



*REPORT OF
COMMUNICATION
ON PROGRESS*

SNF(RUDONG) CHEMICALS
CO.,LTD

发展报告

爱森（如东）化工有限公司

2018.12



CATALOGUE 目录

Contents	Page
A. Statement of continued support 支持申明	3
B. Continuous improvement 持续性改进	4
C. Top management commitment 管理层承诺	5
D. Employee engagement 员工参与	6
E. Social ability 社会责任	9
F. Healthy Safety & Environment Policy 健康安全和环保方针	10
G. Safety 安全	11
H. Environment 环境保护	18
I. Anti-Corruption 反贪腐	23



STATEMENT OF CONTINUED SUPPORT 持续支持申明

Statement of continued support 持续支持声明

Dec 2018

To our stakeholders:
致本公司利益相关者：

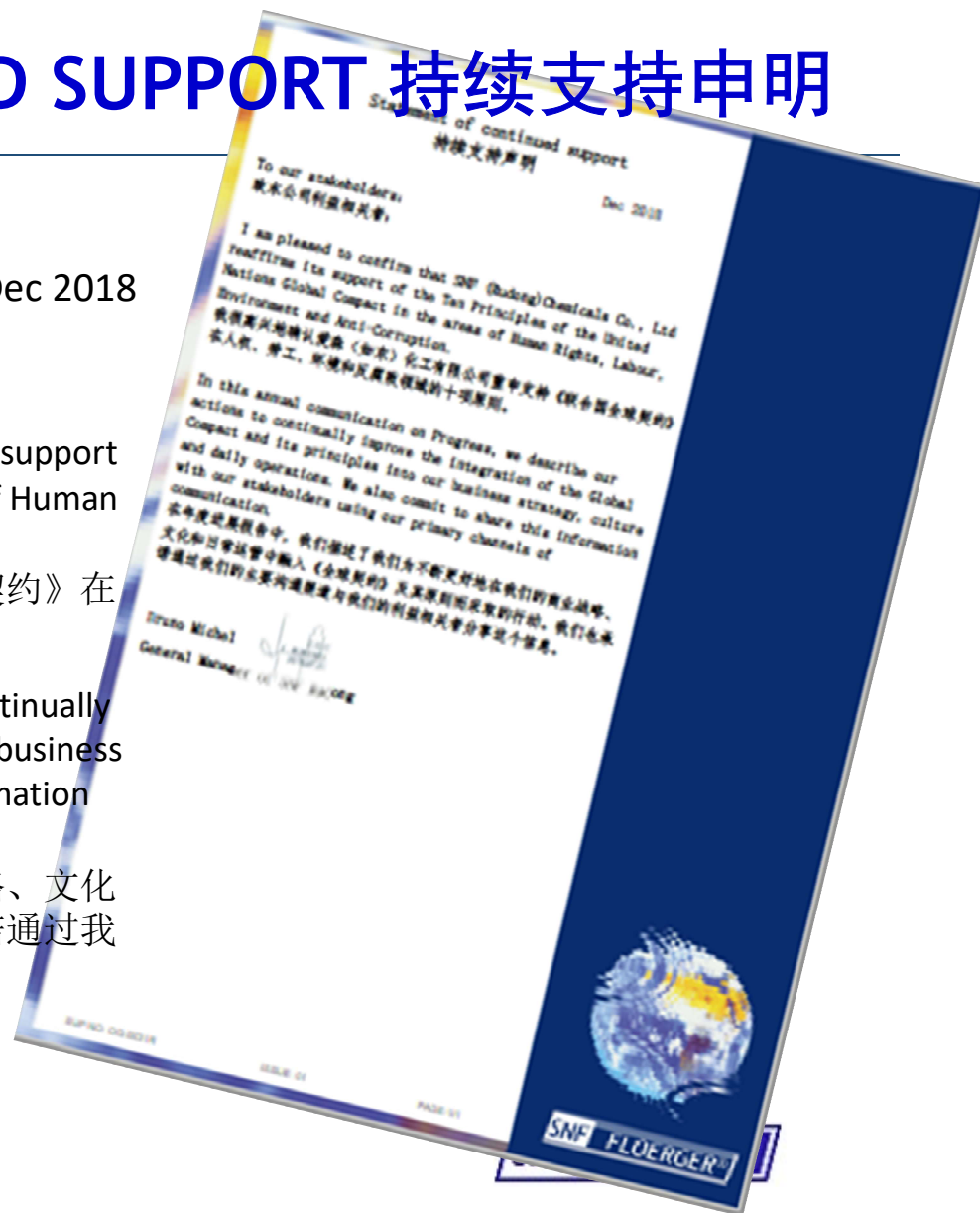
I am pleased to confirm that SNF (Rudong) Chemicals Co., Ltd reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labor, Environment and Anti-Corruption.

我很高兴地确认爱森（如东）化工有限公司重申支持《联合国全球契约》在人权、劳工、环境和反腐败领域的十项原则。

In this annual communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. We also commit to share this information with our stakeholders using our primary channels of communication.

