

Ⅲ. 企業社會責任 Social Responsibility

Corporate Social Responsibility is a key parameter in measuring a company's competitiveness in the 21st century. For the past 60 years, Far Eastern Group has been implementing Corporate Social Responsibility programs, proactively playing the role of corporate citizen and placing the welfare of people in our best interest.

The Founder of Far Eastern Group said: "If we do not engage in environmental protection, our business and society will incur a hidden cost. Competitiveness gained is temporary, but the consequences will be unbearable" if we don't contribute in this area. By assuming the role of corporate citizen over an extended period, Far Eastern Group is able to utilize its innovative abilities and create value for the further promotion of a stable society.

■ *Infinite Extension* Sculpture by sculptor Tsai-Chien Lee on the Yuan Ze University campus







Education Cultivates Talent

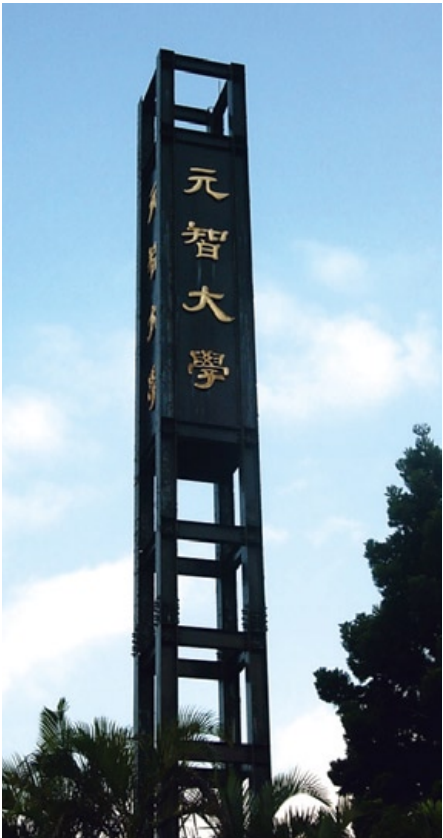
Far Eastern Group's Founder, Mr. Yu-Ziang Hsu, came of age during war-time and had to discontinue his studies when he was 15. With an understanding and regret for those who lack the opportunities for higher education he founded the Oriental Institute of Technology and the Yuan Ze Institute of Technology. In compliance with the government's strategy of cooperative work-experience education, he concurrently developed educational programs to train technicians for the textile and cement industries.

In 1969, Mr. Yu-Ziang Hsu founded the Oriental Academy of Industrial Technology (which became the Oriental Institute of Technology in 2000). This was Taiwan's first private two-year junior college and in addition able to offer evening classes.

Mr. Yu-Ziang Hsu observed that while the government provided basic education, some less fortunate still were unable to achieve their full potential due to their economic disadvantage. He was particularly concerned about children from poor families who were forced to work. Thus offering night classes for young people who had to work during the day provided much needed educational opportunities. In 1981, to increase these opportunities for young Taiwanese, he purchased Yu Chang Vocational School located in Pingxi Village, Taipei County later merging it with two other schools Fuxing Vocational School and Ronglong Girls Vocational School. Relocating the school to Banqiao, Taipei County, the school offered a higher quality education and provided opportunities in the form of night classes for young men and women conveniently located living near Far Eastern Textile's Taishan plant. Young students were thus able to attend class at night and engage in day jobs, thereby establishing a mutually beneficial system with the goal to promote education in rural areas, and providing study opportunities for the economically less fortunate.

As Taiwan's economy evolved from labor-intensive to more technology-based work, Mr. Hsu was aware that a two-year junior college would not be sufficient. When the Ministry of Education permitted the establishment of private industrial, medical, and technology institutes in 1985, Mr. Hsu founded Yuan Ze Institute of Technology (renamed Yuan Ze University in 1997). While laying the groundwork for an institution of higher learning, his first and foremost goal was to develop Yuan Ze University (YZU) into one of the highest-quality educational facilities in Taiwan with international standards. In the 20 years since its establishment, YZU has met those expectations and its innovative strategies have reformed Taiwan's higher educational environment. YZU was accredited by the British BSI Company certification system to be granted ISO9001 in the field of instructional administration. In 2003, Taiwan's Executive Yuan awarded its first National Quality Award to an educational institution and to YZU.

