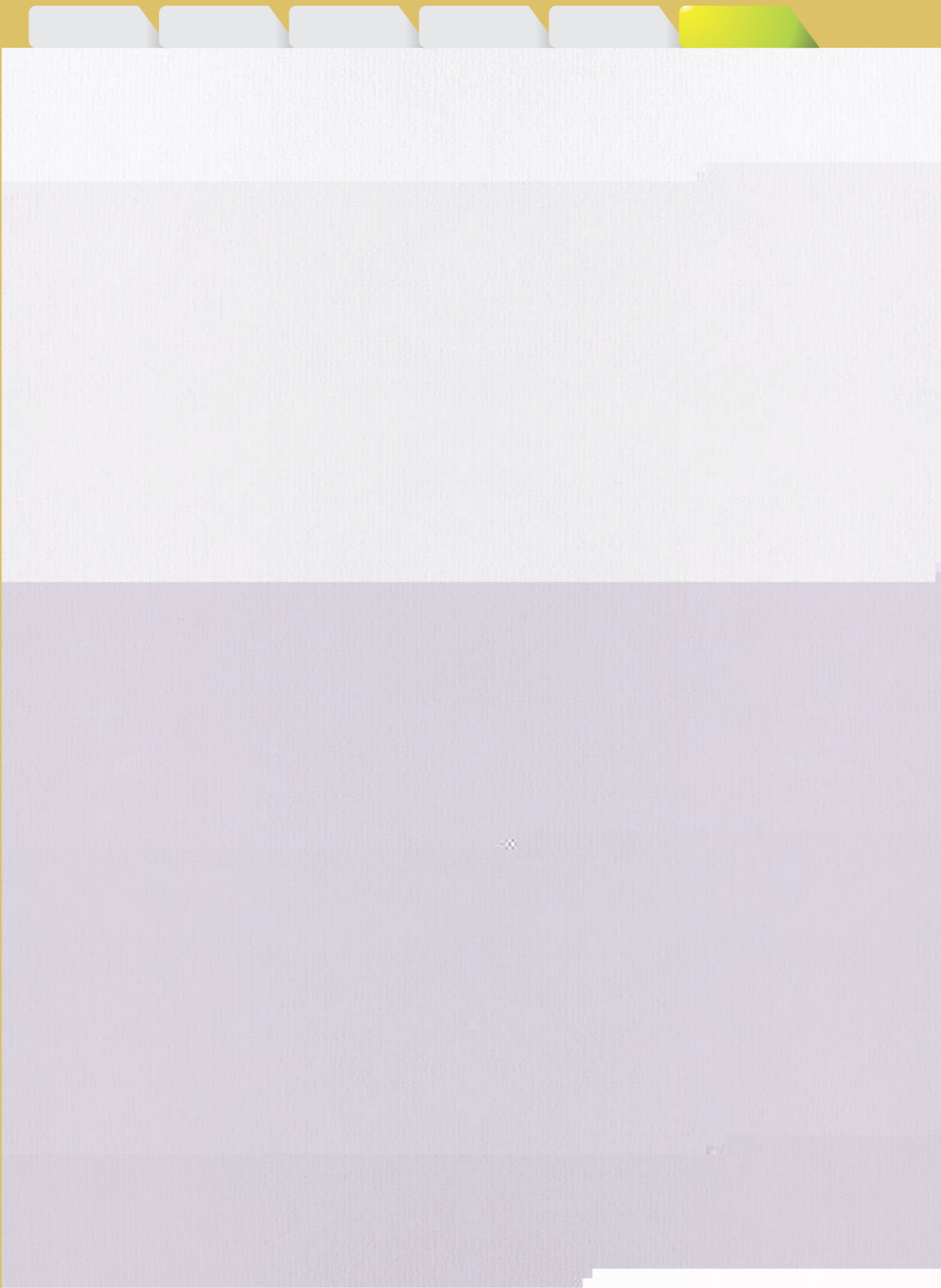


Enforcement of Human Rights Policy

On June 2008, USI included EICC in its Corporate Social Responsibility Policy to protect employees' freedom of employment, humane treatment, the right to freedom of association, and prohibition of discrimination; also, USI preserves employees' record database carefully, and each factory informs employees about changes in jobs in accordance with local government's regulations, offers employees related promotion of human rights education, and will provide comprehensive online human rights training courses. In 2011, USI had neither cases related to discrimination or violation of employee rights nor appeals on human rights through formal complaints mechanism.

