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ASI CERTIFICATION  
PERFORMANCE  
STANDARD

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PRESENTED TO

# YANTAI DONGHAI ALUMINIUM FOIL CO., LTD.

CERTIFICATE  
NUMBER

17

ASI  
STANDARD

PERFORMANCE  
STANDARD  
(V2 2017)

CERTIFICATION  
LEVEL

FULL  
CERTIFICATION

ASI  
ACCREDITED  
AUDITOR

DNV GL

DATE OF ISSUE

29 JANUARY 2019

DATE OF EXPIRY

28 JANUARY 2022

CERTIFIED SINCE

29 JANUARY 2019

AUTHORISED BY

A handwritten signature in black ink, appearing to be 'J. H.', with a long horizontal line extending to the right.

Aluminium Stewardship Initiative Ltd  
ACN 606 661 125, Australia  
info@aluminium-stewardship.org

*Validity of this Certificate is subject to continued  
conformance with the applicable ASI Standard  
and can be verified at  
[www.aluminium-stewardship.org](http://www.aluminium-stewardship.org)*

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CERTIFICATION SCOPE

Yantai Donghai Aluminium Foil Co., Ltd. is located in Nanshan Industrial Zone, Longkou, Yantai City, Shandong Province, China which carries out the manufacture and sale of high-precision aluminium and aluminium alloy foils. Yantai Donghai Aluminium Foil Co., Ltd is a subsidiary of Shandong Nanshan Aluminium Co., Ltd.

# SUMMARY AUDIT REPORT

## PERFORMANCE STANDARD

### OVERVIEW

MEMBER NAME	Shandong Nanshan Aluminium Co., Ltd.
ENTITY NAME	Yantai Donghai Aluminium Foil Co., Ltd.
CERTIFICATION SCOPE	Yantai Donghai Aluminium Foil Co., Ltd. is located in Nanshan Industrial Zone, Longkou, Yantai City, Shandong Province, China which carries out the manufacture and sale of high-precision aluminium and aluminium alloy foils. Yantai Donghai Aluminium Foil Co., Ltd is a subsidiary of Shandong Nanshan Aluminium Co., Ltd.
SUPPLY CHAIN ACTIVITIES	<ul style="list-style-type: none"><li>Material Conversion</li></ul>
ASI STANDARD	<ul style="list-style-type: none"><li>Performance Standard V2</li></ul>
AUDIT TYPE	<ul style="list-style-type: none"><li>First Certification Audit (24 . 28 December 2018)</li><li>Surveillance Audit (11 . 13 August 2020)</li></ul>
AUDIT FIRM	DNV GL
AUDIT DATE	First Certification Audit (24 . 28 December 2018) Surveillance Audit (11 . 13 August 2020)
AUDIT REPORT SUBMISSION	17 January 2019 (First Certification Audit) 18 September 2020 (Surveillance Audit)
AUDIT SCOPE	<p><u>First Certification Audit (24 . 28 December 2018)</u></p> <p>The audit scope covered the Yantai Donghai Aluminium Foil Co., Ltd. is a subsidiary of Shandong Nanshan Aluminium Co., Ltd. and located in Nanshan Industrial Zone, Longkou, Yantai City, Shandong Province, 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"><li>Material Conversion</li></ul> <p>All relevant Criteria in the ASI Performance Standard were included in the audit scope.</p>

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Surveillance Audit (11 . 13 August 2020)

The audit scope covered the Yantai Donghai Aluminium Foil Co., Ltd. is a subsidiary of Shandong Nanshan Aluminium Co., Ltd. and located in Nanshan Industrial Zone, Longkou, Yantai City, Shandong Province, China. The main products cover high-precision aluminium and aluminium alloy foils.

Supply chain activities included in the audit scope:

- Material Conversion

All relevant Criteria in the ASI Performance Standard were included in the audit scope.

