YESWIN

Suzhou Yeswin Manufacture Industry Co. Ltd.

Social Responsibility Report 2009

About This Report

- Report Period： Jan.,2008年~Dec.,2009

- This is the first copy of Annual Social Responsibility Report.

Availability of the Report：

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Address from the General Manager

As a participant of the United Nations Global Compact , S uzhou Yeswin Manufacture Industry Co. Ltd. (Yeswin for short) takes the sense of social responsibility as an inexha ustible motive of sustainable exploration and steady devel opment. 2009 is one of the most important year in our compa ny's history in which we initiatively push forward the sustain able development of the economical society, taking "Scienti fic Development & Social Harmony" as the guideline, empha sizing on the creative thinking and active practice focusing on the whole situation.

We combine together the economical construction and so cial construction to utmost reciprocate the society and to s erve the public to the most extent. We make our best effort to propel various social parties to establish mutual cognition a nd trust to build a harmonious society. We actively thrust our selves into the social welfare and make a considerable contrib ution in disaster relief and public donations.

We promise to abide by all the princi ples of global compact constituted by UN. We consistently improve our own corporate management to integrate the basic principles and essentials of social responsibility into our development stra tegies. We give great care to various gl obal issues concerning economy, societ y, environment and global warming an d so on, establishing the preconditions f or improving the sustainable developm ent ability.

To be a market leader by reform and innovation will add new motive and c ontents in our implementing social re sponsibility. We will endeavor ourselv es in developing our own potential adv antages and working together with vari ous stakeholder to do more share in bui lding a harmonious society and world.

About Yeswin

Suzhou Yeswin (Operation in China)
Manufacturing & Distribution

Company profile: Yeswin is one fasteners corporation member, of which the annual sales revenue amounts to $ 240 million, and the core business ranges from design to manufacture, oversea sales, and to integrated logistic service. The 14 workshops located in the three manufacture bases (Xiamen, Suzhou and Taiwan) possess a series of coordinated advanced equipment, which helps to well control the whole processes including acid-washing, nodulizing, drawing, cold stamping, hot forging, machining, heat treatment, electric plating, painting and other key processes. Our quality system has acquired the certifications of TS 16949、ISO 9001、ISO 14000、CQI-9, and our testing laboratory is also accredited by A2LA, USA.

Our products enjoy a good global popularity, of which automobile fasteners take 70% of its whole sales volume. To cater for the sustainable development of China market, Yeswin introduced into an advanced sales mode, Vendor Managed Inventory (VMI), to run into domestic sales area in China mainland, to expand the advanced integrated logistic service market. We have established three distribution centers separately in Beijing, Suzhou and Xiamen, and also built separate products delivery warehouses in Shanghai, Chongqing, Changchun, Wuhan, Guangzhou, Zhanjiang and Hainan to provide clients with on spot logistic services in accordance with the layout of manufacture sites and distribution channels.

The Domestic Market Continuous Growth

Stakeholders

Shareholders

We gradually perfect our operation systems, respect and give play to the non executive directors, and safeguard investors' legal rights.

Customers

Taking "Customer as God, Promise Be Kept" as our operation philosophy, we emphasize on innovation to enhance our customers' satisfaction.

Suppliers

We took all suppliers as equal cooperative partners, attaching great importance mutual trust and profit, and common development.

Safety Development

- Safety Management
- Safety Education
- Emergency Mechanism

Safety Production Management

We consistently implementing the management principle of ***Life Surpasses all, Safety Comes First,*** insisting on putting safety production on the top position.