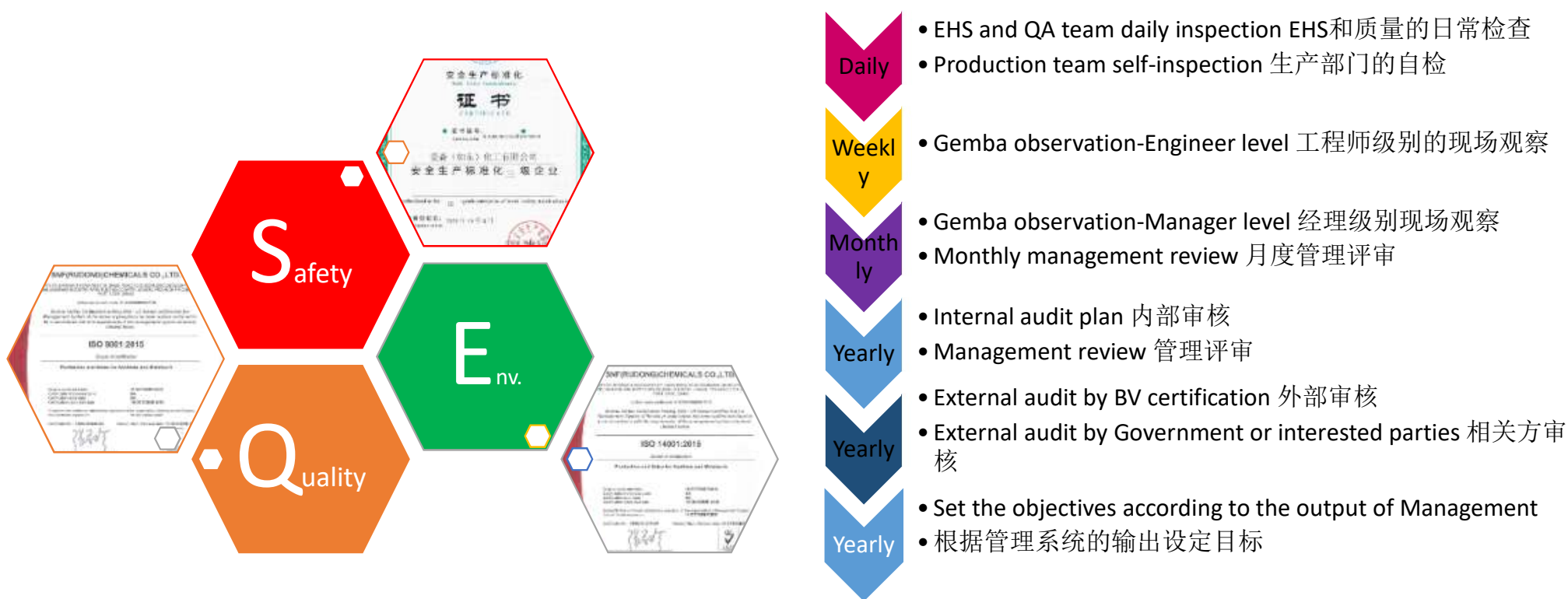
在年度进展报告中，我们描述了我们为不断更好地在我们的商业战略、文化和日常运营中融入《全球契约》及其原则而采取的行动。我们也承诺通过我们的主要沟通渠道与我们的利益相关者分享这个信息。

Bruno Michel
General Manager of SNF Rudong





CONTINUOUS IMPROVEMENT 持续性改进



**Maintain management system
“alive” !**



TOP MANAGEMENT COMMITMENT 管理层承诺





EMPLOYEE ENGAGEMENT 员工参与

- We always to encourage our employees to participants in the following activities:
我们一直鼓励员工参与以下活动:
- Meanwhile, we create many ways to realize employee engagement:
同时, 我们建立了多种渠道实现员工参与:



- 工会
- Labor Unions
- 安全委员会
- Safety Committee
- 宣传栏
- BBS
- 餐厅调查
- Canteen investigation
- 隐患排查
- Near miss identification
- 员工培训
- Employee training
- 工作安全分析活动
- JHA activities
- 日常沟通, 邮件、电话、面谈
- Daily communication, such as E-mail, call, face-to-face talk