USI obeys the local labor laws and acts, precluding child labor recruit. For employees between 16-18 years old, USI requires each department to consider their growth condition. Practicing dangerous work won't be allowed. When hiring foreign employees, employment contract must be signed according to local regulations, to ensure





To reduce the procurement risk, we have developed multiple sources to ensure reasonable and competitive purchasing cost, good quality and on time delivery of the procured parts to support our business need.

In USI's Corporate Social Responsibility Policy, USI promises not to purchase metals and materials from conflict areas, also includes the policy into supplier management mechanisms, and asks suppliers to convey the policy to their supply chains; in 2011, USI investigated those suppliers who might purchase specific metals from conflict areas, violate mutual agreement operations and freedom of association, hire child labors, force labors to work, and other human rights matters. So far, USI has not found any suppliers that involve human rights violations, business ethics violations, and other violations mentioned above after USI investigated 157 suppliers.

Supplier Evaluation System

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.

Supplier Performance Assessment

Through the supplier performance assessment, USI hopes to improve the quality of product purchase, and to strengthen the communication with the suppliers while seeking long-term partnership--- a partnership that will enable both parties to implement the CSR policy together.

Supplier performance is assessed both on a monthly and quarterly basis, with the three criteria on quality, price, and delivery & communication. Any supplier that fails to meet the expectations will have one month to propose an improvement plan and to implement it. Such improvement plan and implementation results will be examined by each responsible site unit, and to perform the audit by VQA unit, if necessary.

4.3.3 Supplier Communication

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.

4.3.4 The Green Supply Chain

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.

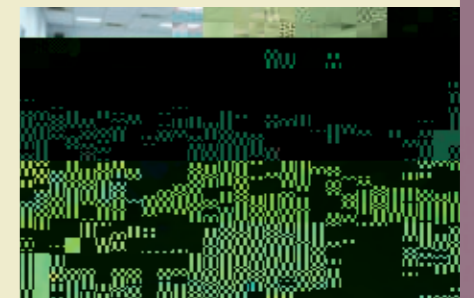
Also, USI cooperates with supply chain partners to limit the use of hazardous substances during manufacturing process targeting on the substances banned under RoHS Compliance, Halogen specification material, prohibited substances and other substances need to be reported; therefore, to reduce the whole supply chain's impact on environment, USI has controlled a total of 243 environmental impact substances since 2010, including 8 prohibited substances and 235 substances need to be observed.

Green Supply Chain Seminar

TW Site



SH Site

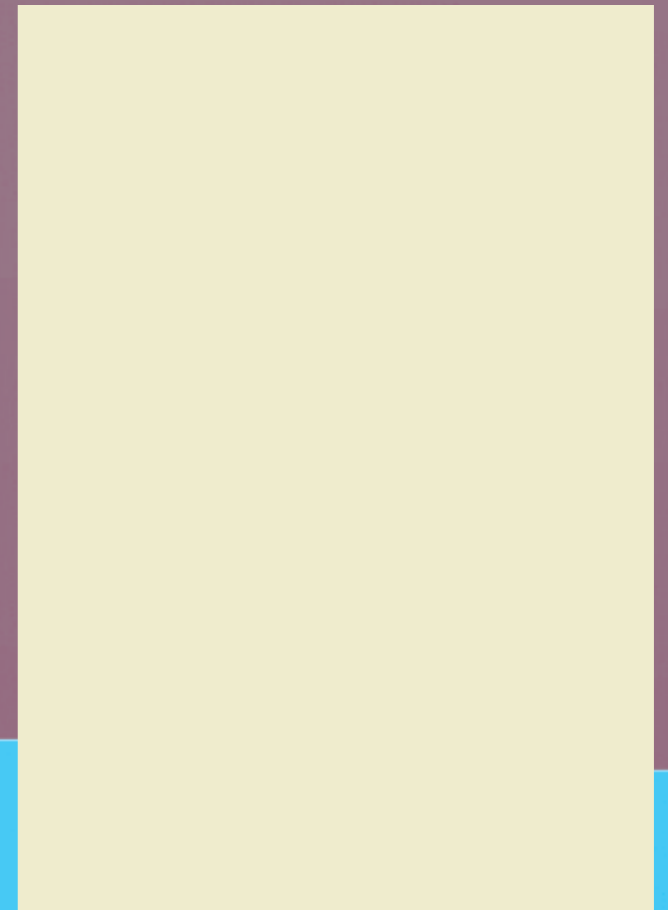


SZ Site



4.3.5 Contractor Management

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.



