

ASI CERTIFICATION PERFORMANCE STANDARD



PRESENTED TO

SHANDONG HONGCHUANG ALUMINUM INDUSTRY HOLDING CO., LTD.

CERTIFICATE
NUMBER

240

ASI
STANDARD

PERFORMANCE
STANDARD
(V2 2017)

CERTIFICATION
LEVEL

FULL
CERTIFICATION

ASI ACCREDITED
AUDITOR

DNV BUSINESS
ASSURANCE
SERVICES UK
LTD.

DATE OF ISSUE

8 DECEMBER 2022

DATE OF EXPIRY

7 DECEMBER 2025

CERTIFIED SINCE

8 DECEMBER 2022

AUTHORISED BY

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

Aluminium Stewardship Initiative Ltd
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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

All activities of Shandong Hongchuang Aluminum Industry Holding Co., Ltd. (Boxing, Shandong, China) and its wholly owned subsidiaries Binzhou Hongbo Aluminum Foil Technology Co., Ltd. (Boxing, Shandong, China), Zouping Hongcheng Aluminum Technology Co., Ltd. (Zouping, Shandong, China), and Zouping Hongzhuo Aluminum Co., Ltd. (Zouping, Shandong, China). The facilities are mainly engaged in R&D, production and sales of aluminium sheets, strips, and foils. The main processes include remelting, casting and rolling, cold rolling, foil rolling, finishing (slitting) and annealing.

SUMMARY AUDIT REPORT

PERFORMANCE STANDARD

OVERVIEW

MEMBER NAME	China Hongqiao Group Co., Ltd.
ENTITY NAME	Shandong Hongchuang Aluminum Industry Holding Co., Ltd.
CERTIFICATION SCOPE	All activities of Shandong Hongchuang Aluminum Industry Holding Co., Ltd. (Boxing, Shandong, China) and its wholly owned subsidiaries Binzhou Hongbo Aluminum Foil Technology Co., Ltd. (Boxing, Shandong, China), Zouping Hongcheng Aluminum Technology Co., Ltd. (Zouping, Shandong, China), and Zouping Hongzhuo Aluminum Co., Ltd. (Zouping, Shandong, China). The facilities are mainly engaged in R&D, production and sales of aluminium sheets, strips, and foils. The main processes include remelting, casting and rolling, cold rolling, foil rolling, finishing (slitting) and annealing.
SUPPLY CHAIN ACTIVITIES	<ul style="list-style-type: none">Aluminium Re-melting/RefiningCasthousesSemi-Fabrication
ASI STANDARD	Performance Standard V2
AUDIT TYPE	<ul style="list-style-type: none">Initial Certification Audit
AUDIT FIRM	DNV Business Assurance Services UK Ltd.
AUDIT DATE	<ul style="list-style-type: none">17 – 21 October 2022
AUDIT SCOPE	<p>The audit scope covers all activities of Shandong Hongchuang Aluminum Industry Holding Co., Ltd. and its wholly owned subsidiaries Binzhou Hongbo Aluminum Foil Technology Co., Ltd., Zouping Hongcheng Aluminum Technology Co., Ltd., and Zouping Hongzhuo Aluminum Co., Ltd.</p> <p>Supply chain activities included in the audit scope:</p> <ul style="list-style-type: none">Aluminium Re-melting/RefiningCasthousesSemi-Fabrication <p>All relevant criteria in the ASI Performance Standard are included in the Audit Scope.</p>

AUDIT
OUTCOME

- 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.
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CERTIFICATION
PERIOD