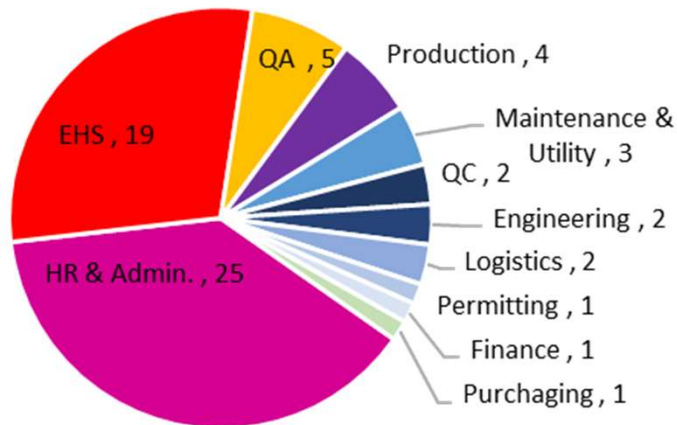
EMPLOYEE ENGAGEMENT 员工参与

Training: Value and develop everyone's skill

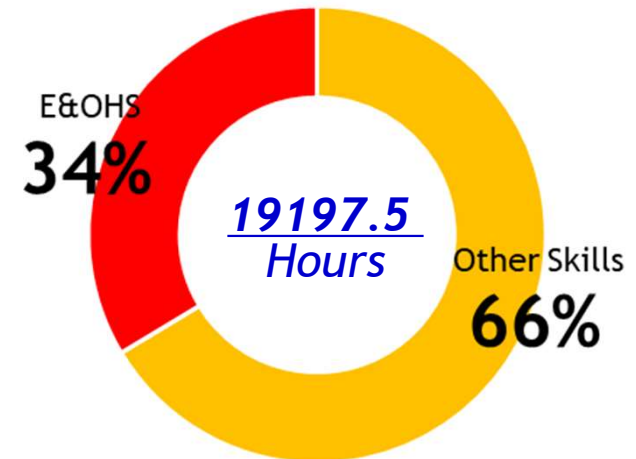
培训：重视和发展每个人的技能

- In Y2018, we've organized **65** kinds of training for our employees covered all departments or functions, such as E&OHS, QA, QC, Production, Warehouse and logistics etc.

Training Items Distribution
培训课程分布



Employee Training Hours
员工培训小时数

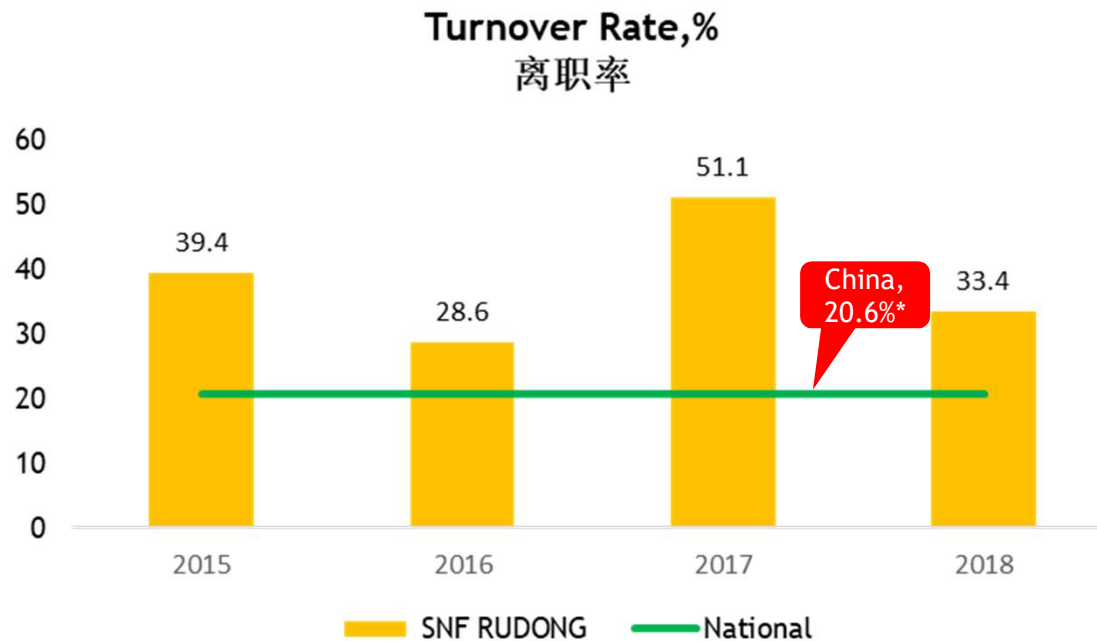


- In Y2018, the total training hours we organized were **19197.5**. Among them, **34%** were E&OHS training.
- Average acceptance of training hours per each employee were **88** hours.



EMPLOYEE ENGAGEMENT 员工参与

Social policy: retain employees and develop quality company
社会政策：留住员工，发展素质公司



Remark: the turnover rate of China national is from Aon Hewitt.

- In Y2018, the turnover rate of SNF RUDONG was about 33.4%. The value is very higher compared with national.
- We will take many actions to make improvement on it.

- 专业知识/经验
- Specialized knowledge/experience
- 丰富知识enrich knowledge
- 培训累积
- Accumulation of training
- 员工福利welfare
- 公司归属感sense of belonging
- 内部晋升internal promotion
- 持续的工资增长
- Continual salary increasing



SOCIAL ABILITY 社会责任

- We are also actively engaged in social ability while developing our business.
- 在发展业务的同时，我们还积极履行社会责任。
- In 2018, we've **10,000 RMB** to Rudong charity federation.
- 2018年，我们向如东县慈善总会捐款**1万元**。



苏财 320623 公益事业捐赠统一票据
UNIFIED INVOICE OF DONATION FOR PUBLIC WELFARE

捐赠人: 江苏(如东)化工有限公司 2018年 11月 28日
Donor: Y M D

No 00001417

捐赠项目 For purpose	实物(外币)种类 Material objects (Currency)	数量 Amount	金额 Total amount											
			千	百	十	万	千	百	十	元	角	分		
捐款				1	0	0	0	0	0	0	0	0	0	0
金额合计(小写) In Figures														
金额合计(大写) In Words														

接受单位(盖章): 如东县慈善总会
Receiver's Seal

开票人: 张信伟
Handling Person

感谢您对公益事业的支持! Thank you for support of public welfare!