In 2010, USI coordinated activities on "Stacks of Love", planned to promote seed teachers' training within 13 townships in Nantou County, expand teachers' and volunteer groups' participation in teaching of reading, improve reading instruction by making which meet the spirit of requirements of the times and innovative teaching, and spend funds on holding learning activities of teachers' reading instruction; USI hoped to improve teachers' teaching of reading through sharing new methods for teaching reading, so as to cultivate the reading activities in schools and communities.

In 2011, USI cooperated with "Promotion Hundreds of Stacks: The Reading Irrigating Project" to support Renai Junior High School's "Stacks of Love", add 40 stacks of new books to the existing stacks, and promote reading activities. After the term began, USI constantly held teachers' training and family reading activities, so that expanded atmosphere of reading from schools, households to communities through persistently took root of reading, and set the trend for domestic enterprises supporting "Stacks of Love" in each city and county. Near a hundred of enterprises and groups join public service activities of supporting and setting stacks so far.

Sponsorship of the National Students Literature Contest

USI believes that the capability to make innovations and R&D projects come from imagination and creativity. Hence, USI has teamed up with Mingdao Literature & Arts Magazine to encourage creative writing among students ---through a partnership



Sponsorship of Stacks of Love Charity Concerts

"2011 NTSO International Music Festival: Stacks of Love Charity Concerts" was jointly held by Taiwan Read Cultural Foundation and National Taiwan Symphony Orchestra. To support high-quality arts groups, and enhance employees' humanistic quality by encouraging them to attend arts activities, USI especially sponsored "Ode an die Freude" that performed in Taichung Chung-Hsing Hall.



Sponsorship of Countryside Tour of Ming Hwa Yuan Arts & Cultural Group

To coordinate with Caotun Township Office of Nantou County's Year-end Gala every November, USI constantly sponsors "Ming Hwa Yuan Arts & Cultural Group"'s local performances, and invites local residents, employees and their dependants to watch and experience Taiwan's unique opera culture. Ming Hwa Yuan Arts & Cultural Group receives an enthusiastic response every year, and attracts thousands of people to watch its superb performance; the performance gradually becomes a distinguished gathering, and USI also receives high praises from government agencies at all levels for promoting opera culture.



4.4.3 Contribute to the Community

With the belief in caring about the society and friending the community, USI gathers the power of employees and participates in public affairs and social activities of public welfare. In the meantime of seeking corporate growth, USI wishes to repay the community and devotes itself to the society. In 2011, USI participated in the affairs listed as follows:

Taiwan Site

Participate in temple fairs and public service activities in neighboring communities, such as Caotun Zihwei Temple, and Shihkuang Senior High School's athletic meet, etc.

Greened roads and adopted the medial strips from the Zhongxing Road to the A1 abutment of Maoluo River Bridge, and from Zhongxing Exit of National Freeway No. 3, Shengfu Road, to Shanlin Police Station. The expense is about NTD660,000 per year.

Donated to sponsor the activities to console the army and participated in regular activities of volunteer police and firefighters.

Kunshan Site

Pay attention to local cultural activities: 2011 the 5th Qiandeng Mass Culture and Art Festival and the closing ceremony and excellent theatrical performances of the 4th Qiandeng Reading Festival.

Participate in athletic meet in neighboring communities.

Shenzhen Site

Attended Foreign Ventures' Mid-Autumn Party in Shenzhen in 2011

A total of 250 enterprises took part in the party: Shenzhen site performed unique mixed quartet in the party, and their varied singing and beautiful tone not only received audiences' praises but also presented good corporate image and social influence.

Took part in Tree Planting Activities---Tree planting in memorial forest of green Universiade.