8 December 2022 – 7 December 2025

NEXT AUDIT
TYPE

Surveillance Audit

NEXT AUDIT
DATE

7 June 2024

CERTIFICATION
NUMBER

240

SUMMARY OF FINDINGS

CRITERION	RATING	COMMENT
PRINCIPLE 1 BUSINESS INTEGRITY		
1.1 Legal Compliance	Conformance	The Entity has collected and identified the applicable legal and other requirements and has conducted compliance evaluation annually. The Entity has maintained a legal compliance register to identify and maintain relevant information.
1.2 Anti-Corruption	Conformance	The Entity has implemented Policies, processes, and training to identify and prevent Corruption.
1.3 Code of Conduct	Conformance	The Entity has implemented a Code of Conduct that includes principles related to Environmental, Social and Governance (ESG) performance. The Entity has implemented measures, including training, and communication to raise awareness of the code among business partners and suppliers.
PRINCIPLE 2 POLICY & MANAGEMENT		
2.1a Environmental, Social, and Governance Policy (implement and maintain)	Conformance	The Entity has developed and implemented The Environmental, Social and Governance Management Policy: http://www.hongchuangholding.com/newsinfo.aspx?CatelId=23&ParentId=3&NewsId=378&BaseInfoCatelId=23
2.1b Environmental, Social, and Governance Policy (senior management)	Conformance	The Entity has nominated two senior Management Representatives to be responsible for the approved Policies and to provide the necessary resources to establish, implement, maintain, and continually improve the Management System.
2.1c Environmental, Social, and Governance Policy (communication)	Conformance	The Entity has communicated its Environmental, Social and Governance Management Policy to internal stakeholders by training and external stakeholder via the website: http://www.hongchuangholding.com/newsinfo.aspx?CatelId=23&ParentId=3&NewsId=378&BaseInfoCatelId=23
2.2 Leadership	Conformance	The Entity has nominated a senior Management Representative with the responsibility for conformance with the ASI Performance Standard. The responsibilities of each department and key roles are defined.
2.3a Environmental and Social Management Systems (environmental)	Conformance	The Entity has implemented and documented an Environmental Management System. Three of the sites hold a valid ISO 14001:2015 certification.

CRITERION	RATING	COMMENT
2.3b Environmental and Social Management Systems (social)	Conformance	The Entity has established and implemented a Social Management System. Social and Occupational Health and Safety impacts are identified and assessed, and the associated management provisions for preventing and/or mitigating these impacts are established and implemented.
2.4 Responsible Sourcing	Conformance	The Entity has implemented a Purchasing Policy that addresses the material environmental, social and governance aspects relevant to suppliers. The Policy is communicated to all suppliers and contractors.
2.5 Impact Assessments	Conformance	The Entity has established and implemented procedures to address the requirement for risk assessments and management measures. The Entity has conducted environmental, social, cultural, and Human Rights Impact Assessments, including gender analysis, for New Projects or Major Changes to existing Facilities.
2.6 Emergency Response Plan	Conformance	The Entity has established Emergency Response Plans developed in collaboration with stakeholder groups to address fire, hazardous chemical leaks, extreme weather, and key equipment breakdown including a resumption plan. The Emergency Response Plans on social, OH&S and environmental incidents have been implemented and personnel trained on the plans.
2.7 Mergers and Acquisitions	Conformance	The Entity has established a procedure for mergers and acquisitions. No such activity has occurred since the Entity commenced operations in 2012.
2.8 Closure, Decommissioning and Divestment	Conformance	The Entity has established a procedure for closure, decommissioning and divestment. No such case has occurred since the Entity commenced operations in 2012.
PRINCIPLE 3 TRANSPARENCY		
3.1 Sustainability Reporting	Conformance	The Entity has publicly disclosed its environment, social and governance in the 2021 Annual Report: http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&orgId=9900011448&stockCode=002379&announcementId=1214310654&announcementTime=2022-08-17
3.2 Non-compliance and liabilities	Minor Non-Conformance	The Entity has not received any significant fines or penalties from relevant government agencies. However, it was identified the Entity has not