第二联 收据



EHSQ POLICIES 环境、职业健康安全和质量方针

Health and Safety

- Involvement and responsible behavior of every employee
- Permanent evaluation of professional risks
- Proximity Management and follow up
- Risk detection and preventive measures
- Dysfunctions / Incidents / Accidents analysis and corrective actions
- Follow-up of Performance Indicators
- Follow-up of the improvement of accident prevention guidelines

Environmental

- Enhancement of environmental performance
- Fulfilment of compliance obligations
- Achievement of environmental objectives

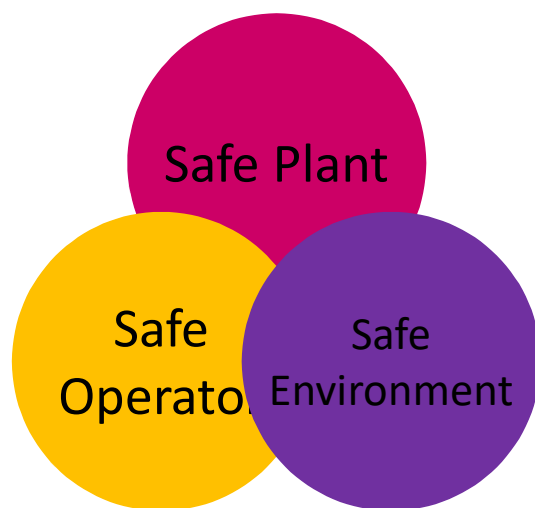
Quality

- Understand the demands and the needs of our customers
- Supply the right product fitting with the need of our customers in term of performance, quality and timing
- Answer in real time customer's questioning
- Bring the simplest and fastest solution to customers' issues





SAFETY MANAGEMENT 安全管理



Our plant safety management was executed according to Chinese Local Requirements, ISO45001 and SNF's internal policy.

SAFE PLANT Ensure plant is safe for use

- Focus Area 1: Detailed plant hazard assessment
- Focus Area 2: Safety Precautions
- Focus Area 3: Standard Safe Operating Procedure (SOP)
- Focus Area 4: Daily inspection and fault rectification process

SAFE ENVIRONMENT Ensure site and task hazards are Identified, assessed and controlled

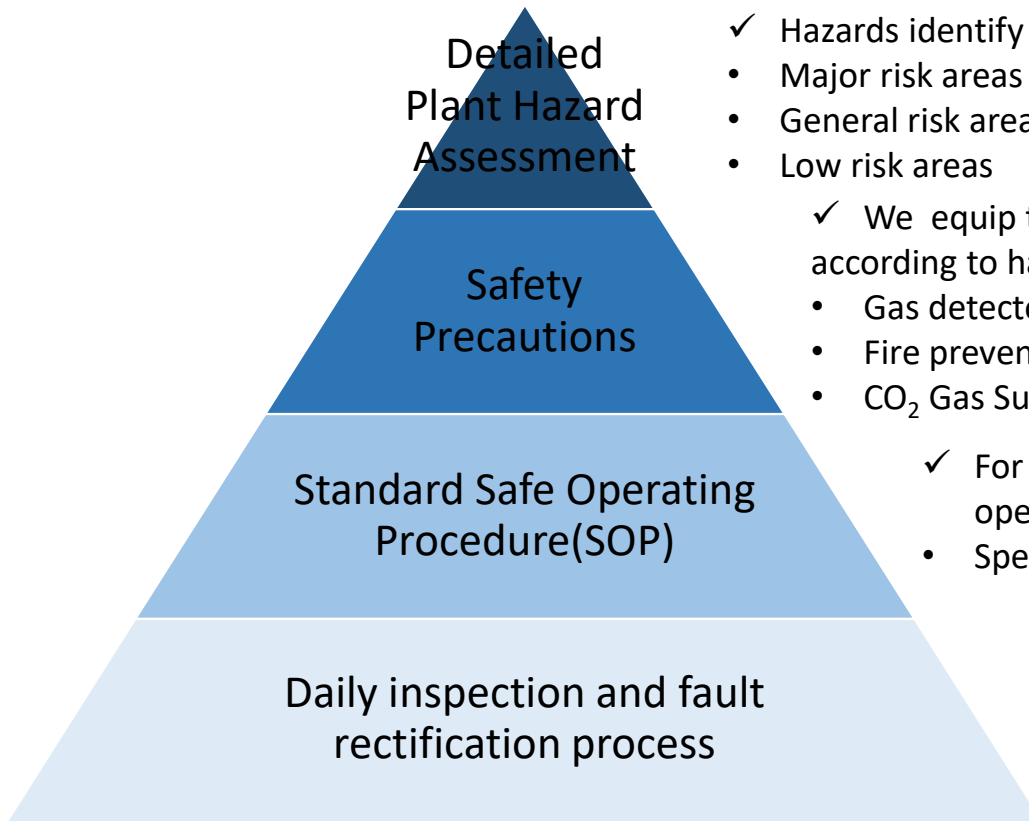
- Focus Area 1: Site review by EHS committee monthly
- Focus Area 2: Project task review
- Focus Area 3: Zone management
- Focus Area 4: Labels or Signs on site