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AUDIT  
OUTCOME

- Certification

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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

29 January 2019 . 28 January 2022

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NEXT AUDIT  
TYPE

Re-Certification Audit

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NEXT AUDIT  
DUE DATE

28 January 2022

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CERTIFICATE  
NUMBER

17

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## SUMMARY OF FINDINGS

CRITERION	RATING	COMMENT
PRINCIPLE 1 BUSINESS INTEGRITY		
1.1 Legal Compliance	Conformance	<p>The Entity collects and identifies the applicable legal requirements and other requirements, conducts the compliance evaluation on an annual basis. No fine and request for the corrective actions issued from the government agencies and other stakeholders.</p> <p>More information of legal compliance assessment could be found in the Sustainability Report via the link below:  <a href="http://www.nanshanqhj.com/static/admin/upload/file/20200810/20200810170129_21178.pdf">http://www.nanshanqhj.com/static/admin/upload/file/20200810/20200810170129_21178.pdf</a>.</p> <p>Link to Code of Conduct:  <a href="http://www.nanshanqhj.com/static/admin/upload/file/20190823/20190823003726_36529.pdf">http://www.nanshanqhj.com/static/admin/upload/file/20190823/20190823003726_36529.pdf</a>.</p>
1.2 Anti-Corruption	Conformance	<p>Policies and processes such as the Management Procedure of Anti-Corruption to identify and prevent corruption are implemented and personnel trained in these processes as verified through training records. The Entity works against corruption in all its forms, including extortion and bribery, consistent with applicable law and prevailing international standards. The Entity also has a Policy for Labour and Business Ethics:  <a href="http://www.nanshanqhj.com/static/admin/upload/file/20190823/20190823003726_36529.pdf">http://www.nanshanqhj.com/static/admin/upload/file/20190823/20190823003726_36529.pdf</a>.</p>
1.3 Code of Conduct	Conformance	<p>A Code of Conduct which covers environmental, social and governance principles is available for all stakeholders on the Code of Conduct is available for all interested stakeholders on the official website of the Entity:  <a href="http://www.nanshanqhj.com/static/admin/upload/file/20190823/20190823003726_36529.pdf">http://www.nanshanqhj.com/static/admin/upload/file/20190823/20190823003726_36529.pdf</a>.</p>
PRINCIPLE 2 POLICY & MANAGEMENT		
2.1a Environmental, Social, and Governance Policy (implement and maintain)	Conformance	<p>The management policies are consistent with the environmental, social, and governance practices.  <a href="http://www.nanshanqhj.com/static/admin/upload/file/20190823/20190823003726_36529.pdf">http://www.nanshanqhj.com/static/admin/upload/file/20190823/20190823003726_36529.pdf</a></p>
2.1b Environmental, Social, and Governance Policy (senior management)	Conformance	<p>The General Manager of the Entity approves Environmental, Social, and Governance Policy, and the Senior management demonstrate commitment to the implemented policies by communicating the policies to the interested parties, providing the necessary recourse for implementation of the policies.</p>
2.1c Environmental, Social, and Governance Policy (communication)	Conformance	<p>The Policies are available for internal and external stakeholders by training, publishing on</p>

CRITERION	RATING	COMMENT
		<a href="http://www.nanshanqhj.com/static/admin/upload/file/20190823/20190823003726_36529.pdf">http://www.nanshanqhj.com/static/admin/upload/file/20190823/20190823003726_36529.pdf</a> .
2.2 Leadership	Conformance	A Senior Management representative has been appointed and has the overall responsibility and authority for ensuring conformance with this Standard.
2.3a Environmental and Social Management Systems (environmental)	Conformance	Donghai Aluminium Foil 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 is established and implemented. For the human rights and labor rights, the Entity establishes the documented management procedures to implement the requirements in ASI Performance Standard. For Occupational health and safety, the Entity holds the valid OHSAS 18001:2007 certificate.
2.4 Responsible Sourcing	Conformance	The Purchasing Policy is communicated to all suppliers and contractors and cover the material environmental, social and governance aspects towards the suppliers based on the ASI Performance Standard. The policy is published in <a href="http://www.nanshanqhj.com/static/admin/upload/file/20190823/20190823003726_36529.pdf">http://www.nanshanqhj.com/static/admin/upload/file/20190823/20190823003726_36529.pdf</a> .
2.5 Impact Assessments	Conformance	Environmental, social, cultural and Human Rights Impact Assessments are well implemented at various departments.
2.6 Emergency Response Plan	Conformance	The Entity establishes Business Continuity and Resumption Plan covering fire, earthquake, hazardous chemical leak, extreme weather, labor shortage, key equipment breakdown and the relevant resumption plan. The well-established emergency response plans are developed in collaboration with potentially affected stakeholder groups such as communities, workers and their representatives. Based on the requirements of ISO 14001 & OHSAS 18001, the site establishes the emergency response plan for EHS issues, registered the emergency plans in the relevant government agencies which is compliance with the ISO standard requirements and legal requirements. The employees are provided the relevant training courses and the exercises are conducted for fire/evacuation, chemical leak.
2.7 Mergers and Acquisitions	Conformance	A procedure is established for mergers and acquisitions, but no such activity has happened since the site started the operation in 2002.