CRITERION	RATING	COMMENT
		publicly disclosed information on a minor non-conformance raised by the local environmental authority. The Entity corrected the non-compliance in May 2021.
3.3a Payments to governments (legal and contractual)	Conformance	The Entity's payments to the government are included in the 2021 Annual Audit Report and are audited by a third party. The report is available at: http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&orgId=9900011448&stockCode=002379&announcementId=1212459739&announcementTime=2022-02-28
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	The Entity has established an internal and external whistleblowing/complaints/grievance mechanism that includes a 'whistleblower' hotline, mailing address and suggestion box.
PRINCIPLE 4 MATERIAL STEWARDSHIP		
4.1a Environmental Life Cycle Assessment (life cycle impacts)	Conformance	The Entity has conducted and documented environmental Life Cycle Assessment (LCA) for its Aluminium products. LCA Report of Aluminium sheet: http://www.hongchuangholding.com/newsinfo.aspx?CatelId=23&ParentId=3&NewsId=381&BaseInfoCatelId=23 LCA Report of Aluminium foil: http://www.hongchuangholding.com/newsinfo.aspx?CatelId=23&ParentId=3&NewsId=383&BaseInfoCatelId=23
4.1b Environmental Life Cycle Assessment (cradle to gate)	Conformance	The Entity has publicly communicated cradle-to-gate LCA information and its underlying assumptions, including system boundaries.
4.1c Environmental Life Cycle Assessment (public communication)	Conformance	The Entity has publicly communicated its LCA reports: LCA Report of Aluminium sheet: http://www.hongchuangholding.com/newsinfo.aspx?CatelId=23&ParentId=3&NewsId=381&BaseInfoCatelId=23 LCA Report of Aluminium foil: http://www.hongchuangholding.com/newsinfo.aspx?CatelId=23&ParentId=3&NewsId=383&BaseInfoCatelId=23
4.2 Product design	Conformance	The Entity has integrated relevant objectives in the design and development process for Products to

CRITERION	RATING	COMMENT
		enhance sustainability, including the environmental life cycle impacts of the end product. For each product development process, energy consumption, the use of clean energy, waste reduction and recycling are taken into consideration.
4.3a Aluminium Process Scrap (targets)	Conformance	The Entity has minimised the generation of Aluminium Process Scrap within its operations and the generated target of scrap for collection, recycling and/or re-use, is 100%. Process Scrap is collected and sent to a smelter for recycling.
4.3b Aluminium Process Scrap (alloy separation)	Conformance	The Entity has implemented processes to separate Aluminium alloys and grades for recycling.
4.4a Collection and recycling of products at end-of-life (strategy)	Conformance	The Entity has developed a recycling strategy, including specific timelines, activities, and targets. The Entity works with customers on how to improve the recycling rate of Products at end-of-life such as the return of non-conforming Products for re-work or cutting into size for re-use.
4.4b Collection and recycling of products at end-of-life (engagement)	Conformance	There are no local, regional, or national collection and recycling systems for aluminium scrap in China. The Entity works with the customer to decide how to improve the recycling rate of Products at end-of-life, such as returning non-conforming Products for re-work or cutting into size for re-use.
PRINCIPLE 5 GREENHOUSE GAS EMISSIONS		
5.1 Disclosure of GHG emissions and energy use	Minor Non-Conformance	<p>The Entity has calculated its major Scope 1 and 2 Greenhouse Gas (GHG) Emissions and energy use by source and disclosed the data in the 2021 GHG Emissions Report:</p> <p>http://www.hongchuangholding.com/newsinfo.aspx?CatelId=23&ParentId=3&NewsId=386&BaseInfoCatelId=23</p> <p>GHG Emissions are not verified by a Third Party. However, some emission factors adopted in the annual report are data from the '2006 IPCC Guidelines for National Greenhouse Gas Inventories' (IPCC 2006), instead of actual data or local regional data. For example, the emission factor used for natural gas is 3.89kj/m³ rather than the actual data of 3.13kj/m³.</p>
5.2 GHG emissions reductions	Conformance	The China Hongqiao Group has established an overall strategy for GHG Emissions with a goal of carbon neutrality by 2060 after a carbon peak in