SAFE OPERATOR Ensure the operator is competent to operate the plant and perform the task required

- Focus Area 1: Operator Training and Competency Assessment
- Focus Area 2: General Safety System Knowledge
- Focus Area 3: Site Specific Procedures and Knowledge



SAFETY MANAGEMENT 安全管理



Ensure Plant Is Safe for Use

✓ Hazards identify and assess on plant:

- Major risk areas
- General risk areas
- Low risk areas

✓ We equip the safety precautions on plant according to hazard assessment:

- Gas detectors
- Fire preventive system
- CO₂ Gas Suppression Systems

✓ For high risk works or facilities, we draft “standard safe operating procedures(SOPs)” to guide the operators:

- Special works, such as hot work, height work, Lifting work etc..

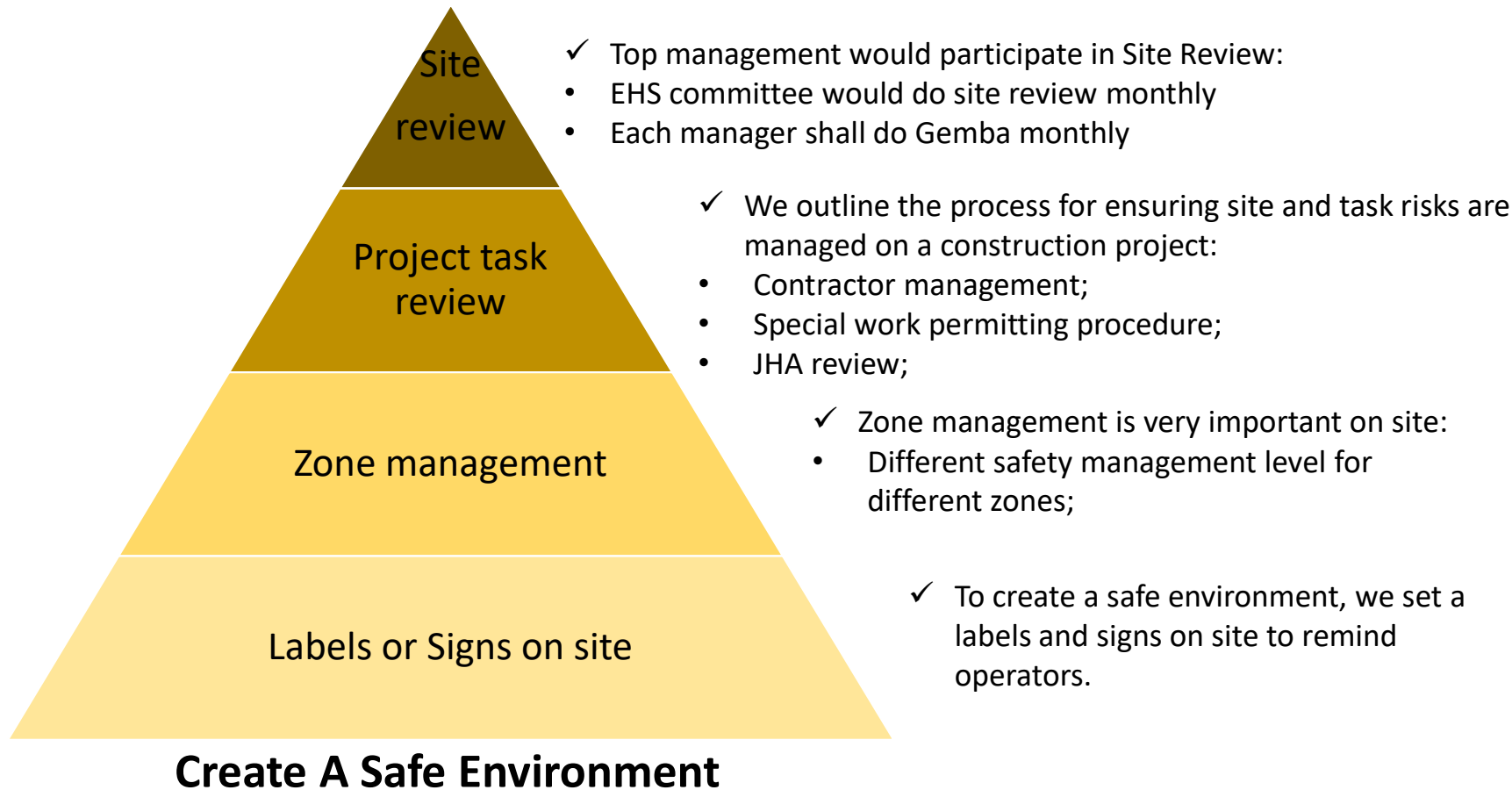
✓ To make sure the above actions were running well, EHS team would do daily inspection on site.

