

LiNing's Commitment to Zero Discharge of hazardous chemicals

In support of the principles of prevention and precaution¹, and in line with our overall commitment to water stewardship, LiNing supports the goal of systemic change to achieve zero discharge² of hazardous chemicals³ associated with supply chains and the lifecycles of products within one generation⁴ or less.

LiNing⁵ is committed to the goal of zero discharge of hazardous chemicals by 2020.

To make this a reality LiNing will continue phasing out hazardous chemicals in our supply chain and we will accelerate the phase out of the highest priority⁶ hazardous chemicals. We will continue to work with brands, material suppliers, the broader chemical industry, NGOs and other stakeholders to achieve this goal. We will drive towards innovative solutions for transparency in chemical management disclosure.

We recognize the path to reaching this goal must be through innovation, the application of green chemistry⁷, and broad industry and regulatory collaboration and engagement. Our commitment and investment towards this goal and the dedication to system change is unwavering.

We recognize that to achieve the goal of zero discharge of hazardous chemicals, mechanisms for disclosure and transparency about the hazardous chemicals used in our global supply chains are important and necessary, in line with the "right to know principle"⁸.

Due to the highly complex and shared nature of supply chains, we believe brand collaboration is critical to drive the progress. We commit to continue to share what we learn, our approaches and tools and work with others in finding new solutions and removing existing barriers, and to report progress towards comprehensive chemicals management.

We aim to set the best practices of environmental protection and social responsibility among Chinese brands, we as an individual brand, will work with other brands to achieve all commitment in the action plan, towards zero discharge of hazardous chemicals, which includes all our committed goal and action plan based on the realistic and pragmatic approach. By the end of 2011, we will publish the first draft of Restricted Substances List, which includes the eleven prioritized chemicals in the joint roadmap. By the end of 2012, we will update the draft of the Restricted Substances List.

¹ *"The Precautionary Principle means that when (on the basis of available evidence) an activity may harm human health or the environment, a cautious approach should be taken in advance – even if the full extent of harm has not yet been fully established scientifically. It recognizes that such proof of harm may never be possible, at least until it is too late to avoid or reverse the damage done. The*

process of applying the Precautionary Principle must involve an examination of the full range of alternatives, including, where necessary, the development of sustainable alternatives where they do not already exist.”

² *Zero discharge: Means elimination of all releases, via all pathways of release, from the supply chain and products.*

³ *Hazardous chemicals are identified through the evaluation of intrinsic hazards including persistence, bioaccumulation and toxic (PBT), very persistent and very bioaccumulative (vPvB), carcinogenic, mutagenic and toxic for reproduction (CMR), and endocrine disruptors (ED), or other properties of equivalent concern.*

⁴ *One generation is generally regarded as 20-25 years. However, we intend to accelerate timelines for elimination and substitution through active engagement with material and chemical suppliers and green chemistry innovation.*

⁵ *LiNing: LiNing brand and its holding subsidiary companies and brands.*

⁶ *Our approach is to prioritize hazardous chemicals that pose the greatest risk to consumers, workers and the environment.*

⁷ *Green Chemistry is the design, development, and implementation of chemical products and processes to reduce or eliminate the use and generation of substances hazardous to human health and the environment. The principles of Green Chemistry such as proactive pollution prevention and the use of inherently safer chemistries are consistent with the intentions of the Precautionary Principle.*

⁸ *Right to know is defined as practices that allow members of the public access to environmental information – in this case specifically about the uses and discharges of chemicals based on reported quantities of releases of hazardous chemicals to the environment, facility-by-facility, year-by-year.*