

# Quality, Hygiene, Safety and Environment

## Safety and Prevention as Priorities; Humanity and Life as Core Values; Credibility as Focal Point For Total Quality; Respect for Nature and Conservation of Environment

The quality and environmentally-friendly system is based on the following fundamental principles:

1. Safety first focus on prevention;
2. Participation of every employee;
3. Comprehensive QHSE measures as the priority for all activities;
4. Respect and protect our environment.

In 2003, COSL continued to improve its management for quality, health, hygiene and environment by emphasizing prevention of accidents as the basis of its corporate development and existence. COSL will continue to abide by its philosophy of "Safety and Prevention as

Priorities; Humanity and Life as Core Values; Credibility as Focal Point For Total Quality; Respect for Nature and Conservation of Environment".

**COSL has attained the following achievements:**

- established and implemented the ISM systems and QHSE management systems;
- Completed the implementation at all levels of a safety management and contingency network;
- Consolidated and streamlined COSL's QHSE management networks at all levels;

- Further ensured compliance with various laws, regulations and procedures regarding production safety;
- Conducted health surveys for front-line staff;
- Sustained "Zero Infection" during the SARS outbreak and, drawing on lessons from the epidemic, perfected COSL'S contingency measures;
- Organized regular safety training programs for staff members.

With the concerted efforts of every team member, our operations in 2003 remained consistent and safe. In comparison to international standards, COSL's operations were outstanding in terms of safety as evidenced by the low occupational incident rate. Our QHSA occupational incident rate in 2003 was 0.22, which was far lower than the international standards of 0.75. If 1 represents the norm for one accident to occur in every 200,000 man-hour, then 0.75 is satisfactory.

### COSL's Occupational Incident Statistics for 2002 and 2003

	2002	2003
Scope	Total Average Persons	Total Average Persons
Average Person	5,161	5,697
Man-Hour	12,888,000	17,141,789.2
Recordable Cases	29	18
Deaths	0	1
Wounds	29	17
Incident Rate	0.45	0.22