At the same time, we have a fault rectification process to do the remove NCs which were found on daily inspection.



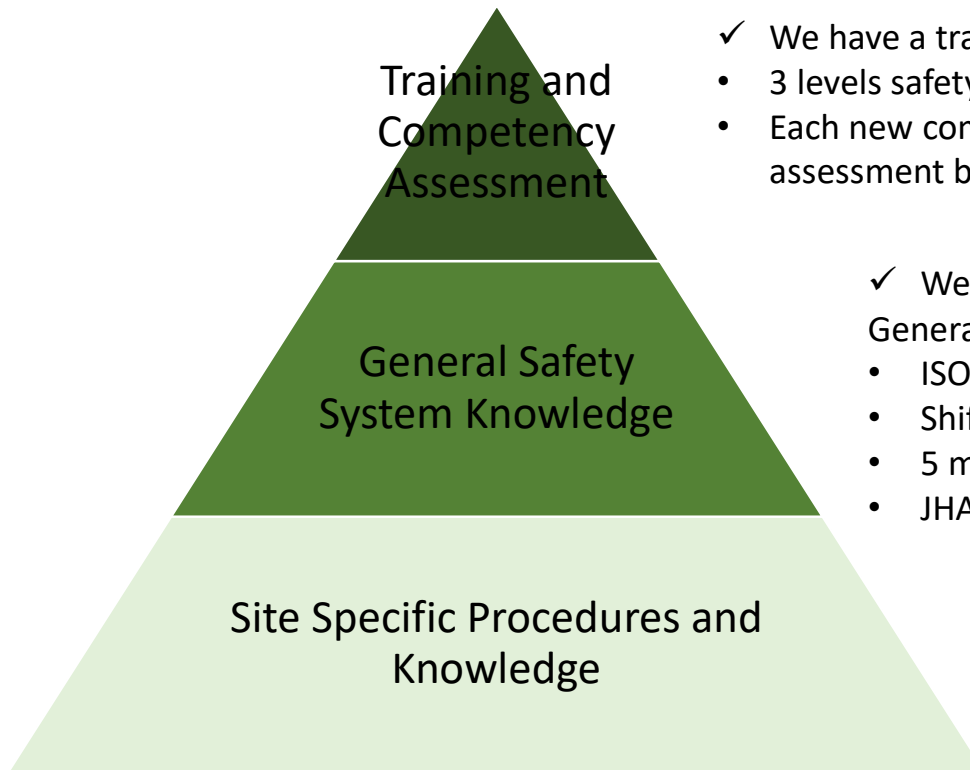


SAFETY MANAGEMENT 安全管理





SAFETY MANAGEMENT 安全管理



- ✓ We have a training and competency assessment system:
 - 3 levels safety training(plant, departmental and shift team)
 - Each new comer shall take the 3 level safety training and pass the assessment before hold the work on site.

- ✓ We did many actions to make our operators to acquire the General safety system knowledge:

- ISO 45001 system training on orientation;
- Shift team safety activities;
- 5 minutes safety talk;
- JHAs etc..

- ✓ For each specific procedures on site, we would add the relevant contents about safety requirements, such as PPEs, checklists etc..

- Each new comer shall take the course about site specific procedures within 1 month after he/she is aboard the plant.

Operators Safety Training



SAFETY MANAGEMENT 安全管理



Ex Zone Management



Gas Detector



CO₂ Gas Suppression Systems

Safety Precautions:

- Integrated fire protection system
- Fully enclosed production process system
- Open fire and gas detection network
- Strict safety control standards (personal fire protection/zoning/work permit system, etc.)



SAFETY MANAGEMENT 安全管理

To enhance our treat ability for emergency situations, we organize our Plant **Part-time Emergency Rescue Team (PERT).**



- ✓ Plant Part-time Emergency Rescue Team (PERT) has been built and training is being carried out every month.
- ✓ Team members learns to know how to deal with fire accident and know clearly the fire-fighting system (spray system, valve location, etc.) of the plant and how to use it.



SAFETY MANAGEMENT 安全管理

✓ Emergency Drill for Y2018



✓ To validate our ERP system, we hold emergency drill periodically:

- Special drill, such as chemicals leakage; - Half-yearly
- Full-scale exercise; - Yearly



ENVIRONMENTAL PROTECTION 环境保护

Environment protection facilities:

- Plant is equipped with chemical and treatment and biodegradable comprehensive sewage treatment system.
- Real-time on-line detection system for sewage treatment
- Cryo system to recycle the CS_2 in waste gas from workshop.



