
ASI CERTIFICATION
PERFORMANCE
STANDARD



PRESENTED TO

**SHANGHAI
SHENHUO
ALUMINIUM FOIL**

CERTIFICATE
NUMBER

19

ASI
STANDARD

PERFORMANCE
STANDARD
(V2 2017)

CERTIFICATION
LEVEL

FULL
CERTIFICATION

ASI
ACCREDITED
AUDITOR

DNV GL

DATE OF ISSUE

28 FEBRUARY 2019

DATE OF EXPIRY

27 FEBRUARY 2022

CERTIFIED SINCE

28 FEBRUARY 2019

AUTHORISED BY

A handwritten signature in black ink, appearing to be 'John' or similar, written over a green background.

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*Validity of this Certificate is subject to continued
conformance with the applicable ASI Standard
and can be verified at
www.aluminium-stewardship.org*

CERTIFICATION SCOPE

Shanghai Shenhua Aluminium Foil Co., Ltd.
located in Shanghai, China which carries out the
manufacture of aluminium and aluminium alloy
foils.

SUMMARY AUDIT REPORT

PERFORMANCE STANDARD

OVERVIEW

| | |
|-------------------------|--|
| MEMBER NAME | Shanghai Shenhua Aluminium Foil Co., Ltd. |
| ENTITY NAME | Shanghai Shenhua Aluminium Foil Co., Ltd. |
| CERTIFICATION SCOPE | Shanghai Shenhua Aluminium Foil Co., Ltd. located in Shanghai, China which carries out the manufacture of aluminium and aluminium alloy foils. |
| SUPPLY CHAIN ACTIVITIES | <ul style="list-style-type: none">Material Conversion (Production and Transformation) |
| ASI STANDARD | <ul style="list-style-type: none">Performance Standard V2 |
| AUDIT TYPE | <ul style="list-style-type: none">Certification Audit |
| AUDIT FIRM | DNV GL |
| AUDIT DATE | 21 – 25 January 2019 |
| AUDIT REPORT SUBMISSION | 3 February 2019 |
| AUDIT SCOPE | <p>The audit scope covered the Shanghai Shenhua Aluminium Foil Co., Ltd. located in Kangqiao Industrial Zone Pudong, Shanghai, China. The main products cover high-precision aluminium and aluminium alloy foils.</p> <p>Supply chain activities included in the audit scope:</p> <ul style="list-style-type: none">Material Conversion (Production and Transformation) <p>All relevant criteria in the ASI Performance Standard were included in the audit scope.</p> |
| AUDIT OUTCOME | <ul style="list-style-type: none">Certification |

AUDIT
METHODOLOGY
DECLARATION

The Auditors confirm that:

- The information provided by the Entity is true and accurate to the best knowledge of the Auditor(s) preparing this report.
- The findings are based on verified Objective Evidence relevant to the time period for the Audit, traceable and unambiguous.
- The Audit Scope and audit methodology are sufficient to establish confidence that the findings are indicative of the performance of the Entity's defined Certification Scope.
- The Auditor(s) have acted in a manner deemed ethical, truthful, accurate professional, independent and objective.