Kunshan Site

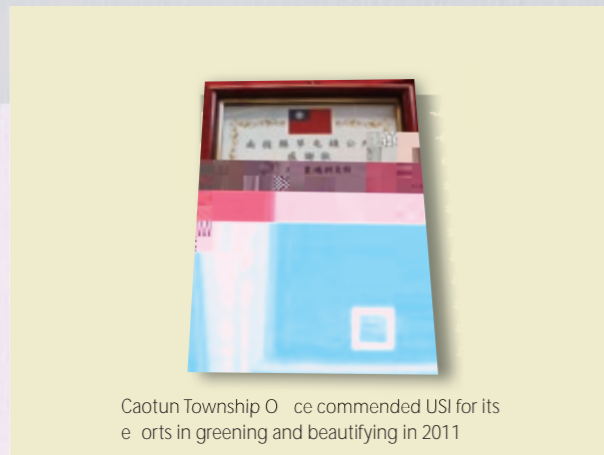


Shenzhen Site



Sponsorship of Road Maintenance Program

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



Caotun Township Office commended USI for its efforts in greening and beautifying in 2011



USI adopted greened and beautified medial strips in 2011

Groups of Public Welfare

USI employees volunteered to establish groups of public welfare, such as Club of Tzu Chi and Club of Compassion, which care for minority groups and regularly donate to Tzu Chi Foundation. In 2011, the amount of donation came to more than NTD140,000. With the belief in "Everyone Saves NTD100 and Saves the World," volunteers will be deducted a fixed amount of money from their monthly payroll to be compassion funds. More than 100 employees have participated in this activity.

The members of "Caring Association" not only regularly adopt two underprivileged children of Taiwan Fund for children and families and two blind children of Taichung Huei Ming School, but also assist employees and neighbors with emergency aid; besides, the association project sponsors and cares disadvantaged groups and charitable organizations every year, and provides them with resources, such as Genesis Social Welfare Foundation, Nantou Ren-ai Organization, Quixotic Implement Foundation, Huei-Ming School and Home for Blind Children, etc.