Mr. Yu-Ziang Hsu's name in Chinese includes the Chinese ideogram "Ziang" which in Chinese literature represents "school." For this reason, Mr. Hsu believed strongly in the benefits of education to foster talent and engender achievement. Far Eastern Group has inherited its founder's vision and devotes itself to elevating the parallel objectives of educational acumen and developing the nation's business environment for a better future.



■ Top: The Tower of the Wind, Yuan Ze University
■ Bottom: Sincerity and Diligence Building, Oriental Institute of Technology

Medical Relief Team from Far Eastern Memorial Hospital

Out of his concern for the healthcare needs of the local Taipei County residents, Mr. Yu-Ziang Hsu, the Far Eastern Group Founder, established the Far Eastern Memorial Hospital (FEMH) in 1981. The hospital has since gone on to raise the standards of medical care in Taiwan as seen in the critical success of the high caliber doctors, nurses, and staff on its medical team.

Their medical skills and shared responsibility towards others have extended beyond the hospital itself. The medical team at FEMH participated in international relief efforts that delivered urgent medical care to disaster areas, from Cambodia to as far away as Gambia. The team also provided assistance during the aftermath of the following disasters: the 7.6 magnitude “921” earthquake that shook Taiwan on September 21, 1999; the 7.8 magnitude earthquake that rocked Sichuan, China in 2008, and the 8/8 flood that devastated Taiwan in August 2009. “Providing disaster relief is an important responsibility in the medical field,” said FEMH’s President Dr. Shu-Hsun Chu.

Disaster victims frequently suffer post-traumatic stress disorder. Therefore, FEMH always includes mental-health

professionals and social workers on the medical team to ensure the highest quality of care in the timeliest manner.

Many lives are lost due to unforeseen accidents, so FEMH established a disaster-relief team in 2009 to prevent further losses in the aftermath of these tragedies. Unlike the medical response team created by Taiwan’s Department of Health, this compact and efficient team can be mobilized in a timely manner. The team has overcome tremendous logistical obstacles during the initial stages of response to mobilize volunteers and deliver scores of supply shipments.

Trained in crisis management, this passionate team is prepared for any unexpected situation. They are constantly practicing and rehearsing life saving measures, such as extreme-environment first aid treatment, strategies for identifying the wounded, and establishment of medical stations, shelters, and an emergency command center. These measures are repeatedly drilled so that the team is always prepared to move at a moment’s notice.

“There cannot be any mistake at any stage. They should be efficient at every handover,” Dr. Chu said, stressing the quality of the team’s work.

The FEMH’s disaster-relief team has been at the front line of many disasters, and has accumulated a great deal of experience. “Disaster relief is like fighting a war. Professional training is very important,” Vice President Dr. Tsuo-Wu Lin believes. Every task has its own logic, including organizing team members and carrying equipment and medical supplies. In the aftermath of the 921 earthquake everyone thought survivors needing treatment for their wounds would be the priority. But upon arrival the team learned that children and patients with chronic illnesses were the ones who needed the most help. Medicine for high blood pressure and diabetes turned out to be in critical need. Dr. Hsiao-Chun Chang, a urologist who led the medical team to the Sichuan, China earthquake site, said “One cannot walk blindly into providing disaster relief. The people and area’s needs must be carefully assessed.”

FEMH is continually innovating in the medical field and raising the bar for medical care. The disaster-relief team not only has prevailed in the daily challenges within the hospital walls, but also triumphed in delivering care to unfamiliar frontlines of natural disaster.