CERTIFICATION
PERIOD

28 February 2019 – 27 February 2022

NEXT AUDIT
TYPE

Surveillance Audit

NEXT AUDIT
DUE DATE

28 August 2020

CERTIFICATE
NUMBER

19

SUMMARY OF FINDINGS

| CRITERION | RATING | COMMENT |
|--|-------------|--|
| PRINCIPLE 1 BUSINESS INTEGRITY | | |
| 1.1 Legal Compliance | Conformance | Shanghai Shenhua has developed and implemented policies, systems, procedures and processes that conform to ASI Performance Standard's legal compliance requirements. Shanghai Shenhua has systems in place to maintain awareness of and to ensure compliance with applicable law. |
| 1.2 Anti-Corruption | Conformance | The Entity has established policies and procedures on anti-corruption, including extortion and bribery, consistent with applicable law and prevailing international standards. It has also appointed an anti-corruption commissioner. |
| 1.3 Code of Conduct | Conformance | Shanghai Shenhua has implemented a Code of Conduct including principles related to environmental, social and governance performance. Shanghai Shenhua implemented adequate measures, including training, communication to raise awareness of the code among business partners and suppliers. More information can be found via the link below: http://www.shalfoil.com/gb/news_detail.asp?id=599 |
| PRINCIPLE 2 POLICY & MANAGEMENT | | |
| 2.1a Environmental, Social, and Governance Policy (implement and maintain) | Conformance | The Management Policies are consistent with the environmental, social, and governance practices. For further information, please see http://www.shalfoil.com/gb/news_detail.asp?id=602 . |
| 2.1b Environmental, Social, and Governance Policy (senior management) | Conformance | Senior management demonstrate commitment to the implemented policies. |
| 2.1c Environmental, Social, and Governance Policy (communication) | Conformance | The Policies are available for internal and external stakeholders by training, publishing on website and displayed on-site. http://www.shalfoil.com/gb/news_detail.asp?id=602 . |
| 2.2 Leadership | Conformance | A Senior Management representative has been nominated. |

| CRITERION | RATING | COMMENT |
|--|-------------|--|
| 2.3a Environmental and Social Management Systems (environmental) | Conformance | Shanghai Shenhua has implemented and documented an Environmental Management System and holds a valid ISO 14001:2015 certificate. |
| 2.3b Environmental and Social Management Systems (social) | Conformance | A Social Management Systems has been established and implemented. |
| 2.4 Responsible Sourcing | Conformance | The Entity has developed and implemented policies, systems, procedures and processes that conform to the responsible sourcing requirements. The Entity conducts second party due diligence audits at major next tier suppliers' sites to qualify them. The procurement team and relevant personnel are trained on an annual basis on responsible sourcing requirements. The policy of responsible purchasing is published on http://www.shalfoil.com/gb/news_detail.asp?id=604 . |
| 2.5 Impact Assessments | Conformance | Environmental, social, cultural and Human Rights Impact Assessments are well implemented in accordance to the ASI, management system standards, such as ISO 14001, OHSAS 18001 and the relevant legal requirements. |
| 2.6 Emergency Response Plan | Conformance | Emergency Response Plans on Social, OH&S and Environmental Accidents are well implemented and workers trained. |
| 2.7 Mergers and Acquisitions | Conformance | A procedure is established for mergers and acquisitions, but no such activity has happened since the Entity started the operation at the location in 2004. |
| 2.8 Closure, Decommissioning and Divestment | Conformance | A procedure for Closure, Decommissioning and Divestment is established in accordance to the requirement of ASI Performance Standard. But no such case has happened since the Entity started operation in 2004. |
| PRINCIPLE 3 TRANSPARENCY | | |
| 3.1 Sustainability Reporting | Conformance | The annual Sustainability report, published on the website of Shanghai Shenhua Aluminium Foil Co., Ltd.: http://www.shalfoil.com/gb/news_detail.asp?id=606 . |

| CRITERION | RATING | COMMENT |
|---|----------------|--|
| 3.2 Non-compliance and liabilities | Conformance | There were 3 Correction requests from the local Environment Protection Bureau (EPB) in 2018. No fine or other kind of punishment is raised by the EPB. Shanghai Shenhua actively took the corrections upon the requests. All corrections have been completed, waiting EPB to verify and close them. No other non-compliance or liabilities in 2018. |
| 3.3a Payments to governments (legal and contractual) | Conformance | The payment to government is listed in the finance report which is audited by the 3rd party. All payments meet the legal requirement. |
| 3.3b Payments to governments (disclosure – bauxite mining) | Not Applicable | This criterion is not applicable to the Entity's certification scope. |
| 3.4 Stakeholder complaints, grievances and requests for information | Conformance | Internal and external Whistle - blowing/ Complaint/Grievance mechanism exist (e.g. whistle blower hotlines, mail address, suggestion box). |
| PRINCIPLE 4 MATERIAL STEWARDSHIP | | |
| 4.1a Environmental Life Cycle Assessment (life cycle impacts) | Conformance | The environmental life cycle assessment is conducted and documented. The Environmental Life Cycle Assessment report is published on http://www.shalfoil.com/gb/news_detail.asp?id=608 . |
| 4.1b Environmental Life Cycle Assessment (cradle to gate) | Conformance | The Environmental Life Cycle Assessment report can be provided by external Communication if required. There have been no requests to date. |
| 4.1c Environmental Life Cycle Assessment (public communication) | Conformance | The Environmental Life Cycle Assessment Report is published in the official website of Shanghai Shenhua Aluminium Foil Co., Ltd.: http://www.shalfoil.com/gb/news_detail.asp?id=608 . |
| 4.2 Product design | Conformance | Following the product development process, the environmental impacts are taken into consideration. |
| 4.3a Aluminium Process Scrap (targets) | Conformance | The process scrap utilization rate is 100%. |
| 4.3b Aluminium Process Scrap (alloy separation) | Conformance | Per the result of material analysis, the process scrap in the Entity does not need separation for recycling. |