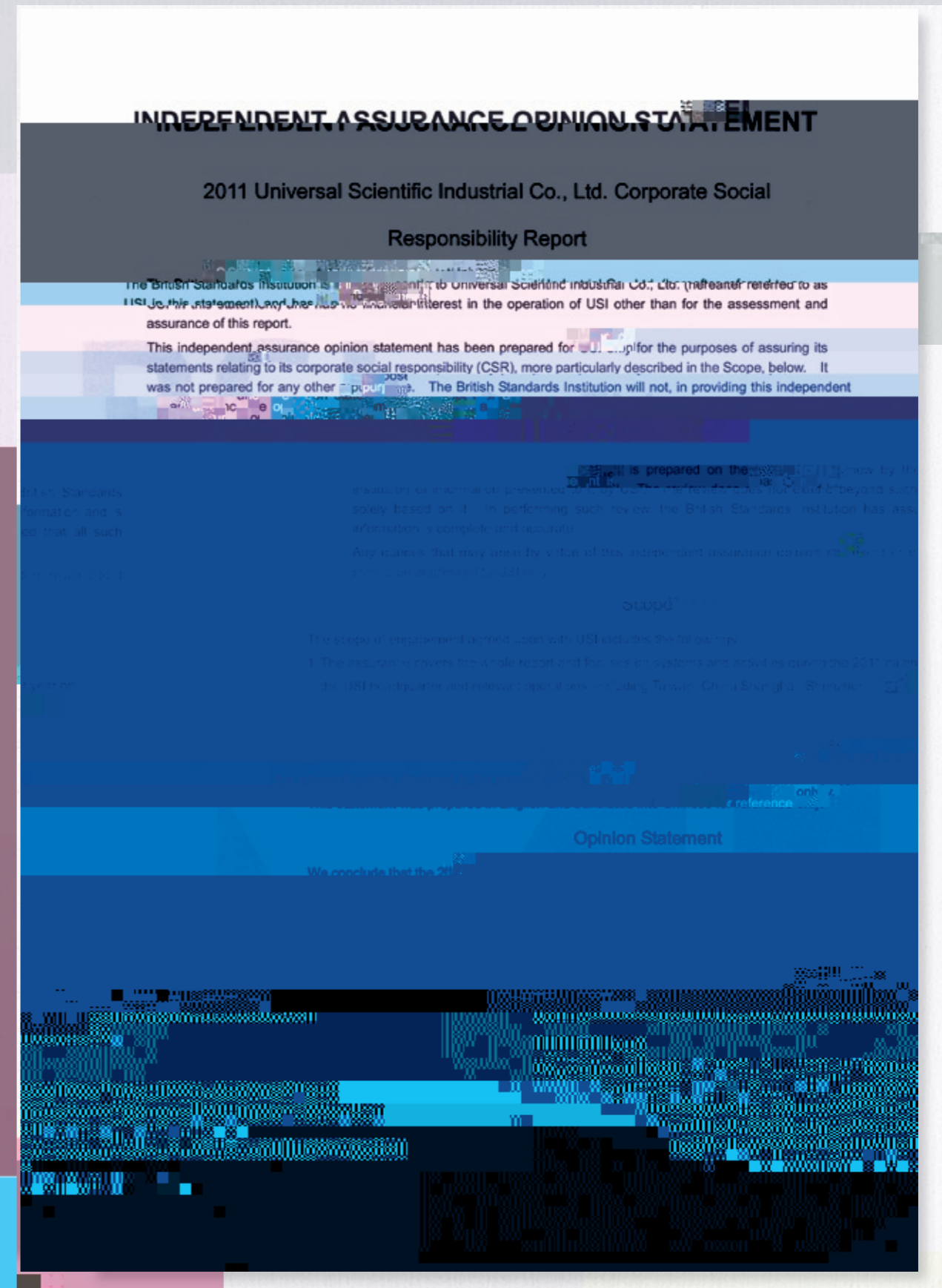


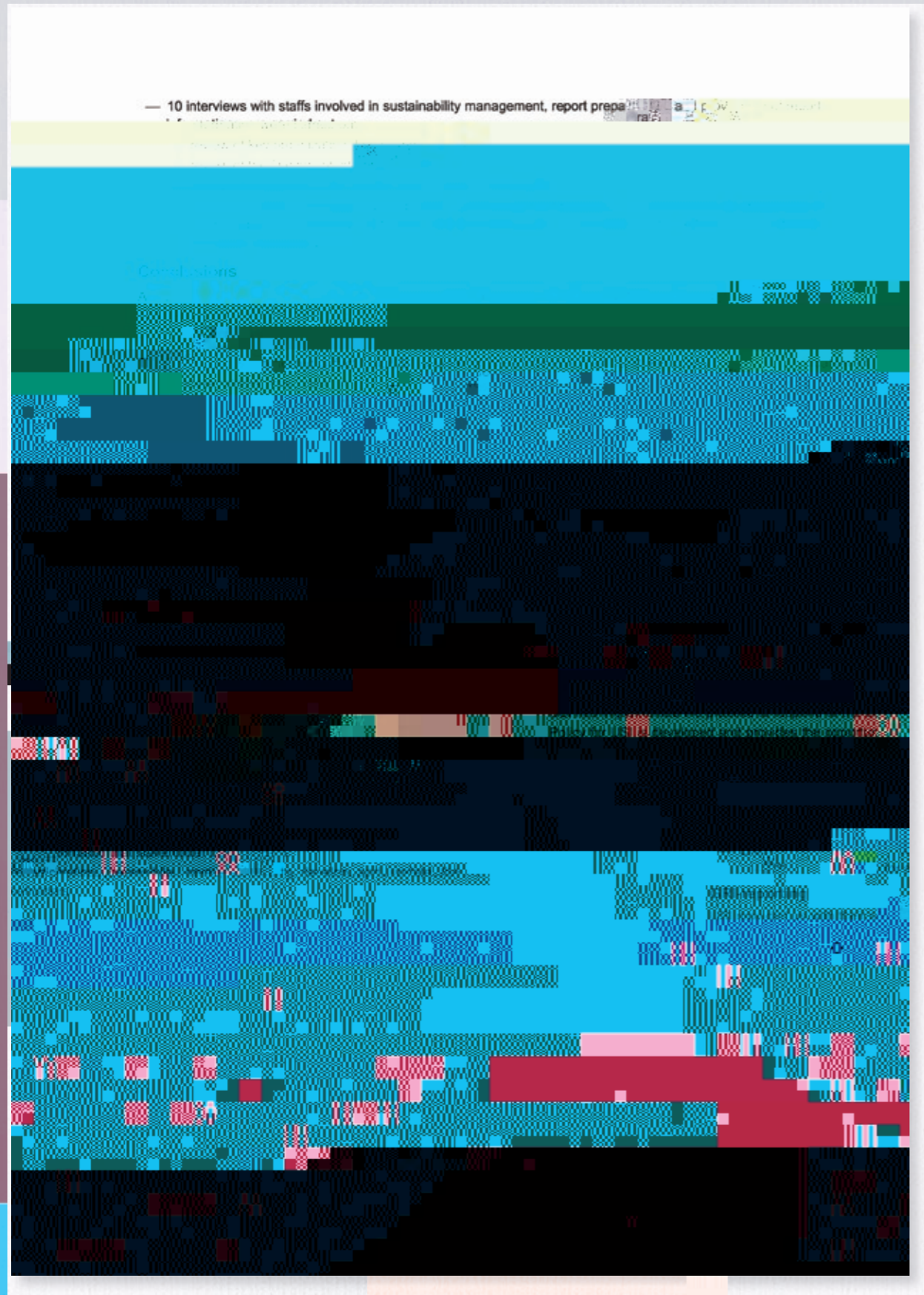
Sponsored Genesis Social Welfare Foundation's 2011 Year-end Send Dish Activity