■ Left: Far Eastern Memorial Hospital volunteer team conducted a clinic in Cambodia
■ Right: Far Eastern Memorial Hospital Medical Team





■ Far Eastern Memorial Hospital's CT scanner



■ Asia Cement Hualien factory and greenification



Environmental Protection & Energy Savings

Striving to save energy and reduce CO₂ emissions, Far Eastern Group (FEG) triumphed in constructing the landmark building Taipei Metro Towers. The twin buildings use an innovative HVAC (Heating, Ventilation, and Air Conditioning) system that creates ice cubes while offices are closed at night, and circulating the cold air produced by melting ice to all floors of the building during the day. This system saves NT\$2.5 million per year in electricity costs and the equivalent of 690,000 tons of CO₂.

With the world facing a global warming crisis, businesses are in a privileged position to be leaders in environmental protection. With the experience gained from Taipei Metro Towers, FEG Chairman Douglas Tong Hsu pays close attention to any details of a building that can be made eco-friendly. In fact, environmental concerns are FEG's first priority when constructing a building. In 2009, the Pacific SOGO Department Stores Tianmu Store, in Shihlin District, Taipei, opened. It features green architecture that meets the highest criteria for eco-friendliness. In addition to solar panels on the roof to power LED lights in the restrooms and vaulted ceiling spaces, there is also a rainwater recycling system in the basement of the building where recycled water is used for restrooms and plant hydration. The store also features an 8,300 square-meter park for the enjoyment of customers and the local community.

Everest Textile Co., Ltd. (Everest), a listed Far Eastern Group Company located in Tainan, also boasts a model green factory. Everest has permanently turned off all air conditioning systems throughout the entire plant since 2008. It now uses natural air-circulation princi-



■ The Pacific SOGO Department Stores Tianmu Store's solar panels

ples to regulate indoor and outdoor temperatures transforming the potentially dirty, hot, and humid factory air into comfortable, clear, cool air quality. The company has also improved its wastewater processing, and utilized the recovery of electric heat energy. By doing so, it significantly reduces electricity usage.

In FEG, Asia Cement Corporation (ACC) is the environmental pioneer. Under the leadership of plant manager, Tsai-Hsiung Chang, ACC uses precision equipment, for instance, to solve an incomplete combustion problem that once resulted in black smoke. In addition, Chang also pays close attention to the greenification of the local environment after mining. ACC uses the ladder-mining method, planting trees on a ladder when mining is completed. There are over 50,000 native species of trees on the hill where the quarry is

located, with signs of indigenous animals such as cobras, wild boars, and Formosan macaques. The Hualien plant even transformed an area of its grounds into a butterfly garden and successfully rehabilitated the Heng-Chun birdwing butterflies, which were nearing extinction. "When working on business development, you also need to take care of the environment. You can't ignore the importance of environmental protection," emphasizes Douglas Tong Hsu. "To understand your strategy's impact on the environment is to be conscientious about being environmentally-friendly. One makes the necessary adjustments to protect the environment." FEG has accumulated in-depth experience in conserving energy and reducing CO₂ emissions and created a win-win scenario by balancing business development with eco-friendly practices.



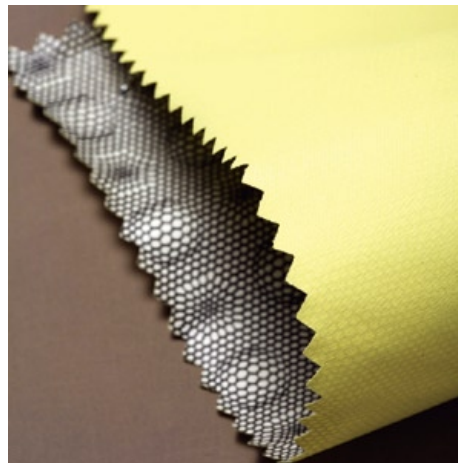
■ Eco-friendly Everest Textile plant campus, Tainan, Taiwan



Everest's Environmental Program

“Sustainable Development” is not just a slogan or marketing tool but requires persistence and an executed plan. Standing in front of the water curtain in the Everest Textile (Everest) plant, employees enjoy a flow of cool refreshing air not unlike that from an air conditioner. This has been accomplished naturally by using recycled gauze and a small water flow combined with a simple negative pressure application. Walking around the plant's campus, visitors are often pleasantly surprised to see the curtains of greenery, varied aquatic plants in the pond, the primeval forest, and organic garden. The first and only eco-industry park in Taiwan, the concept of building originated from survival due to difficulties resulting from the economic downturn and the rising prices of crude oil and raw materials. “Everest needed to pay NT\$30 million in electricity costs and NT\$20 million in heavy-crude oil costs. How were we going to survive the global economic recession?” Everest President Roger Yeh stated bluntly. Lowering production costs was the motivating factor for improving the Everest plant's environment.

