



2024

# TRADE ASSOCIATIONS CLIMATE ALIGNMENT SURVEY REPORT



Universal Scientific Industrial (Shanghai)  
Co., Ltd.

December 2024



## **2024 TRADE ASSOCIATIONS CLIMATE ALIGNMENT SURVEY REPORT**

USI aims to achieve net-zero carbon emissions by 2040 and is taking a comprehensive approach centered on setting a detailed emissions-reduction roadmap. As part of ASEH, we honor and support ASEH's pledge to meet SBT targets in support of the Paris Agreement's goals.

Our 2030 SBT targets are consistent with Paris-aligned pathways. Compared to 2016 levels, we expect to achieve absolute Scope 1 & 2 GHG emissions reduction of 58.8%. Also, we plan to reduce 25.0% of our Scope 3 GHG emissions from a 2020 base level. Recognizing that advocacy can act as an accelerator for lower emissions, USI joins industry and trade associations that generally align with our views and encourages other members to participate in supporting initiatives we believe in, including the goals of the Paris Agreement.

### **USI Public Affairs Engagement Management System & Governance Framework**

The USI Sustainability Committee systemically manages and guides our associations through the Public Affairs Engagement Policy, covering all jurisdictions where we have operations. Organizations we choose to participate in are ones we share similar values with, and we regularly review our memberships for alignment on material issues, such as the Paris Agreement goals. Each year, the Senior Vice President of the Administration Group and the Employee & Society Well-being Engagement Taskforce, responsible for the stewardship of public affairs engagement, reports misalignments to the Sustainability Committee.

### **Company Position on Climate Change Related Public Policies**

Political actions for individuals and enterprises within China's legal system must be clearly stipulated to be considered legal. USI's Business Code of Conduct prohibits participation in the political or electoral process through direct donations to lobbyists, political groups, or parties. USI has not made any monetary contributions to political campaigns, organizations, lobbyists, or other tax-exempt groups whose role is to influence political campaigns or legislation. However, USI continuously monitors and reviews new policies and regulations in jurisdictions where it operates to ensure compliance with the law.

### **Action Plan for Carbon Dioxide Peaking Before 2030 (2021, China)**

This Action Plan aims to peak emissions by 2030 and achieve carbon neutrality. It emphasizes innovation in green technologies, energy institution reforms, and developing incentives while ensuring energy security and economic stability. The plan also highlights international cooperation through global climate governance, aligning with the Paris Agreement's goals of limiting global



temperature rise to well below 2°C, preferably to 1.5°C. By focusing on these areas, China aims to make a significant contribution to global climate efforts.

#### **USI's Stance: Support**

#### **Guidelines for Accounting and Reporting of Greenhouse Gas Emissions for Enterprises – Power Generation Facilities (2024, China)**

This legislation establishes guidelines for accounting greenhouse gas emissions, fossil fuel combustion, and electricity usage for power generation facilities. It includes provisions for managing carbon emission data quality, reporting, and information disclosure requirements. The legislation applies to power generation facilities that participate in the National Carbon Emissions Trading Market and use fossil fuels like coal, oil, and gas to generate electricity.

#### **USI's Stance: Support**

#### **Energy Law of the People's Republic of China (2024, China)**

China's Energy Law strengthens the framework governing the energy sector and prioritizes carbon emissions control, facilitating China's carbon peaking and neutrality targets while ensuring energy security. The law specifies requirements for various types of renewable energy, including hydropower, wind, solar, and biomass. Additionally, its support for both centralized and distributed renewable energy systems lays a legal foundation for innovative business models like microgrids.

#### **USI's Stance: Support**

#### **Assessment Methodology**

USI joins a variety of industry and trade associations relevant to the Company's interest and operations. While some trade associations participate in public policy development, many trade associations are focused on other industry-specific issues, including adapting technical standards, occupational safety, sharing best practices, and professional development.