Sponsored Quixotic Implement Foundation

Third Party Assurance Statement





GRI G3 Index

● Disclosed ▲ Disclosed partly □ Undisclosed or Inapplicable

GRI Indicator Description		Chapter	Page	Additional Illustration	Disclosed Situation
Strategy and Analysis					
1.1	Statement from the most senior decision-maker of the organization (e.g., CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and its strategy	Letter from COO	4		
1.2	Description of key impacts, risks and opportunities	Letter from COO	4		
Organization Profile					
2.1	Name of the organization	2.1.1 Corporate Introduction	11		
2.2	Primary brands, products, and/or services	2.1.2 Product and Service	13		
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures	2.2.1 Corporate Governance	17-18		
2.4	Location of organization's headquarters	2.1.1 Corporate Introduction	11		
2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report	2.1.3 Global Operative System	14		
2.6	Nature of ownership and legal form			Each operational base of USI is an independent equity company, one of these companies, Universal Scientific Industrial (Shanghai) Co., Ltd is a listed company in Shanghai.	
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries)	2.1.4 Business Geography	14		
2.8	Scale of the reporting organization	2.1.1 Corporate Introduction 2.1.5 Financial Performance	11 15		
2.9	Significant changes during the reporting period regarding size, structure or ownership	2.1.1 Corporate Introduction	12		
2.10	Awards received in the reporting period	2.1.6 Honorable Records	16		
Report Parameters					
3.1	Reporting period (e.g., fiscal/calendar year) for information provided	About the Report	2		
3.2	Date of most recent previous report (if any)			The USI Corporate Social Responsibility Report of 2010 was published in September, 2011.	
3.3	Reporting cycle (annual, biennial, etc.)	About the Report	2	This report is published annually.	
3.4	Contact point for questions regarding the report or its contents	About the Report	2		

GRI Indicator Description		Chapter	Page	Additional Illustration	Disclosed Situation
3.5	Process for defining report content	About the Report	2		
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers)	About the Report	2		
3.7	State any specific limitations on the scope or boundary of the report	About the Report	2		
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations			Not influential.	
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the indicators and other information in the report	About the Report	2		
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement			None.	
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report			Organizational rotation and the establishment of new site (see 2.9)	
3.12	Table identifying the location of the Standard Disclosures in the report	GRI G3 Index	78		
3.13	Policy and current practice with regard to seeking external assurance for the report	About the Report Third Party Assurance Statement	2 75		
Governance, Commitments, and Engagement					
4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight	2.2.1 Corporate Governance	19		
4.2	Indicate whether the Chair of the highest governance body is also an executive officer			The chairman does not serve as general manager.	
4.3	For organizations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members	2.2.1 Corporate Governance	19		
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body	1.4 Stakeholder Communication 2.2 Investor Relations 4.1.5 Harmonious Industrial Relations	9 17 52-55		
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance)	2.2.1 Corporate Governance	20		

GRI Indicator Description	Chapter	Page	Additional Illustration	Disclosed Situation
4.6			In accordance with recusal of "Rules and Procedures of Board of Directors Meeting".	
4.7	2.2.1 Corporate Governance	19		
4.8	1.1 Vision and Promise 1.2 Policy and Operation	6 7		
4.9	2.2.1 Corporate Governance 2.2.2 Risk Management 2.2.4 Regulations Abidance	18 20-21 22		
4.10			Performance appraisal of the highest management is reviewed by board of directors.	
4.11	1.2 Policy and Operation 2.2.1 Corporate Governance 2.2.2 Risk Management 2.2.4 Regulations Abidance	7 20 20-21 22		
4.12	1.2 Policy and Operation 3.3.1 Green Management	7 27-28		
4.13	2.2.6 External Participation	22-23		
4.14	1.3 Identification and Selection of Stakeholders	8		
4.15	1.3 Identification and Selection of Stakeholders	8		
4.16	1.4 Stakeholder Communication	9		
4.17	1.4 Stakeholder Communication	9		