Investing in cost-reducing production and improving the environment had almost immediate results. In two years, Everest saw a 30% decrease in overall production costs, and simultaneously provided visionary leadership on making the Earth a better place. In 2007, Everest established the Everest Sustainability Model (E.S.M.) organization, systematically promoting environmental design, marketing and promotion, and cleaner production concepts. The results were phenomenal, with reduced energy usage starting in the first year. In the second



■ Various multi-functional Everest Textile fabrics



year, Everest started constructing its eco-friendly industrial parks at three plants, with continued improvements to the production process, waste reduction, and a varied plant campus with a variety of flora and fauna and moving towards a successful goal in three key areas: economic growth, social responsibility, and environmental protection.

In order to enhance the reuse rate of weaving water, Everest also has begun indepth research into rethinking water quality such as that used in dyeing, finishing, and weaving. After adjustments in the optimal pure and soft water ratio and the implementation of new water-saving measures, the company has enhanced the usability of recycled water and significantly reduced wastewater. In addition, utilizing clean coal-burning technology not only lowers production costs by 60%, but also allows the byproduct, sulfur dioxide to be reprocessed in water to become sulfuric acid. This reduces the expense of acid, which can be used to balance wastewater chemicals. Reusing sulfur dioxide allows the heated water to be recycled, and thus helps

keep the air cleaner. The dyeing plant employs the high-temperature waste-heat exchange method to heat up the water used for production. This in turn eliminates additional processes needed to lower wastewater temperature and reduces the need for heat production. In two years, these procedures reduced CO₂ by an amount equivalent to planting over 80,000 trees. These changes have inspired everyone associated with Everest to love the environment a little more, showing in the increased enjoyment of staff who can often be found taking a relaxing break by the eco-pond outside of the plant they helped build and practicing eco-friendliness not only at work but in their daily lives.

Everest has influenced more than 2,000 employees and their families. These families have begun paying closer attention to environmental protection, and take pleasure in sharing their experience and success with others. Everest plans on partnering with local communities to assist with improvements towards the environment, while maintaining economic prosperity as its goal.





■ Top: Far Eastern New Century Corp. (renamed from Far Eastern Textile Ltd.) Hsinpu plant interacted with the community

■ Left: Chiahui Power Station Panorama

Community Harmony

Chiahui Power Station is located on Ming-Hsiung Mountain in Chiayi County in southwestern Taiwan. It is a wonderful eco-friendly environment where local residents often take their dogs on walks in and around the plant's campus and at night, you can enjoy the fantastic night view of Chiayi. In 1995, the Taiwan government approved the first group of privately-owned power plants and Chiahui Power Corp. was among the first of those approved. It marked a milestone for Far Eastern Group's history in the power and energy sector. What is harder to imagine is the conflict between local residents that would result when the government finally gave permission for the power plant to be built.

At that time, Chiahui Power Corp. having passed the environmental evaluation was already in the process of site preparation. However, the local residents contesting the power plant project with a series of complaints, formed a grassroots organization to prepare for long-term battle. Associate manager Tai-Lin Sun points out that Chiahui proactively began to communicate with local residents, emphasizing that the power station would be gas-fired with zero pollution.

In addition, they arranged for more than 1,000 local residents to visit the Chung-Shung Power Plant in Taoyuan County to better understand power plants and the communities they reside in.