In assessing our organizational memberships for any perceived policy misalignments, the Company considers potential risks related to stakeholder relations, legal, financial, and corporate reputation. To evaluate whether these organizations are aligned, our assessment has:

- Undertaken a global review of trade association memberships.
- Identified and determined organizations active on climate-related policy. Organizations not actively involved in developing climate policy are not part of the assessment scope.
- Reviewed the climate-related statements and policy positions of associations in the scope.
- Assessed their policy positions as aligned or misaligned with the Paris Agreement goals.



For those organizations assessed with minor or major misalignments, USI will:

- For minor misalignments, we will communicate our position timely and work to achieve alignment, and if we cannot reach a consensus within two years, we would cease our membership.
- For major substantive misalignments, we would leave the association.

### **Criteria for Inclusion**

USI actively participated in 48 industrial organizations in 2024. Of all industry and trade associations around the globe of which USI and its subsidiaries are members, our assessment determined that 32 organizations are active on climate-related policies or activities. Organizations focused on professional industry-specific issues, such as standard conformity, certification, permits, networking, and otherwise not actively involved in climate-related policy development are excluded from assessment.

The 16 organizations excluded from the 2024 assessment:

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| <ol style="list-style-type: none"><li>1. Global Certification Forum-Manufacturer</li><li>2. Industrial Safety and Health Association of the R.O.C.</li><li>3. Institute of Internal Auditors-Chinese Taiwan</li><li>4. Kunshan Employment Promotion Association</li><li>5. Kunshan Labor Relations Association</li><li>6. Nangang Industrial Park Manufacturers Association</li><li>7. Nantou County Industrial Association</li><li>8. PCI-SIG</li><li>9. Pudong New Area Association of Work Safety</li><li>10. Pudong New Area Association of Work Safety, Jinqiao</li><li>11. Shanghai Municipality Association of Special Equipment</li><li>12. Taiwan Association of Occupational Health Nurses</li><li>13. Taiwan Union of Nurses Association</li><li>14. USB Implementers Forum</li><li>15. VCCI Council</li><li>16. WiFi Alliance</li></ol> |
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### **Summary of Assessment Findings**

Of the 32 organizations assessed in 2024, all expressed support or alignment with the Paris Agreement goals. The table below provides a summary of the assessment results:

#### **The 32 Paris-Aligned Organizations:**

1. 5G Industry Development Innovation Alliance
2. Asia Terahertz Industry Development Association
3. Association of Taiwan Investment Enterprises on the Mainland
4. Association of Taiwan Investment Enterprises on the Mainland, Huizhou
5. China Association for Public Companies
6. Chinese National Association of Industry and Commerce, Taiwan
7. Guangdong Greater Bay Area Strategic Emerging Industries Development and Promotion Association
8. Huizhou Customs Bureau Association
9. Huizhou Daya Bay Area Enterprises Confederation
10. Huizhou Daya Bay Area Fire Protection Association
11. Institute of Electrical and Electronics Engineers
12. Jinqiao Enterprises Association
13. Kunshan Academy of Environmental Science
14. Kunshan Workplace Health Association
15. Nantou Association of Importers and Exporters
16. Pudong Association of Foreign Investment
17. Semiconductor Equipment and Materials International
18. Shanghai Electronic Manufacturers Association
19. Shanghai Foreign Investment Association
20. Shanghai Integrated Circuit Industry Association
21. Shanghai Integrated Circuit Industry Association, Jinqiao
22. Shanghai Taiwan Investors Association
23. Shenzhen Association for Quality
24. Shenzhen Quality City Promotion Association
25. Taiwan Compatriot Investment Enterprises Association of Kunshan
26. Taiwan Electrical and Electronic Manufacturers' Association
27. Taiwan Merchant Association Shenzhen, Nanshan
28. Taiwan Printed Circuit Association
29. Taiwan Telematics Industry Association
30. Taiwan Thermal Management Association
31. Taiwan Transportation Vehicle Manufacturers Association
32. The Listed Companies Association of Shanghai