CRITERION	RATING	COMMENT
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 Donghai Aluminium Foil started operation in 2002.
PRINCIPLE 3 TRANSPARENCY		
3.1 Sustainability Reporting	Conformance	The annual Sustainability Report, published on the Entity's official website: <a href="http://www.nanshanqhj.com/static/admin/upload/file/20200810/20200810170129_21178.pdf">http://www.nanshanqhj.com/static/admin/upload/file/20200810/20200810170129_21178.pdf</a> .
3.2 Non-compliance and liabilities	Conformance	No non-compliance or liabilities was recorded in annual report 2019. Per the official websites of the relevant government agencies and NGOs, no such case was raised by the government agencies.
3.3a Payments to governments (legal and contractual)	Conformance	The Entity only make, or have made on its behalf, payments to governments on a legal and contractual basis. This is published on: <a href="http://file.finance.sina.com.cn/211.154.219.97:9494/MRG/G/CNSESH_STOCK/2020/2020-4/2020-04-11/6022351.PDF">http://file.finance.sina.com.cn/211.154.219.97:9494/MRG/G/CNSESH_STOCK/2020/2020-4/2020-04-11/6022351.PDF</a> . The annual finance report is audited by a 3rd party.
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	Whistle-blowing/Complaint/Grievance channels are established and effective. The hotline and email address are published to internal and external stakeholders. Till now, no complaint is received.
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 the website of the Entity. <a href="http://www.nanshanqhj.com/static/admin/upload/file/20190823/20190823003841_62866.pdf">http://www.nanshanqhj.com/static/admin/upload/file/20190823/20190823003841_62866.pdf</a>
4.1b Environmental Life Cycle Assessment (cradle to gate)	Conformance	The Entity has provided adequate cradle-to-gate Life Cycle Assessment (LCA) information on its aluminium product. The Environmental Life Cycle Assessment Report can be provided for external communication if required. There have been no requests to date. <a href="http://www.nanshanqhj.com/static/admin/upload/file/20190823/20190823003841_62866.pdf">http://www.nanshanqhj.com/static/admin/upload/file/20190823/20190823003841_62866.pdf</a> .