The company improved its reputation by actively participating in community activities and events. They provided scholarships for elementary and junior high school students. For the neighborhood watch, they installed surveillance cameras. Emergency funds were donated by the company along with a host of other services and charitable contributions. "The communication continued even after the power station was built. We also showed the residents our beautiful greenification results to gain their trust," says Tai-Lin Sun. After continued communication with local residents, both parties reached common ground and ended the conflict. From the day operations commenced, this has been an optimal place for elementary students to learn about electricity and provides the best learning ground for future electrical engineers. National Chung Cheng University's Earth and Environmental Sciences Department has listed Chiahui Power Corp. as an extracurricular educational site providing mutual understanding for better future

community collaboration.

Success was also the case in the FEG chemical fiber plant located in Xinpu Township, Hsinchu County. Since it was established in 1969, the interaction between the plant and the local residents has been remarkable, creating local job opportunities and driving community development. Wanting community acceptance and actively creating a positive image, an organic garden and crops are shared with local residents along with the support of developmental activities in the community and becoming a friend and partner to its local residents.

Taipei Metro Towers, the Far Eastern Group's headquarters located in Taipei's Tunnan area, also create an eco-friendly atmosphere, adopting the sidewalk on Tun Hwa South Road with regular maintenance and increased plantings of greenery. Asia Cement also turned its Hualien plant into a park, which can also on occasion open to visitors. Whether in Taipei, Chiayi, Hsinchu or Hualien, as long as there is a FEG business in the area, local residents enjoy a good standard of living and quality of life. FEG treats community harmony as one of its social responsibilities, and works hard to create a positive atmosphere in each community in which it resides.

“Win-Win” for Labor and Management

Far Eastern Textile Ltd.’s (FETL, renamed Far Eastern New Century Corp.) chemical fiber plant resides on a lush campus lodged between the mountains and the sea in Xintpu Township, Hsinchu County, in northern Taiwan. With a 6,600 square-meter organic farm on the campus, visitors receive seasonal crops or produce as souvenirs before they leave and a comfortable environment created by the employee decoration gives the workplace a feeling of home.

It is hard to imagine, ensconced in this peaceful environment, that this was the site of a serious illegal labor strike about 20 years ago, after Taiwan lifted martial law. In 1989, employees staged an illegal strike against the company leading to a major conflict between the company and its workers. The strike, initiated by employees who refused to accept reorganization based on production requirements, later encouraged other labor unions to get involved in what had now become a large-scale illegal strike attracting Taiwan’s labor unions to the front gate of the FETL plant.

With 110 protesting employees and over a 1,000 union supporters, the strike incited heated conflicts with the police. Johnny Shih, FETL Executive Vice President at the time, as the onsite commander for seven days remembered vividly the tense situation. Even when production stopped due to a shortage of labor, Far Eastern Group’s Chairman, Mr. Yu-Ziang Hsu, refused to bow to the pressure of the illegal strike. FETL was already the leading textile supplier in Taiwan and this affected many downstream textile manufacturing facilities as they faced a critical materials shortage as a result.

Eventually, finding themselves in financial straits, they requested a return to their previous positions ending the strike, which had endured for one month. FETL suffered terrible losses and severe damage to its reputation, but from the perspective of Taiwan’s labor movement, a valuable lesson on the handling of labor disputes was learned.

“From the perspective of Taiwan’s labor movement, this was an important experience. From FEG’s perspective, the company and the employees both learned that illegal protests were not helpful in making individual gains. Since then, both sides have been able to come together and establish common ground.” recalls L.T. Chang, who was the plant manager at the time and is now Chairman of Oriental Petrochemical (Shanghai) Corporation, in this tumultuous chapter in FEG’s history. Since that incident, FETL has not had another conflict of comparable magnitude with its employees. This episode is a turning point in FEG’s labor and management relationships with both sides realizing that resolving disagreements through negotiation and discussion is far more effective.



■ Far Eastern New Century Corp. (formerly Far Eastern Textile Ltd.) Sports Day - corporate staff competing in harmony





Relief for Victims of Natural Disasters

On August 8, 2009, Typhoon Morakot caused severe damage in Taiwan and aid to the victims by Far Eastern Group (FEG) originally allocated for the Group's 60th anniversary in the amount of NT\$60 million was immediately donated. In the aftermath of the disaster, the Group mobilized its medical teams, retail, telecommunications, and construction businesses, and organized volunteers from Group companies and Yuan Ze University to form disaster-relief teams to assist in relief efforts.