CRITERION	RATING	COMMENT
		2030. Based on the Group strategy and the 2021 GHG Emissions, the Entity has established reduction targets and implemented programs to reduce electricity consumption and increase the scrap recycling rate. The GHG Emissions reduction target is available at: http://www.hongqiaochina.com/Uploads/File/2022/05/30/C1378-ESG.20220530182304.pdf
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 Entity has conducted an Environmental Impact Assessment to identify and quantify the Emissions to Air that have adverse effects on humans or the environment. The Entity has established the emissions treatment facilities required and the operational requirements to treat the emissions prior to release and has monitored the air emissions at the required interval periodically. The monitoring results in 2021 and 2022 indicate emissions are lower than the legal emission limit.
6.2 Discharges to Water	Conformance	The Entity has implemented an Environmental Management System to manage Discharges to Water. The Entity has established water reduction targets and implemented a related plan to minimise adverse impacts. The wastewater monitoring reports indicated the major pollutants are monitored and results indicate pollutants meet the local legal discharge 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, has been undertaken by following the risk assessment process for the Environmental Management System.
6.3b Assessment and Management of Spills and Leakage (management)	Conformance	The Entity has implemented the Emergency Response Plan for environment incidents in which the control methods for the identified spill/leakage are defined. The required spill management facilities are in good order. The Entity has provided

CRITERION	RATING	COMMENT
		training on the plan to the relevant Workers and has conducted emergency drills.
6.4a Reporting of Spills (immediate disclosure)	Conformance	The Entity has defined the requirement to report Spills and Leakage in the Emergency Response Plan, which also addresses responsibilities and the reporting process. No Spills occurred in 2021 or 2022.
6.4b Reporting of Spills (regular reporting)	Conformance	The Entity has a process to ensure Impact Assessments associated with Spills and Leakages and the remedial actions taken are disclosed. No Spills or Leakage occurred in 2021 and 2022. The Entity has published the annual Environmental Performance Report 2021: http://www.hongchuangholding.com/newsinfo.aspx?CatelId=23&ParentId=3&NewsId=379&BaseInfoCatelId=23
6.5a Waste management and reporting (strategy)	Conformance	Waste management is covered by the Environmental Management System. The Entity has implemented a waste management strategy according to the Waste Mitigation Hierarchy. The inventory of wastes generated in the operation is established and control methods for the different types of waste are defined. The main Hazardous Wastes are diatomite with oil and waste oil including rolling oil and mineral oil. The disposal of Hazardous Waste complies with legal requirements and transferred to qualified suppliers for disposal. Each transfer is registered with the Environment Protection Ministry. The transfers in 2021 and 2022 were audited and no non-compliance was found.
6.5b Waste management and reporting (disclosure)	Conformance	The quantity of Hazardous and Non-Hazardous Waste generated by the Entity, and the associated waste disposal methods are disclosed in the annual Environmental Performance Report: http://www.hongchuangholding.com/newsinfo.aspx?CatelId=23&ParentId=3&NewsId=379&BaseInfoCatelId=23
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.

CRITERION	RATING	COMMENT
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.
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)	Conformance	The Aluminium recovered from the Dross pressing is recycled in the melting furnaces of the Zouping County Hongcheng Aluminum Foil Technology Co and Zouping Hongzhuo Aluminum Industry Co sites.
6.8b Dross (recycling)	Conformance	The Aluminium recovered from the Dross pressing is recycled in the Entity's melting furnaces. The remaining is sold to external processors for recycling the Dross residue.
6.8c Dross (review of alternatives)	Conformance	The Entity does not send Dross residue to landfill.
PRINCIPLE 7 WATER STEWARDSHIP		
7.1a Water assessment (mapping)	Conformance	The Entity has identified and mapped its water withdrawal and use. The Entity only sources water from the municipal water supply and identifies the discharge and consumption by source. The water balance analysis has been conducted.
7.1b Water assessment (risk assessment)	Conformance	The Entity has conducted a water risk assessment which considered the Entity's Area of Influence: http://www.hongchuangholding.com/newsinfo.aspx?CatelId=23&ParentId=3&NewsId=387&BaselInfoCatelId=23