Safety Production Policies

People Foremost; Prevention first; Total Involvement; Continuous Improvement

Safety Management Target

Zero Wounded; Zero Polluted; Zero Accident

Safety Accident Statistic

Types of Accidents	Year		
	2007	2008	2009
Grave Casualty	0	0	0
Grave Equipment Failure	0	0	0
Common Casualty	0	0	0
Common Equipment Failure	0	0	0

Safety Education

Lecture on Safety Knowledge

In order to do well on the safety work, it is of very importance to provide safety training to employees, to elevate total employees‘ awareness of safety production and their quality of safety cognition. Yeswin has successfully hold fire drill and other lectures on safety knowledge, which helps employees work skillfully with the learner safety knowledge initiatively. Our company arranged several staff to receive the safety training give by State Administration of Work Safety and acquired the certificate for the safety work qualitification.

Emergency Mechanism

Under the guideline of unit management and step control, Yeswin made all the emergent incidents under control, and lowered down the cost occurred.

Yeswin

Staff Development

- Employment System
- Employee Training
- Staff Health

Employment System

Yeswin tries its best to safeguard employees' legal rights by implementing the total labor contract system abiding by the principles of equality, voluntariness and reaching unanimity though consultation.

We strictly observe the employment system of equality and non-discrimination, and make considerate arrangement for the disabled staff.

We actively advocate the principle of *Joint Development and Share,* to make sure development relies on and for the staff.

Employee Training

We uphold the philosophy of *Common Development of Enterprise and Employee,* and comprehensively act on the guideliness of *Repect Work, Knowledge, Talents and Creation,* constructing a good development platform for the employees.

We take the training of key and scarce talent as the acting point, reform the training mechanism, and has developed the pattern of lecture on internet to explore the tele-education process of training, testing and management.

State of Employee Training 2008	
Training Programs	220
Employee Training Rate	100%
Person-time of Training	1233人

Quantities of Qualification Accreditations 2008	
Technical Qualification	38
Professional Qualification	64
Technician Qualification	21

Staff Health

We emphasize on the humanistic care to the common employees, and actively push forward the program of the total involvement of taking holidays, training and heath care to elevate employees' quality of life and health.

Yeswin gradually increases the investment for bettering spot safety facility to create a safe, healthy and comfortable working environment for its employees.

Social Responsibility

It is our pursuit to create harmony between outside and inside of company. We exert ourselves in fulfilling the principle of joint development and share; We better the management mechanism to safeguard employees' legal rights by constructing a well-formed development platform to elevate their life quality and to make the common development between company and its common employees; We endeavor ourselves in building stable and long-term cooperative relations with our strategic partners by legal operation, mutual benefit, regularized management and effective communication; We build together with our suppliers and customers a healthy and orderly market environment by legal operation and keeping of promise; We initiatively take par in activities of community building and promote the development of the local economy.

◆ Donation for the Disaster-hit Area

It is essential for a company to make contributions to the society. We actively get involved in public welfare undertaking by donation and other channels, and establish special funds for the serious natural disasters, Donation for Sichuan earthquake relief in 2008, for example.

Picture of Future

Since founded 13 years ago, Yeswin has earned its market and reputation in great China, step by step, by training a competitive working team and by acquiring international accreditations to develop the oversea market. With those advantaged accumulated by common effort, now are picturing the future as follows (to be accomplished by 2010).

- Building a management system based on job performance.
- Cultivating a well-trained R & D team.
- Be a global supplier to plenty of top world-class customers

Appendixes

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Ten Principles of the United Nation's Global Compact

The Global Compact is initiated and advocated by the United Nations, aiming at establishing a global framework of sustainable development and social benefit leading by the responsible and creative enterprises.

We joined the United Nations Global Compact in January,2008, and we commit ourselves in observing the ten principles in four areas concerning human rights, labor, environmental protection and anti-corruption. Under the guide of the ten principles, Yeswin takes its social commitment and will disclose the progressive status in our annual report on fulfilling of principles.