| CRITERION | RATING | COMMENT |
|---|----------------|--|
| 4.4a Collection and recycling of products at end-of-life (strategy) | Conformance | Shanghai Shenhua is communicating with main customer to discuss how to improve the recycling rate of products at end-of-life. |
| 4.4b Collection and recycling of products at end-of-life (engagement) | Conformance | Because there is no complete local, regional or national collection and recycling systems for aluminium scraps in China, Shanghai Shenhua is working with the customer to decide how to improve the recycling rate of products at end-of-life. |
| PRINCIPLE 5 GREENHOUSE GAS EMISSIONS | | |
| 5.1 Disclosure of GHG emissions and energy use | Conformance | GHG emissions in 2018 is published on http://www.shalfoil.com/gb/news_detail.asp?id=601 . The GHG emission is not checked by 3 rd party. |
| 5.2 GHG emissions reductions | Conformance | The site set up a GHG emission target in 2019: to reduce the 10 tons CO ₂ -eq GHG emission in 2019 compared with the emission in 2018. The main strategy is to reduce the unnecessary electricity consumption. The information can be reached via: http://www.shalfoil.com/gb/news_detail.asp?id=611 |
| 5.3a Aluminium Smelting (management system) | Not Applicable | This criterion is not applicable to the Entity's certification scope. |
| 5.3b Aluminium Smelting (up to and including 2020) | Not Applicable | This criterion is not applicable to the Entity's certification scope. |
| 5.3c Aluminium Smelting (after 2020) | Not Applicable | This criterion is not applicable to the Entity's certification scope. |
| PRINCIPLE 6 EMISSIONS, EFFLUENTS AND WASTE | | |
| 6.1 Emissions to Air | Conformance | The waste air generated in the operation and kitchen is collected and treated before emission. The emission meets the local emission limit. |
| 6.2 Discharges to Water | Conformance | Discharges to Water is covered and managed within the Environmental management system. Water discharge meets the local legal limit. |
| 6.3a Assessment and Management of Spills and Leakage (assessment) | Conformance | An assessment of risk areas of operations where Spills and Leakage may contaminate air, water and soil is done by following the risk assessment process of environmental management system. |

| CRITERION | RATING | COMMENT |
|---|----------------|---|
| 6.3b Assessment and Management of Spills and Leakage (management) | Conformance | An assessment of risk areas of operations where Spills and Leakage may contaminate air, water and soil is done by following the risk assessment process of environmental management system. |
| 6.4a Reporting of Spills (immediate disclosure) | Conformance | Reporting of Spill/Leakage is defined in Management Procedure of Information Disclosure. No spill/leakage happened in 2017 and 2018. |
| 6.4b Reporting of Spills (regular reporting) | Conformance | The impact assessments of the spill/leakage and remediation actions taken will be published in the annual sustainability report. No spill/leakage happened in 2017 and 2018. |
| 6.5a Waste management and reporting (strategy) | Conformance | Waste management is covered by the environmental management system. The disposal of hazardous waste is in compliance with the legal compliance. |
| 6.5b Waste management and reporting (disclosure) | Conformance | The quantity of Hazardous and Non-Hazardous Waste generated by the Entity is registered in the Solid Waste Information management system and published on http://www.shalfoil.com/gb/news_detail.asp?id=606 . |
| 6.6a Bauxite Residue (storage construction) | Not Applicable | This criterion is not applicable to the Entity's certification scope. |
| 6.6b Bauxite Residue (integrity checks and controls) | Not Applicable | This criterion is not applicable to the Entity's certification scope. |
| 6.6c Bauxite Residue (water discharge) | Not Applicable | This criterion is not applicable to the Entity's certification scope. |
| 6.6d Bauxite Residue (marine and aquatic environments) | Not Applicable | This criterion is not applicable to the Entity's certification scope. |
| 6.6e Bauxite Residue (start of the art technologies) | Not Applicable | This criterion is not applicable to the Entity's certification scope. |
| 6.6f Bauxite Residue (remediation) | Not Applicable | This criterion is not applicable to the Entity's certification scope. |
| 6.7a Spent Pot Lining (SPL) (storage and management) | Not Applicable | This criterion is not applicable to the Entity's certification scope. |
| 6.7b Spent Pot Lining (SPL) (recovery and recycling) | Not Applicable | This criterion is not applicable to the Entity's certification scope. |