CRITERION	RATING	COMMENT
		Due to the nature of the product and production processes in the local water environment, the level of water-related risk was identified as low.
7.2a Water management (management plans)	Conformance	This Criterion is not applicable as there were no identified significant water-related risks in the Entity's Area of Influence.
7.2b Water management (monitoring)	Conformance	This Criterion is not applicable as there were no identified significant water-related risks in the Entity's Area of Influence.
7.3 Disclosure of water usage and risks	Conformance	The Entity has disclosed its Water Resources Risk Assessment report: http://www.hongchuangholding.com/newsinfo.aspx?CatelId=23&ParentId=3&NewsId=387&BaseInfoCatelId=23
PRINCIPLE 8 BIODIVERSITY		
8.1 Biodiversity assessment	Conformance	The Entity has conducted a Biodiversity Assessment as part of its Environmental Management System. The assessment involved qualified Third Parties and the report was approved by the local Environmental Protection Bureau. The risk or impact was assessed as low. Further information is available in the Biodiversity Risk Assessment Report: http://www.hongchuangholding.com/newsinfo.aspx?CatelId=23&ParentId=3&NewsId=384&BaseInfoCatelId=23
8.2a Biodiversity management (biodiversity action plans)	Not Applicable	This Criterion is not applicable, as the outcome of the Biodiversity Risk Assessment did not identify significant biodiversity impacts.
8.2b Biodiversity management (consultation and mitigation hierarchy)	Not Applicable	This Criterion is not applicable, as the outcome of the Biodiversity Risk Assessment did not identify significant biodiversity impacts.
8.2c Biodiversity management (reporting)	Not Applicable	This Criterion is not applicable, as the outcome of the Biodiversity Risk Assessment did not identify significant biodiversity impacts.
8.3 Alien Species	Conformance	The Entity has identified the risk of introducing Alien Species within its Biodiversity Risk Assessment Report, which is limited to the use of wooden pallets and 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.

CRITERION	RATING	COMMENT
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 Entity has an ASI Policy that addresses their commitment to respect Human Rights according to the UN Guiding Principles on Business and Human Rights.
9.1b Human Rights Due Diligence (process)	Conformance	The Entity has established a Due Diligence process to identify and assess the risks and impacts on Human Rights. The requirements of the ASI Performance Standard are communicated to suppliers and major suppliers are audited to verify conformance with the requirements.
9.1c Human Rights Due Diligence (remediation)	Conformance	The Entity has established and published the complaints/grievance channels to stakeholders. A remediation process for any adverse Human Rights impact has been established. No major impact has been reported.
9.2 Women’s Rights	Conformance	The Entity has implemented an Equal Employment Opportunity Policy which is communicated to all employees. The Entity has identified the legal rights for women and implemented control measures to ensure these are met.
9.3 Indigenous Peoples	Not Applicable	This Criterion is not applicable, as there are no Indigenous Peoples within the Entity’s Area of Influence. However, Policies and processes to ensure respect for the rights and interests of Indigenous Peoples has been established.
9.4 Free, Prior, and Informed Consent (FPIC)	Not Applicable	This Criterion is not applicable, as there are no Indigenous Peoples within the Entity’s Area of Influence. However, Policies and processes to ensure respect for the rights and interests of Indigenous Peoples has been established.
9.5 Cultural and sacred heritage	Not Applicable	This Criterion is not applicable as there is no cultural or sacred heritage. However, Policies and procedure to protect cultural and sacred heritage has been established.