Five elementary and junior high schools were badly damaged in and around the disaster area and as soon as temporary campus sites were identified, FEG started rebuilding these schools proceeding to design and plan the infrastructure with focus on waterworks and power needs. In 10 days, the Group finished building a makeshift space for students to study as well as shelters for living. "We cannot waste a minute. There has to be a formal learning environment welcoming the students," said FEG Chairman Douglas Tong Hsu at the

time of the crisis.

FEG's disaster-relief system came from its experience in assisting victims of the 921 earthquake that hit Taiwan in 1999. After learning of the disaster, Douglas Tong Hsu called for an emergency meeting with all senior executives donating NT\$150 million, and delegating the Group which would provide disaster relief in the three phases of rescue, arranging shelters, and rebuilding.

After going to the disaster stricken area amid the aftershocks to better understand the situation and needs, Douglas Tong Hsu established a communications center with Far Eastone, a medical station with Far Eastern Memorial Hospital, and an on-site daily necessity supply center with Far Eastern Department Stores. With this in place, care and supplies could be efficiently distributed. Students from Yuan Ze University and Oriental Institute of Technology volunteered to help earthquake victims get settled.

Entering the second phase of providing shelter, Douglas Tong Hsu wanting to build durable spaces for the victims, asked Far Eastern Construction immediately

to begin building 50 temporary housing units. Although these were pre-fab buildings, Far Eastern Construction paid great attention to quality and digging foundations for the houses making them still habitable and as durable ten years later as when they were first built.

For the third phase of rebuilding, Douglas Tong Hsu wanted to genuinely help the victims rebuild their lives. With Asia Cement providing cement materials, Far Eastern Construction assisting in construction, and Far Eastern International Bank providing low-interest loans, the group provided a complete plan for the victims to rebuild their homes.

In another charitable display, FEG used its disaster-relief management experience to donate money and supplies through Yadong Cement and Far Eastern Department Stores local branches an hour after the Sichuan, mainland China earthquake hit in 2008.

Douglas Tong Hsu believes that enterprises should utilize their professional expertise to help in disaster relief efforts and could learn much from FEG's disaster-relief experience and management system.



■ Far Eastern Group assisted flood victims in rebuilding their homes in Taiwan



■ Far Eastern Group offered a free clinic for Sichuan earthquake victims in China



■ Far Eastern Group assisted flood victims in rebuilding their homes in Taiwan

■ Far Eastern Group assisted in relocating elementary school and junior high school in Taoyuan Township, Kaohsiung County, Taiwan



Social Support for the Needy

Far Eastern Group (FEG), a diversified business conglomerate involved in more than ten industries, views public welfare as an important part of social responsibility. Becoming a cross-community platform has enabled FEG to regularly reach its potential in this area.

Having always paid attention to issues related to children's education. In 2007 and 2008, Far Eastern Department Stores, Pacific SOGO Department Stores, and Ai Mai promoted the *I Love School - Children Going to School with Love* project. This project provided school supplies for over 13,000 needy students, benefiting them so greatly that many wrote cards of appreciation with their stories or drawings in turn providing encouragement to FEG staff that the contributions were appreciated.

In 2009, Far Eastern Group sponsored the Cirque Du Soleil Taiwan tour. Pacific SOGO Department Stores donated tickets to mucopolysaccharidosis disease and hearing-impaired pediatric patients. The organizer of this event, Pacific SOGO Chairperson Sophia C. W. Huang indicated that the families of children suffering from illnesses should experience some of the joys life has to offer.

In the past two years, Pacific SOGO Department Stores has also collaborated with United Way Taiwan to help families in crisis, single-parent families, and children suffering from domestic violence. This effort has helped 3,579 new immigrant families, 1,952 single-parent families or families suffering from domestic violence, 3,312 children with after-school care, and 2,813 families strengthen home care and improve Parent-Child relationships.