| CRITERION | RATING | COMMENT |
|---|----------------|---|
| 6.7c Spent Pot Lining (SPL) (Untreated SPL) | Not Applicable | This criterion is not applicable to the Entity's certification scope. |
| 6.7d Spent Pot Lining (SPL) (review of alternatives) | Not Applicable | This criterion is not applicable to the Entity's certification scope. |
| 6.7e Spent Pot Lining (SPL) (marine and aquatic environments) | Not Applicable | This criterion is not applicable to the Entity's certification scope. |
| 6.8a Dross (recovery) | Not Applicable | This criterion is not applicable to the Entity's certification scope. |
| 6.8b Dross (recycling) | Not Applicable | This criterion is not applicable to the Entity's certification scope. |
| 6.8c Dross (review of alternatives) | Not Applicable | This criterion is not applicable to the Entity's certification scope. |

PRINCIPLE 7 WATER STEWARDSHIP

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|--|-------------|---|
| 7.1a Water assessment (mapping) | Conformance | The water source is municipal water supply. Usage is tracked and documented. The legal required Permit for Water Discharge into Public Drainage System is granted by the government agency. |
| 7.1b Water assessment (risk assessment) | Conformance | Water-related risks are assessed. The level of water-related risk is low. |
| 7.2a Water management (management plans) | Conformance | The targets of water-consumption reduction in 2019 is set up. The associated control measures are defined and documented. |
| 7.2b Water management (monitoring) | Conformance | Water consumption is monitored. The achievement status of the related targets will be assessed. |
| 7.3 Disclosure of water usage and risks | Conformance | The Water-related risks assessment report is published on http://www.shalfoil.com/gb/news_detail.asp?id=603 . |

PRINCIPLE 8 BIODIVERSITY

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|-----------------------------|-------------|--|
| 8.1 Biodiversity assessment | Conformance | Biodiversity assessment is included in the Environmental Management System, Shanghai Shenhua is not or close to any protected area, the risk or impact by the operation of Shanghai Shenhua on biodiversity is very low. Further information, please see http://www.shalfoil.com/gb/news_detail.asp?id=607 . |
|-----------------------------|-------------|--|

| CRITERION | RATING | COMMENT |
|---|----------------|---|
| 8.2a Biodiversity management (biodiversity action plans) | Not Applicable | The risk or impact by the operation of Shanghai Shenhua on biodiversity is very low. |
| 8.2b Biodiversity management (consultation and mitigation hierarchy) | Not Applicable | The risk or impact by the operation of Shanghai Shenhua on biodiversity is very low. |
| 8.2c Biodiversity management (reporting) | Not Applicable | The risk or impact by the operation of Shanghai Shenhua on biodiversity is very low. |
| 8.3 Alien Species | Conformance | The main carrier medium (pallets which is wood) is processed in a way to avoid the introduction of alien species. |
| 8.4a Commitment to “No Go” in World Heritage properties (exploration and new mines) | Not Applicable | This criterion is not applicable to the Entity’s certification scope. |
| 8.4b Commitment to “No Go” in World Heritage properties (existing operations) | Not Applicable | This criterion is not applicable to the Entity’s certification scope. |
| 8.5a Mine rehabilitation (best available techniques) | Not Applicable | This criterion is not applicable to the Entity’s certification scope. |
| 8.5b Mine rehabilitation (financial provisions) | Not Applicable | This criterion is not applicable to the Entity’s certification scope. |
| PRINCIPLE 9 HUMAN RIGHTS | | |
| 9.1a Human Rights Due Diligence (policy) | Conformance | The Policy commitment is set up and communicated to all employees. Further information, please see: http://www.shalfoil.com/gb/news_detail.asp?id=602 . |
| 9.1b Human Rights Due Diligence (process) | Conformance | Shanghai Shenhua commits to respect Human Rights and tries to extend this commitment in the supply chain. The due diligence process is established covering the supply chain including labour agency and sub-contractors. |
| 9.1c Human Rights Due Diligence (remediation) | Conformance | Shanghai Shenhua establishes and publishes the complain/grievance channel to stakeholders. No negative impact is reported. |
| 9.2 Women’s Rights | Conformance | Women’s legal rights and interests are respected. No complaint is received from women workers. |
| 9.3 Indigenous Peoples | Not Applicable | There are not Indigenous Peoples in the certification scope of the Entity. |