WWT System



SNF On-line Monitoring System



EPA online monitoring system



Cryo system



ENVIRONMENTAL PROTECTION 环境保护

Environment protection facilities :

Exhaust Gas:

- RTO system



Solid Waste:

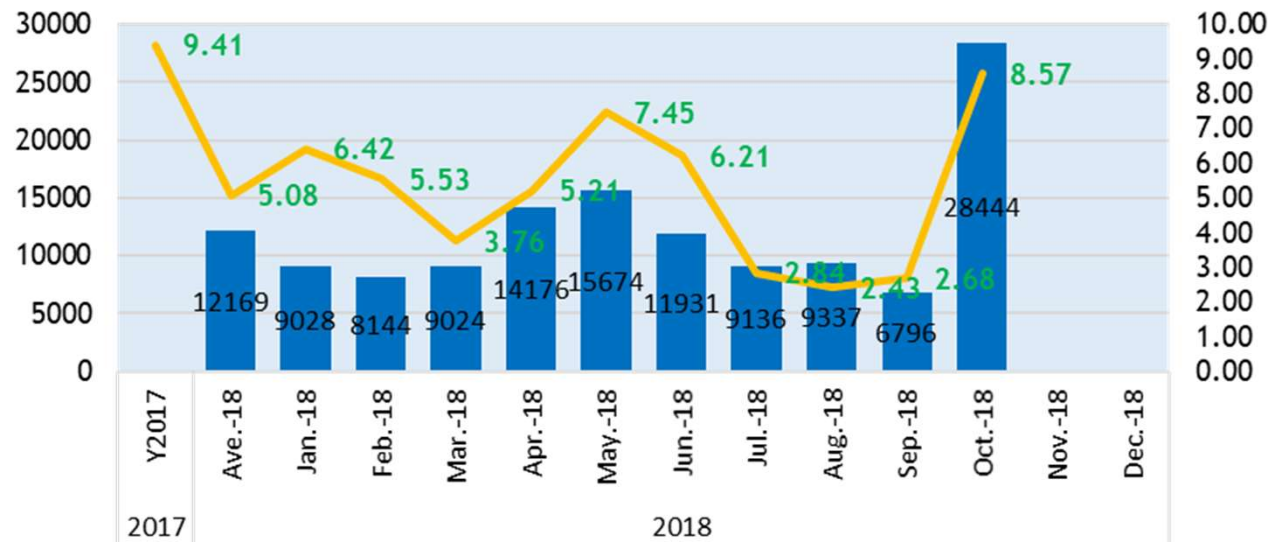
- Solid wastes were treated as classified management on site;
- Strict pretreatment procedures were eventually carried out by a qualified third party;





ENVIRONMENTAL PROTECTION 环境保护

Water Consumption Summary
用水统计



Remark:备注

-Bar chart means the quantity of water consumption; Unit m³

条形图表示水的消耗量，单位：立方米

-Line chart meant the quantity of water consumption per ton of finished goods; Unit m³/ton

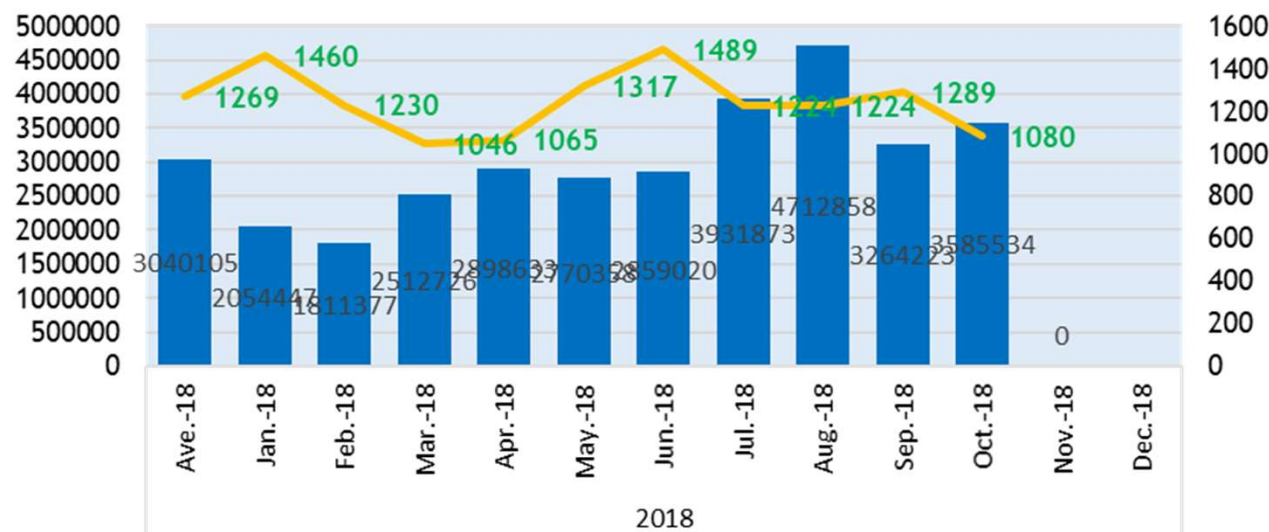
直线图表示每生产1吨成品，水的消耗量；单位：立方米/吨

- Compared with last year, the quantity of water consumption per ton of finished goods was reduced.
- 与去年相比，每吨成品的耗水量有所下降。
- The average value for Y2017 is 9.41 m³/ton, about 2 times compared with average value of Y2018.
- 2017年，每吨成品的耗水量为9.41m³，约为2018年平均用量的两倍。
- In Y2019, we will continue to control the water consumption by the following actions:
在2019年，我们将采取以下措施持续控制水的消耗：
 - ✓ Optimize the production process to minimize the IBC waste water generation and water consumption.
 - ✓ 优化生产工艺，减少IBC桶废水的产生及水的消耗。
 - ✓ Use an intermittent water supply system in bathroom to reduce the water consumption.
 - ✓ 在浴室内使用间断供水系统，以降低水的消耗。