GRI Indicator Description	Chapter	Page	Additional Illustration	Disclosed Situation
Economic Performance Indicators				
Management Approach	Management approach of economic performance	2.1 Corporation Operation 2.1.1 Corporate Introduction 2.2 Investor Relations 2.2.1 Corporate Governance	11 11-12 17 17-20	
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments	2.1.5 Financial Performance GRI G3 Index 4.4 USI and the Community	15 86 69-74	
EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change	3.1 USI and Climate Change 3.3.3 Green Expenditures 3.5 Green Prospects of USI	25 30 36	
EC3	Coverage of the organization's defined benefit plan obligations	4.1.4 Perfect Welfare System	45-51	
EC4	Significant financial assistance received from government	2.2.5 Government Subsidy	22	
EC5	Range of ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation	4.1.5 Harmonious Industrial Relations	52	
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation	4.3.1 The Suppliers of USI 4.3.2 Supplier Management 4.3.3 Supplier Communication 4.3.4 Green Supply Chain	65 65-66 67 67	
EC7	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation	4.1.1 Employee Composition Profile	38	
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement	4.4.1 Invest in Education 4.4.2 Promote Artistic Events 4.4.3 Contribute to the Community	69-74	
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts			USI does not assess indirect economic impacts.
Environment Performance Indicators				
Management Approach	Management approach of environment performance	3.2 EHS Policy of USI 3.3 Green Promise of USI	25 26	
EN1	Materials used by weight or volume	3.4.1 Material Management	31	
EN2	Percentage of materials used that are recycled input materials			USI does not use renewable materials.
EN3	Direct energy consumption by primary energy source	3.4.3 Energy Management	33	
EN4	Indirect energy consumption by primary source	3.4.3 Energy Management	33-34	
EN5	Energy saved due to conservation and efficiency improvements	3.4.3 Energy Management	34	

GRI Indicator Description		Chapter	Page	Additional Illustration	Disclosed Situation
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	27-28 34		
EN7	Initiatives to reduce indirect energy consumption and reductions achieved	3.4.3 Energy Management	34		
EN8	Total water withdrawal by source	3.4.5 Water Resource Management	35		
EN9	Water sources significantly affected by withdrawal of water	3.4.5 Water Resource Management	36		
EN10	Percentage and total volume of water recycled and reused	3.4.5 Water Resource Management	36		
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas			USI does not own, rent or manage any sites located in Ecological Protection Zone.	
EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas			Ditto, no influence.	
EN13	Habitats protected or restored			There is no protected habitat within USI sites.	
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity			USI actively participates in green construction so as to maintain good ecological environment.	
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk			There are no protected species within USI sites.	
EN16	Total direct and indirect greenhouse gas emissions by weight	3.4.2 Greenhouse Gas Emission Reduction Management	32		
EN17	Other relevant indirect greenhouse gas emissions by weight			There are no data on the indirect emissions of Greenhouse gases produced during employee commutes and business travels.	
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved	3.4.2 Greenhouse Gas Emission Reduction Management	32		
EN19	Emissions of ozone-depleting substances by weight			USI does not use any materials that damage the ozone layer while producing products or providing services. Parts of the air conditioning system used R-22 and R-12 refrigerant, and there was no record of filling in 2011; We estimated emission rate at 8%, so the air conditioning system emitted about 312KG.	