"Closing the distance" has been Far EasTone Telecommunications' motto in reference to the void these children feel after experiencing family trauma. In August 2006, the company recorded an EP (extended play) album for charity. The com-



pany also revised the hit commercial song *Put the Whole World in Your Hand* to promote helping orphans. Far EasTone's Vice Chairman Jan Nilsson indicates that "Besides the actual supplies and money, people are encouraged to donate their time doing hard work to spread their love and create a better future for these deserted children."

Far Eastern International Bank also provides the Eden Social Welfare Foundation with long-term support including accompanying disabled children to the zoo and in the past assisting children injured in the Iran-Iraq war to receive artificial limbs in Taiwan. From 1997, when the Eden credit card was first issued, the credit card reward system has paid out rewards worth close to NT\$20 million expanding Eden from fourteen initial service branches to seventy-five service branches today. With this many service points, they can help up to 8,000 disabled people a day. "We treasure our relationship with Eden tremendously. Growing together makes us feel particularly humble and grounded," says Eli Hong, President of Far Eastern International Bank.

Caring about people in need is a long-term process and the Group is always seeking new and innovative ways to promote public welfare activities through its businesses.

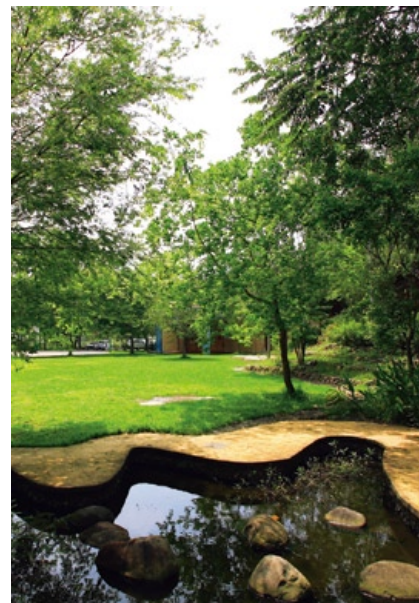


■ *I Love School - Children Going to School with Love* event





Campus Reconstruction after the 921 Earthquake



■ Top: Nantou Shuiwei Elementary School received Honorable Mention in the *Far Eastern Architecture Design Award - Campus Reconstruction Special Award*

■ Left: Nantou County's Tannan Elementary School, which won the 2001 annual *Far Eastern Architecture Design Award - Campus Reconstruction Special Award*

The Taiwan 921 Earthquake in 1999 severely damaged many elementary schools in central Taiwan. After Far Eastern Group Chairman Douglas Tong Hsu went to visit the mostly mountainous disaster area, he was determined to find the lost laughter for these children, re-establish the elementary schools, and build new model schools for other schools in Taiwan. The Far Eastern Group (FEG), which holds the annual *Far Eastern Architecture Design Award*, introduced the special *Campus Reconstruction Award* after the earthquake. The goal was to encourage architects to create a learning space as beautiful as dancing butterflies to encourage creativity among Taiwan's youth.

The *Campus Reconstruction Award* has an equally important aim to create new school campus concepts to rethink space, life, and the educational experience. It encouraged many new-generation architects to get involved in the rebuilding effort, use their youthful warmth and energy to create unique school campuses filled with imagination. Le-Jin Chiang, who won the 3rd annual Outstanding Award, built Tannan Primary School in Sinyi Township, Nantou County, central Taiwan. She adapted simple aesthetics from the local farming style, and integrated it with modern materials and aboriginal architecture. Allowing for a natural integration between the school and culture, there are many semi-open spaces, which display the Bunun aboriginal tribe's housing style. Using vaulted spaces to interconnect levels and having levels intertwine make for a richer and more interesting structure. The supporting beams, built with stone bricks, were handmade by local residents. The school resides within an open space without the constraint of walls, and is the meeting area for everyone in the mostly aboriginal community tribe to come together. It is also a wonderful playground for children. Douglas Tong Hsu, who visits Tannan Primary School frequently, is often stunned by its architectural beauty saying, "It is hard to believe that this remote area has such architecture!"