ENVIRONMENTAL PROTECTION 环境保护

Electric Consumption Summary
用电统计



Remark:备注

-Bar chart means the quantity of electric consumption; Unit kwh

条形图表示电的消耗量，单位：千瓦时

-Line chart meant the quantity of electric consumption per ton of finished goods; Unit kwh/ton

直线图表示每生产1吨成品，电的消耗量；单位：千瓦时/吨

- Before Aug. of Y2018, the consumption of electric increase significantly due to new production line launched.
- 2018年8月份之前，由于新产线的投入使用，电的消耗量明显提高。
- The quantity of electric consumption per ton of finished goods went up and then went down; Finally, it was kept within a relatively stable range.
- 单位成品的电消耗量先增加，然后开始下降；最后维持在一个相对稳定的范围内。
- For Y2019, we shall begin to manage our electric consumption to improve emerge management performance. The following actions would be done:
- 2019年，我们将开始管理我们的电消耗来提高我们的能源管理绩效。将采取以下措施：
 - ✓ Draft some procedures to manage electric using;
 - ✓ 起草一些用电管理的程序；
 - ✓ Introduce ISO50001 energy management system;
 - ✓ 导入ISO50001 能源管理体系。



ENVIRONMENTAL PROTECTION 环境保护

Natural Gas Consumption Summary
天然气消耗统计



Remark:备注

-Bar chart means the quantity of natural gas consumption; Unit Nm³

条形图表示天然气的消耗量，单位：标准立方

-Line chart meant the quantity of natural gas consumption per ton of finished goods; Unit Nm³/ton

直线图表示每生产1吨成品，天然气的消耗量；单位：标方/吨

- After Apr. of Y2018, the quantity of natural gas increase significantly due to PAM production line launched.
- 2018年4月后，由于聚丙烯酰胺产线的启动，天然气的消耗量明显增加。
- Meanwhile, the quantity of natural gas consumption per ton of finished goods has increased too.
- 与此同时，单位产出的天然气消耗量也有所增加。
- Some actions shall be done in Y2019 to manage the natural gas consumption:
- 2019年，我们将采取一些措施对天然气消耗进行管理：
 - ✓ Recruit a person who leads the energy management works.
 - ✓ 招聘一名人员专门负责能源管理工作。
 - ✓ Introduce ISO50001 energy management system on our plant to improve energy management performance.
 - ✓ 导入ISO50001 能源管理体系，提高能源管理绩效。

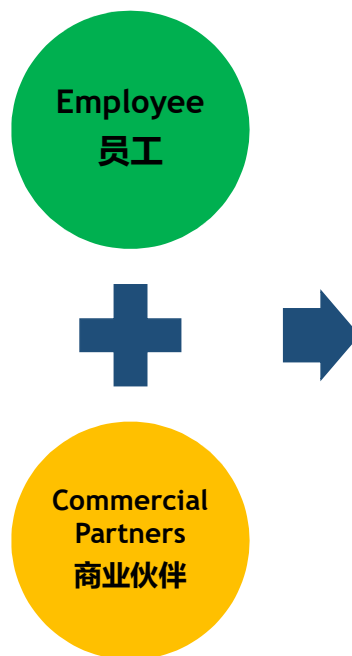


ANTI-CORRUPTION 反貪腐



SNF does its utmost to choose reliable and ethical commercial partners.

- For our employees, everyone who joined the company need to sign the **SNF Company Business Ethics Rules** and do the work according to this rule.
- SNF does its utmost to choose reliable and ethical commercial partners. Every supplier shall sign the **Charter on Suppliers' Ethics**.



爱森公司商业道德规范章程

利益冲突

序言

- 爱森公司所有股东约定，爱森公司的所有员工必须按章办事。所以这就需要我们每个员工行为举止在某种程度上都要与这和精神保持一致。
- 尽管支配商业行为的法律比较明确，但摆在个人利益和相关事务之间的利益冲突总是存在。
- 所以关于可能引起争议的利益冲突建立相关的法规是非常有用的。商业道德规范章程重申了爱森公司的标准。
- 爱森公司依靠个人的责任感来保证个人和集体的道德行为规范。
- 此章程和适用于每员工及整个爱森集团公司的普遍章程。
- 若某个员工有本章规定未包括的问题，可直接约他的上司或总公司的相关管理部门商量。

利益。爱森公司员工不得索取



But

Continual Improvement

will NEVER

End...

SNF (Rudong) Chemicals Co., Ltd. 爱森（如东）化工有限公司
Crossroads of Zhongxin Road and Jingsi Road, YOCO Economic Development Zone,
Lingang Industry Park, Rudong, Nantong, CHINA
中国，江苏省，南通市如东洋口港经济开发区经四路与中心路交叉口
Tel: 0513-69881001