GRI Indicator Description		Chapter	Page	Additional Illustration	Disclosed Situation
EN20	NOx, SOx, and other significant air emissions by type and weight			No NOx or SOx are discharged in any USI's manufacturing process. The estimation of VOC emission of USI's Taiwan Site in 2011 is 8.6 tons.	
EN21	Total water discharge by quality and destination	3.4.5 Water Resource Management	35	USI does not discharge wastewater, and only domestic sewage is produced.	
EN22	Total weight of waste by type and disposal method	3.4.4 Waste Management	35		
EN23	Total number and volume of significant spills			No serious leakage events happened in any site.	
EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally			USI has no import and export of hazardous waste, and related clean-up complies with relevant environmental laws and regulations.	▲
EN25	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff	3.4.5 Water Resource Management	36		
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation	3.3 Green Promise of USI 3.3.1 Green Management 3.3.2 Green Supply Chain	26-29		
EN27	Percentage of products sold and their packaging materials that are reclaimed by category			Recyclable proportion of products is more than 90%, which complies with WEEE's requirements. The recycle ratio of cartons in Taiwan site is 66%.	
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	3.2 EHS Policy of USI 3.3.1 Green Management	25 27	USI obeyed local government laws about environmental protection and did not violate any environmental law in 2011.	
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce	3.3.2 Green Supply Chain	29		▲
EN30	Total environmental protection expenditures and investments by type	3.3.3 Green Expenditures	30		
Labor Practices & Decent Work Performance Indicators					
Management Approach	Management approach of labor performance	4.1 USI and Its Employees 4.1.2 Equal Employment Opportunity 4.1.3 Integral Training Program 4.1.4 Perfect Welfare System 4.1.5 Harmonious Industrial Relations 4.1.6 Excellent Working Environment	38 41 42 45 52 55-56		
LA1	Total workforce by employment type, employment contract, and region broken down by gender	4.1.1 Employee Composition Profile	38-39		

GRI Indicator Description		Chapter	Page	Additional Illustration	Disclosed Situation
HR11	Number of grievances related to human rights led, addressed, and resolved through formal grievance mechanisms	4.1.6 Excellent Working Environment	61	There were no relevant complaint cases of human rights in 2011.	
Society Performance Indicators					
Management Approach	Management approach of society performance	2.2.3 Anti-Corruption and Anti-Bribery 4.4 USI and the Community	22 69		
SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs	4.4 USI and the Community 4.4.1 Invest in Education 4.4.2 Promote Artistic Events 4.4.3 Contribute to the Community	69-74	All operating activities take part in community development.	
SO2	Percentage and total number of business units analyzed for risks related to corruption	2.2.3 Anti-Corruption and Anti-Bribery	22	Internal audit of anti-corruption and anti-bribery contains the whole company (nine cycles of sales, procurement, production, payroll, asset and etc.), and USI found no major issues within audit sampling results in 2011.	
SO3	Percentage of employees trained in organization's anti-corruption policies and procedures	2.2.3 Anti-Corruption and Anti-Bribery	22	All USI employees have signed "USI Staff Code of Conduct". We held no related training in 2011, but we begin to hold education and training for whole employees in 2012.	
SO4	Actions taken in response to incidents of corruption	2.2.3 Anti-Corruption and Anti-Bribery	22		
SO5	Public policy positions and participation in public policy development and lobbying			USI didn't canvass for public policies.	
SO6	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country			In 2011, Ministry of Finance approved factory in Taiwan for donating each political candidate the total amount of NT\$50,000.	
SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes	2.2.4 Regulations Abidance	22	USI was not involved in any lawsuits of anti-competitive behavior, anti-trust or monopoly practices in 2011.	
SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	2.2.4 Regulations Abidance	22		
SO9	Operations with significant potential or actual negative impacts on local communities	3.4 Environmental Protection of USI	31	No negative operating activities so far.	
SO10	Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities	1.4 Stakeholder Communication 3.3 Green Promise of USI 3.4 Environmental Protection of USI	9 26-30 31-36		

GRI Indicator Description		Chapter	Page	Additional Illustration	Disclosed Situation
Product Responsibility Performance Indicators					
Management Approach	Management approach of product responsibility performance	4.2 USI and Its Customers	62		
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures	4.2.1 Production and Quality Management	63	Before we produce mass system products, such as cash register, mobile devices, memory unit, server, wireless router, wireless networking equipment, etc, we always obtain safety certification of the machines in accordance with related laws and regulations of each country; As for parts products, such as motherboard, wireless module, auto parts, etc, we always verify relevant safety regulations and apply for certification at customers' local system assembly.	
PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes	4.2.1 Production and Quality Management	62		
PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements	4.2.1 Production and Quality Management	63	We always clearly mark relevant safety phrases and correct operating instructions on user manuals of all the system products that obtained safety certification.	
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes	4.2.1 Production and Quality Management	62		
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction				
PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship	2.2.4 Regulations Abidance	22		
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes			In 2011, USI did not violate any marketing laws.	
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data			In 2011, USI was not accused for invasion of customers' privacy or losing customers' data.	
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services			In 2011, USI did not violate any regulations.	