CRITERION	RATING	COMMENT
9.6a Resettlements (avoid or minimise)	Not Applicable	This Criterion is not applicable as there has been no Resettlement, with all land purchased from the local government, no expansion plans, and no Indigenous Peoples involved. However, the Entity has established a management procedure on resettlements.
9.6b Resettlements (where unavoidable)	Not Applicable	This Criterion is not applicable as there has been no Resettlement, with all land purchased from the local government, no expansion plans, and no Indigenous Peoples involved. However, the Entity has established a management procedure on resettlements.
9.7a Local Communities (rights and interests)	Conformance	The Entity has conducted a risk assessment and established control measures for identified impacts on Local Communities. Control measures have been implemented.
9.7b Local Communities (impacts)	Conformance	The Entity has identified and assessed the impact on the Local Communities. The control measures for the identified impacts on Local Communities are established and implemented. There has been no complaint from the Local Communities received.
9.7c Local Communities (livelihoods)	Conformance	The Entity has a proactive approach to working with Local Communities and neighbourhood organisations to improve and support mutual interests. The Entity is active in community engagement and has provided donations to support the development of the Local Community.
9.8 Conflict-Affected and High-Risk Areas	Conformance	The Entity has conducted a risk analysis to determine if the conflict minerals are used in Products or the production processes. The Entity has committed to not use conflict minerals and communicates it through the Aluminium value chain. No conflict minerals are used by the Entity during production.
9.9 Security practice	Conformance	The Entity has established a management procedure on the duties of security Workers that defines the primary role of security Workers which is to protect people, property and or assets and to 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. However, the Entity demonstrates they respect the right to Freedom of Association. There are eight freely elected Worker representatives.

CRITERION	RATING	COMMENT
10.1b Freedom of Association and Right to Collective Bargaining (collective bargaining)	Conformance	There are laws that restrict Collective Bargaining in China. Although there are no Collective Bargaining Agreements in the Entity, a Policy for respecting rights to Collective Bargaining has been implemented.
10.1c Freedom of Association and Right to Collective Bargaining (alternative means)	Conformance	There are laws that restrict Freedom of Association and Collective Bargaining in China. However, the Entity has demonstrated they respect Freedom of Association and Collective Bargaining and have freely elected Worker representatives that deal with the Workers' concerns with management on behalf of the Workers. Workers can also use public email and hotline to report their concerns and complaints or directly communicate with management.
10.2a Child Labour (minimum age)	Conformance	The Entity has implemented a Policy prohibiting the use of Child Labour. The Entity has demonstrated there is no presence of Child Labour or young Workers.
10.2b Child Labour (hazardous)	Conformance	Child Labour is prohibited in China. Young Workers (16 to 18 years) are under special protection by law and are not allowed to work in hazardous working conditions. The Entity has demonstrated there is no presence of Child Labour or young Workers.
10.2c Child Labour (worst forms)	Conformance	The Entity has implemented a Policy prohibiting the use of Child Labour. The Entity commits itself and expects its suppliers to comply with the prohibition of Child Labour.
10.3a Forced Labour (human trafficking)	Conformance	The Entity has implemented a Policy of prohibition against Forced Labour including Human Trafficking. The Policy is communicated internally and to suppliers.
10.3b Forced Labour (deposits, fees, advances)	Conformance	The Entity has implemented a Policy of prohibition against Forced Labour. Workers are not required to provide any form of deposit, Recruitment Fees or equipment advance.
10.3c Forced Labour (migrant workers)	Conformance	There are no Migrant Workers at the Entity. The Entity has implemented a Policy and procedure which states that the Entity does not require Migrant Workers to lodge deposits or security payments at any time.
10.3d Forced Labour (debt bondage)	Conformance	The Entity is not involved in Forced Labour and does not provide loans to Workers. Labour contracts signed between the Facilities and