Ten Principles of the United Nation's Global Compact		Action Performance
HUMAN RIGHTS	1.Buniess should support and respect the protection of internationally proclaimed human rights; and	Adhere to the principles of law and regulations; comply with China government standards ,recognized international conventions and international practice.
	2. make sure that they are not complicit in human rights abuses.	
LABOUR	3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	To establish the principles of equal consultation; to strengthen the system of democratic management supervision to safeguard the legitimate rights and interests of workers; to eliminate the use of child labor and the forced labor; to establish an open, equitable, competitive, merit-based employment mechanism; to put an end to all discriminations regarding ethnic, gender, sexual orientation, nationality, religion, region, family, age and diseases.
	4. the elimination of all forms of forced and compulsory labor;	
	5.the effective abolition of child; and	
	6. the elimination of discrimination in respect of employment and occupation.	
ENVIRONMENT	7. Businesses are asked to support a precautionary approach to environmental challenges;	To implement standardized construction; to develop conservation-minded ,environment-friendly, energy-efficient technologies; to promote environmental protection knowledge to support for the development of renewable energy .
	8. undertake initiatives to promote greater environmental responsibility; and	
	9. encourage the development and diffusion of environmentally friendly technologies.	
ANTI-CORRUPTION	10. Businesses should work against corruption in all its forms, including extortion and bribery.	To strengthening the good governance and build a mechanism for punishing and preventing corruption and anti-commercial bribery.

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Appendix

Terms

Recovery Efficiency The recoverable amount of original or residual hydrocarbons in place in a reservoir, expressed as a percentage of total hydrocarbons in place.

Reserve Replacement Ratio Reserve replacement rate refers to the data that the amount of the newly added net reserves is divided by all oil and gas production in the whole year, which be further divided into oil reserve replacement rate, natural gas reserve replacement rate and reserve replacement rate of oil equivalent.

Know Reserves According to Chinese national standards, the known reserves refers to that proven after estimation giant size and remarkable economic results obtainable from exploitation, of which the estimation tolerance is no more than 20%. Know reserves include proven geological reserves, proven technologically recoverable reserves, proven economically recoverable reserves and proven recoverable reserves of sub-economy.

Marketable Natural Gas Reserve

It refers to the volume of natural gas available for sale, excluding empting combusted, re-injected and wasted gas in production.

Liquefied Nature Gas (LNG) The produced natural gas is transformed into liquefied one under a condition of low temperature and high pressure after the process of fluid-removing, acid fractionation, drying and fractionation by distillation.

Ethylene Ethylene is one simplest olefin, an intermediate raw material for the manufacture of synthetic resin, synthetic rubber, organic products.

Occupational Diseases refers to those diseases for the workers caused by the contact with dusty, radioactive, toxic, and other hazardous substances

Occupational Health Check refers to the health checks to those operating personnel in contact with occupational diseases. Occupational health check should be processed based on the categories of occupational hazards of exposure to determine the inspection items and periods, according to the requirements by *Occupational Health Checks and Periods*. Occupational Health Check include those checks given to the staff during the period of pre-service, in-service, off-service and periods of emergency.

Rate of Workplace Inspection refers to the ratio of the number of actual annual inspections to the number of annual inspections supposed to be given.

Severe Safety Incident refers to that of death of 3 to 9 people or 10 to 49 people poisoned or serious bodily injured, or incidents resulting in economic losses from 5 to 10 million Yuan and great social impact.

One Million Working Hours is approximately equal to the total working hours of 500 people in one year. The total staff working hours include hours for training and overtime, but excluding those for holidays, sick leave and other absences.

Environment refers to the air, water, minerals, organisms, and all other external factors surrounding and affecting a given organism at any time.

Environmental Impact Assessment is the assessment work conducted to assess the impact brought to the environment in the phase of project plan or before implementation.

Petroleum (Mineral Oil) Mixture of various hydrocarbons in waste water, including all the collected substances dissolved in specific solvents, as well as all substances extracted from the acidified samples which is not volatile. in the experiment .

Chemical Oxygen Demand (COD) The amount of oxidant consumed in dealing with water with strong oxidizing agents under certain conditions. It is a comprehensive parameter to measure the pollutants discharged into water and the potential impact on the environment of. The higher the COD value, the heavier the water bodies contaminated by reducing substances.

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