| CRITERION | RATING | COMMENT |
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| 9.4 Free, Prior, and Informed Consent (FPIC) | Not Applicable | There are not Indigenous Peoples in the certification scope of the Entity. |
| 9.5 Cultural and sacred heritage | Not Applicable | There are no sacred or cultural heritage sites and values within the Entity's Area of Influence. |
| 9.6a Resettlements (avoid or minimise) | Not Applicable | Not applicable as there is no resettlement necessary in the site's Certification Scope |
| 9.6b Resettlements (where unavoidable) | Not Applicable | Not applicable as there is no resettlement necessary in the site's Certification Scope. |
| 9.7a Local Communities (rights and interests) | Conformance | The Entity makes a commitment to respect the rights and interests of local communities. No complaint from the local communities is received. |
| 9.7b Local Communities (impacts) | Conformance | The control measures for the identified impact on local communities are established and implemented. No complaint from the local communities is received. |
| 9.7c Local Communities (livelihoods) | Conformance | Shanghai Shenhua employs the people from the local communities, prevent the adverse impacts to their livelihood. |
| 9.8 Conflict-Affected and High-Risk Areas | Conformance | The site makes a commitment to not using conflict minerals and communicate it through the aluminium value chain. Further information, please see: http://www.shalfoil.com/gb/news_detail.asp?id=604 |
| 9.9 Security practice | Conformance | The Entity implemented security practices that respect Human Rights. |
| PRINCIPLE 10 LABOUR RIGHTS | | |
| 10.1a Freedom of Association and Right to Collective Bargaining (freedom of association) | Conformance | There are laws that restrict Freedom of Association in China. The Entity commits itself to respect the workers' rights. There are 60 elected worker representatives including 8 women, and the trade union is established in accordance to the legal requirement. |
| 10.1b Freedom of Association and Right to Collective Bargaining (collective bargaining) | Conformance | There are laws that restrict Collective Bargaining in China. The company respects the rights of Workers to collective bargaining. There is a Policy of respecting rights to freedom of association and collective bargain. No collective bargaining agreements in the company. |

| CRITERION | RATING | COMMENT |
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| 10.1c Freedom of Association and Right to Collective Bargaining (alternative means) | Conformance | The Entity has the Open-Door policy. Workers can use suggestion box, public email, hotline or directly communicate with management to report their concerns/complaint. |
| 10.2a Child Labour (minimum age) | Conformance | There is not child labour or young worker in the Entity. |
| 10.2b Child Labour (hazardous) | Conformance | Child labour is prohibited in China. Young workers are (16 to 18 years) are under special protection by law and not allowed to work in hazardous working conditions. |
| 10.2c Child Labour (worst forms) | Conformance | Child labour is prohibited in China. Shanghai Shenhua commits itself - and expects its suppliers - to comply with the prohibition of child labour and protecting young workers. |
| 10.3a Forced Labour (human trafficking) | Conformance | Shanghai Shenhua commits itself - and expects its suppliers - to comply with the prohibition of forced labour, slavery and human trafficking. |
| 10.3b Forced Labour (deposits, fees, advances) | Conformance | Shanghai Shenhua is not involved in forced labour. Workers are not required any form of deposit; recruitment fee or equipment advance. |
| 10.3c Forced Labour (migrant workers) | Not Applicable | There are no foreign migrant workers in Shanghai Shenhua, all workers are Chinese. |
| 10.3d Forced Labour (debt bondage) | Conformance | Shanghai Shenhua is not involved in forced labour, does not provide loan to workers. No case of debt bondage is reported or found. |
| 10.3e Forced Labour (freedom of movement) | Conformance | Shanghai Shenhua is not involved in forced labour. There is no restriction of workers' movement in the Entity. |
| 10.3f Forced Labour (retention of identity papers, permits, certificates) | Conformance | Shanghai Shenhua is not involved in forced labour. There is no retention of original documents of workers, only copies of original documents are kept in workers' personal files. |
| 10.3g Forced Labour (freedom to terminate employment) | Minor Non-Conformance | Shanghai Shenhua is not involved in forced labour. The notice period for announced termination of the employment is in compliance with the Labor Contract Law: 30 days in advance or 3 days in the period of probation. However, 2 dispatch workers from labour agency need to be permanent workers in accordance to the Labor Contract Law to reflect the years of employment with the Entity. |