Surprisingly, a beautiful school campus can become a tourist attraction. Shuiwei Elementary School in Puli Township, Nantou County, which won the third annual Honorable Mention prize, utilized an abundance of colors, a contrast of sunrays and shadows, and plants of the four seasons which encourage an appreciation of the natural beauty of water, farms, river flow, and plant life. Students can stand at the star observation platform on the roof to gaze at the surrounding hills, rivers and beyond along with regular visitors from outside such as painters and tourists who can enjoy the scenery as well.

FEG also donated over NT\$60 million to Sien Fong Elementary School in Nantou County for the rebuilding of their school. During the planning stages, with comments and suggestions from the school and parents taken into consideration, a slanted rooftop inspired by log cabins provided the main theme, and hallways and external stairways provided lively concepts eventually resulting in a locally prominent elementary school.

After the completion of the project, the *Campus Reconstruction Award* was retired. However, this award allowed for concrete examples of creativity in architecture for learning, which would spread to school campuses throughout Taiwan.

Far Eastern Y. Z. Hsu Science and Technology Memorial Foundation

In 2001, Douglas Tong Hsu established the Far Eastern Y. Z. Hsu Science and Technology Memorial Foundation in honor of his father, and to promote scientific and technological innovation. In 2002, he established the *Y. Z. Hsu Scientific Award* to encourage fundamental scientific studies in order to inspire the research necessary to keep society moving forward. Promoting “Technology and Innovation” as the *Y. Z. Scientific Award*’s mission, the top award is NT\$1 million, one of the largest scientific awards in Taiwan.

The Foundation identified three important areas for development: Nano Science & Technology, Communication & Optoelectronics, and Bio-medical Technology. Every year, the peer-review team selects outstanding scientists and their results. In 2008, the foundation added the green technology field to promote environmental protection and energy conservation. By 2009, the foundation had given out NT\$50 million in award money, and continues to promote new technology in diverse fields.

The *Y. Z. Science Award* is divided into three categories: *Y. Z. Hsu Scientific Chair Professor*, *Y. Z. Hsu Scientific Paper Award*, and *Y. Z. Hsu Technology Invention Award*. The Foundation has honored many outstanding scholars and supported them in their research, and periodically sponsors forums and seminars. To applaud the efforts of outstanding professors and doctors, it also designed the *Y. Z. Hsu Yuan-Ze Chair Professor* and *Y. Z. Hsu Outstanding Professor* awards specifically for Yuan Ze University, Oriental Institute of Technology, Far Eastern Memorial Hospital, and National Taiwan University Hospital, respectively.

In 2009, the Foundation collaborated with National Taiwan Normal University’s Department of Physics to host the first annual *Y. Z. Hsu Cup – First Annual Young Physicists’ Tournament*. The entire competition was conducted in English.



■ 7th annual Y. Z. Hsu Scientific Awards Ceremony in 2009

This event was set up to discover and develop the next generation of technology pioneers and celebrate the enjoyment of science. The Foundation also selected a team from these outstanding young physicists to compete in the *International Young Physicists Tournament* in 2010. The Foundation elevated Taiwanese students to an international platform, and promoted the importance of fundamental science. Far Eastern Y. Z. Hsu Science and Technology Memorial Foundation was the first non-profit organization in Taiwan to apply to the National Science Council for an establishment license, which in itself was an innovative action. The trophy’s design is filled with meaning. Douglas Tong Hsu notes that the design concept came from the *Skyscraper* brand

undergarment created by the Far Eastern Group’s Founder, Mr. Yu-Ziang Hsu. At that time, the *Skyscraper* brand symbolized modernization and fashion. So, the trophy symbolizes that “with new technology always necessary, innovation will never cease.”

Douglas Tong Hsu believes that technology and innovation are the critical elements of Taiwan’s economic development. With the financial assistance of the Far Eastern Y. Z. Hsu Science and Technology Memorial Foundation, there are more and more scholars contributing their research to create concrete results. The Far Eastern Y. Z. Hsu Science and Technology Memorial Foundation is promoting the innovative energy needed to foster new beginnings in Taiwan.



■ Y. Z. Hsu Scientific Award Trophy