CRITERION	RATING	COMMENT
		Workers do not include terms related to Debt Bondage, and payslips indicate there are no illegal deductions. This was verified through interviews with Workers.
10.3e Forced Labour (freedom of movement)	Conformance	The Entity has established an Employee Manual that defines there is no restriction on Workers' movement at the Entity. This was verified through interviews with Workers.
10.3f Forced Labour (retention of identity papers, permits, certificates)	Conformance	The Entity has defined within the management procedure on Forced Labour and the Employee Manual, that the retention of Workers' original documents is prohibited. Only copies of original documents are kept in Workers' files. This was verified through interviews with Workers.
10.3g Forced Labour (freedom to terminate employment)	Conformance	The Entity has defined within the management procedure on Forced Labour and the Employee Manual, that Workers are free to terminate their employment at any time without penalty, given notice of thirty days in advance or three days in the period of probation, in compliance with the Labour Contract Law.
10.4 Non-Discrimination	Conformance	The Entity has defined within its management procedure and Employee Manual that any form of Discrimination is prohibited. This is verified through Worker interviews.
10.5 Communication and engagement	Conformance	The Entity has regular meetings between Worker representatives and senior management, a grievance, and complaints hotline, and has implemented operating procedures to ensure communication and direct engagement with Workers regarding working conditions and resolution of workplace and compensation issues.
10.6 Disciplinary practices	Conformance	The Entity respects its employees and disciplinary measures including management procedures, comply with legal requirements and require the confirmation of the involved Worker. Disciplinary measures are defined and communicated to Workers. This is verified through Worker interviews.
10.7a Remuneration (living wage)	Conformance	The Entity has a wage structure that is clearly defined. The basic wage meets the legal minimum wage, and the total payment meets the Workers' basic need.

CRITERION	RATING	COMMENT
10.7b Remuneration (method of payment)	Conformance	The Entity documents all payments and payments are made to all Workers by bank transfer between the 1 st to 5 ^h of the following month, seven to eleven days after the wage cycle.
10.8 Working Time	Minor Non-Conformance	The Entity records Working hours through a face-scanning attendance system. Working hours are monitored. However, monthly Overtime hours exceeded the legal limit and leave benefits for female Workers over seven months pregnant do not meet the legal requirement.
PRINCIPLE 11 OCCUPATIONAL HEALTH AND SAFETY		
11.1a Occupational Health and Safety (OH&S) Policy (policy)	Conformance	The Entity has implemented an Occupational Health and Safety (OH&S) Policy, which is reviewed periodically and communicated with Stakeholders. The Entity holds a valid ISO 45001:2018 certification.
11.1b Occupational Health and Safety (OH&S) Policy (workers and visitors)	Conformance	Workers are provided with the associated training courses on the hazards and know to protect themselves from injury. For Visitors, the hazards are informed to them before they enter the workshops through an OH&S training course and accompanied or monitored by the safety staff.
11.1c Occupational Health and Safety (OH&S) Policy (applicable law and standards)	Conformance	The Entity has implemented systems to identify all applicable legal and related requirements and evaluate legal compliance at least annually.
11.1d Occupational Health and Safety (OH&S) Policy (right to stop unsafe work)	Conformance	The OH&S Policy includes a commitment to prevent Workers from injury and health harm at the workplace. Workers participate in training courses to understand the hazards, OH&S risks and actions determined as relevant for them and their right to refuse unsafe work.
11.2 OH&S Management System	Conformance	The Entity has a documented and implemented OH&S Management System and holds a valid ISO 45001:2018 certification.
11.3 Employee engagement on health and safety	Conformance	The Entity has established a system of Workers' consultation and participation in health and safety. Workers are encouraged to report their concerns or advice on OH&S issues by themselves, or to a Worker representative. The management responds to the concerns and advice from Workers on OH&S issues.

CRITERION	RATING	COMMENT
11.4 OH&S performance	Conformance	The Entity has established and documented six Occupational Health and Safety targets in the OH&S Program. The achievement status of the targets is monitored periodically. Currently, the implementation of the management programs for the OH&S targets is on track.

Document Control and Version History

Revision	Date	Notes
0	8 December 2022	Initial Certification Audit – Full Certification