

NEOPHOTONICS CORRECTIVE ACTION PLAN

	Target Completion Date
<p>Prepare Corporate Policy Statement Write a NeoPhotonics policy statement for the organization that clearly defines the NeoPhotonics' position (e.g. vision, mission and consumer relations) regarding production and product quality, environmental management, and occupational health and safety for all existing facilities and future acquisitions (including the Shenzhen facility).</p>	Condition of First Disbursement
<p>Management Endorsement of Corporate Policy Obtain senior management endorsement of the policy statement; announce the existence of the management approved corporate policy and distribute the corporate policy to all employees and management staff and contractors. Conduct briefings in all divisions explaining the quality, environment and occupational health and safety policy and how it will be implemented and integrated through the creation of an integrated management system addressing production and product quality, environmental management and occupational health and safety.</p>	3 Months After First Disbursement
<p>Implement Environmental Management System (EMS) Implement an Environmental Management System similar in scope and desired outcomes as the management system in use at the NeoPhotonics' San Jose facility. Existing corporate EMS may be adapted / extended to incorporate Shenzhen and/or other corporate facilities. Employees at the Shenzhen (and other foreign) facilities should be trained to effectively use the EMS system at their facility. After completion of the training program, provide OFC with documentary evidence of EMS implementation and employee training.</p>	9 Months After First Disbursement
<p>Annual Monitoring Report Reach agreement with IFC Environmental and Social Development Department on format for annual environmental performance report required by IFC investment contract. Obtain agreement on format, content. Ensure that facility managers collect adequate data throughout the operating year to complete the annual reports for IFC.</p>	Condition of First Disbursement