| CRITERION | RATING | COMMENT |
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| 10.4 Non-Discrimination | Conformance | Shanghai Shenhua is committed to non-discrimination. No case of discrimination is received. |
| 10.5 Communication and engagement | Conformance | Direct and frequent communication with the workers and the worker representatives is established. |
| 10.6 Disciplinary practices | Conformance | Shanghai Shenhua respects its employees, disciplinary measures are not related to inhumane actions, harassment, abuse, corporal punishment, mental or physical coercion, verbal abuse or intimidation, and require the confirmation of involved worker. |
| 10.7a Remuneration (living wage) | Minor Non-Conformance | The wage structure is clearly defined, the basic wage is above the legal minimum wage. The total payment meets the workers' basic need. However, it is found two case that the wage was deducted for disciplinary reasons due to not following operation instruction. |
| 10.7b Remuneration (method of payment) | Minor Non-Conformance | All payments are documented and timely paid to all workers by bank transfer on 15th of the following month. However, no pay slips are provided to permanent workers due to the problem of mobile phone application used to send the message of pay slips to workers. |
| 10.8 Working Time | Conformance | Working hours are recorded manually. Working hours are monitored and are in compliance with China Labor Law. |
| PRINCIPLE 11 OCCUPATIONAL HEALTH AND SAFETY | | |
| 11.1a Occupational Health and Safety (OH&S) Policy (policy) | Conformance | Occupational Health and Safety Policy is implemented, reviewed periodically and communicated with stakeholders. Further information, please see: http://www.shalfoil.com/gb/news_detail.asp?id=602 . |
| 11.1b Occupational Health and Safety (OH&S) Policy (workers and visitors) | Conformance | The health & safety policy is applied to workers and visitors in compliance with the legal requirements and the requirements of OHSAS 18001:2007. |
| 11.1c Occupational Health and Safety (OH&S) Policy (applicable law and standards) | Conformance | The health & safety policy includes commitment to comply with the legal requirements and other requirements. Systems exist to identify all applicable legal requirements and other requirements and evaluate the legal compliance. |

| CRITERION | RATING | COMMENT |
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| | | Further information, please see: http://www.shalfoil.com/gb/news_detail.asp?id=606 . |
| 11.1d Occupational Health and Safety (OH&S) Policy (right to stop unsafe work) | Conformance | Worker are provided the training courses to understand the hazards, OH&S risks and actions determined that are relevant to them and right to refuse the unsafe work. |
| 11.2 OH&S Management System | Conformance | The Entity has implemented a documented OHSAS 18001:2007 Management system and holds a valid OHSAS 18001:2007 Certificate. |
| 11.3 Employee engagement on health and safety | Conformance | In compliance with the legal requirement and OH&S management system requirement, the Entity has a system of workers' consultation and participation in health & safety. Union representatives participate the health and safety meeting periodically, the management responds to the concerns and advices on OH&S issues from workers. |
| 11.4 OH&S performance | Conformance | Health and Safety Targets and improvements are documented in Occupational Health and Safety Program. Further information, please see: http://www.shalfoil.com/gb/news_detail.asp?id=606 . |