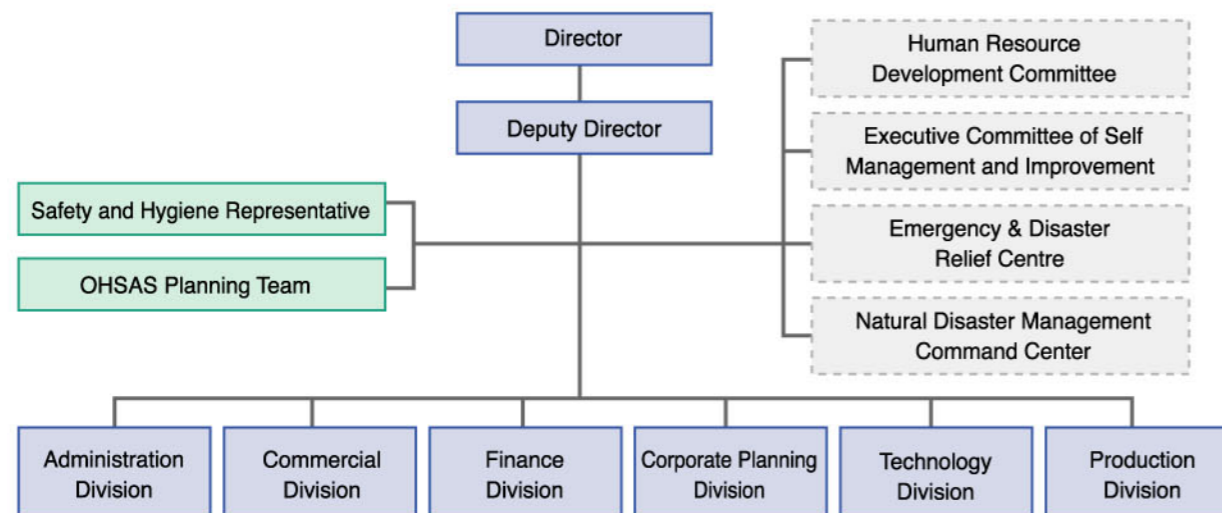




Implementation and Functions

A. Structure and Responsibility

1. Organization Structure of Industrial Safety and Hygiene Management System (ISHMS)



2. Functions of ISHMS

- (1) Chairman of Board: Approve CSC's industrial safety and hygiene policy.
 - (2) President: Approve CSC's industrial safety and hygiene management manual; establish ISHMS and ensure effective operation of the system to improve safety and hygiene performance.
 - (3) Director: CSC Executive Vice President
 - (4) Deputy Director: Vice President for Production Division
 - (5) Safety and Hygiene Representative: Assistant Vice President for Production Division who directly supervises DISHEP
 - (6) Planning Team: Director of DISHEP as executive secretary of the Planning Team; team of Labor Safety and Hygiene as members of Planning Team, under supervision of Safety and Hygiene Representative.
 - (7) Members of ISHMS: Heads of each department
3. Heads of each factory or department are safety and hygiene controllers within their area of authority.

B. Training, Awareness and Capacity Building

1. The industrial safety and hygiene policy of CSC should be made known to all employees and its stakeholders through proper channels. Employees should be aware of ISHMS targets, requirements for different units and action plans according to their field of work. The "Industrial Safety and Hygiene Training Guidelines" shall be materialized and employees shall be provided with necessary education and training on industrial safety and hygiene.
2. Activation of Zero-Accident Campaign: All CSC and partner companies' employees should widely practice "danger pre-recognition." Before starting a job classified as high risk, low-level management or foreman leads their team members to conduct a round of health check, hazard identification, response plan and recognition calling. Results are documented and referred to before next zero-accident check.

C. Operation Control

1. General operation control is applied to all departments and employees according to industrial safety and hygiene regulations and results of risk assessment in terms of safety and safety operational guidelines, safe working practice, safety instruments, safety and hygiene performance of partner companies, inspection of dangerous machinery and equipment, industrial safety and hygiene self inspection, transportation safety control and handling of dangerous and toxic materials. Special operation control is applied to work permit, high elevation operations, hot work, confined space operations, opening of equipment and piping, underground excavation, and radiation equipment.
2. A thorough check and inspection on operation safety of dangerous machinery such as cranes, drum-overlapping prevention (alarm) devices, overload prevention devices, safety functions of bump-stopper and buffer. Identify the nip point of rolling equipment (conveyor, drum, roller, motor belt and other rolling equipment) and readiness for accident prevention plan.
3. Before construction vehicles like giant shovels and excavators enter factory site, the doorman is required to check whether operators hold heavy-duty machinery operation license as well as maintenance records for the last six months. This helps prevent accidents and regularize the practice of self-inspection.
4. Action plans of ISHMS were applied on high risk activities, including production and service, totally 80 cases were accomplished and 78 cases were under construction in 2004.

D. Response to Emergency

For high-risk work classified as "unacceptable" or "need to reduce risk," an assessment of its impact in case of emergency and an emergency response plan is required. A drill should be practiced once a year.

E. Near-Miss Incident Management

Occurrence of a near-miss incident should be documented on the "near-miss incident reporting form," made into a memorandum and posted on the CSC website for all departments to note and learn from. It is also a reference for zero-accident danger pre-recognition practice or similar risk assessment. Totally 199 near-miss incidents were reported.