CRITERION	RATING	COMMENT
4.1c Environmental Life Cycle Assessment (public communication)	Conformance	The Environmental Life Cycle Assessment Report is published in the official website of the Entity: <a href="http://www.nanshanghj.com/static/admin/upload/file/20190823/20190823003841_62866.pdf">http://www.nanshanghj.com/static/admin/upload/file/20190823/20190823003841_62866.pdf</a> .
4.2 Product design	Minor Non-Conformance	As per the R&D management procedure, the energy-consumption and waste reduction and recycling are taken into consideration at the stage of product design & development. Per the sampled project file, the targets for energy-consumption reduction, recycling rate and yield rate for the finished products are defined, the status of the achievement of the targets is reviewed.
4.3a Aluminium Process Scrap (targets)	Conformance	The Entity has minimized the generation of Aluminium Process Scrap within its own operations and, where generated target 100% of scrap for collection, recycling. Refer to Life Cycle Management of Solid Waste on page 8 of the Entity's Sustainability Report, accessible via the following link. <a href="http://www.nanshanghj.com/static/admin/upload/file/20200810/20200810170129_21178.pdf">http://www.nanshanghj.com/static/admin/upload/file/20200810/20200810170129_21178.pdf</a> .
4.3b Aluminium Process Scrap (alloy separation)	Conformance	As per the result of risk analysis, the process scrap in the site does not need separation for recycling.
4.4a Collection and recycling of products at end-of-life (strategy)	Conformance	The Entity has a clear recycling strategy, working with customer to improve the recycling rate at end-of-life. Right now, the site is communicating with main customer to define how to achieve this target.
4.4b Collection and recycling of products at end-of-life (engagement)	Conformance	Because there is not the complete local, regional or national collection and recycling systems for aluminium scraps in China, the Entity is working with the customer to decide how to achieve the target.
PRINCIPLE 5 GREENHOUSE GAS EMISSIONS		
5.1 Disclosure of GHG emissions and energy use	Conformance	The major scope 1, 2 greenhouse gas emissions and energy use by source are tracked, calculated and documented annually, The GHG emission reports in 2019 is not checked by 3rd party and can be reached via: <a href="http://www.nanshanghj.com/static/admin/upload/file/20200810/20200810170038_80304.pdf">http://www.nanshanghj.com/static/admin/upload/file/20200810/20200810170038_80304.pdf</a> .
5.2 GHG emissions reductions	Conformance	The company set up a GHG emission reduction target in 2019 should reduce the GHG emission to 1.40 Ton CO <sub>2</sub> -eq/Ton product based on the level of 2019, aligning with the group target assigned. The main strategy is to reduce the unnecessary electricity consumption and increase the scrap recycle rate. The information can be reached via:

CRITERION	RATING	COMMENT
		<a href="http://www.nanshanqhj.com/static/admin/upload/file/20200810/20200810170109_22186.pdf">http://www.nanshanqhj.com/static/admin/upload/file/20200810/20200810170109_22186.pdf</a> .
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 environmental impacts on air emission is identified and assessed. The waste air generated in the operation is collected and treated before discharge. The monitor reports in 2019 and 2020 shows 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. The Entity setup water reduction targets and establish related plan to minimize adverse impacts. The monitor reports of wastewater in 2019 and 2020 shows major pollutants were monitored, monitoring results for these major pollutants meets 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 is done by following the risk assessment process of environmental management system.
6.3b Assessment and Management of Spills and Leakage (management)	Conformance	Assessment and Management of Spills and Leakage is defined in the environmental management system. Major spills and leakages will be handled and communicated by the emergency response team.
6.4a Reporting of Spills (immediate disclosure)	Conformance	Reporting of Spill/Leakage is defined in the Emergency Response Plan. No spill/leakage happens till now.
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 2019, the information is closed on Page 4 in the Sustainability Report in 2019: <a href="http://www.nanshanqhj.com/static/admin/upload/file/20200810/20200810170129_21178.pdf">http://www.nanshanqhj.com/static/admin/upload/file/20200810/20200810170129_21178.pdf</a> .
6.5a Waste management and reporting (strategy)	Conformance	Waste management is covered by the environmental management system. The reduction targets according the collection of hazardous and non-hazardous waste are



CRITERION	RATING	COMMENT
		established, how to achieve the target is defined and implemented.
6.5b Waste management and reporting (disclosure)	Conformance	The quantity of Hazardous and Non-Hazardous Waste generated by the site is registered in the Solid Waste Information management system, and the reduction percentage of landfill is published in the Sustainability report on the website of the Entity: <a href="http://www.nanshanghj.com/static/admin/upload/file/20200810/20200810170129_21178.pdf">http://www.nanshanghj.com/static/admin/upload/file/20200810/20200810170129_21178.pdf</a> .
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.
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.

CRITERION	RATING	COMMENT
6.8c Dross (review of alternatives)	Not Applicable	This Criterion is not applicable to the Entity's certification scope.
PRINCIPLE 7 WATER STEWARDSHIP		
7.1a Water assessment (mapping)	Conformance	The water source is municipal water supply. Usage is tracked and documented. The water balance map is published: <a href="http://www.nanshanghj.com/static/admin/upload/file/20190823/20190823004005_21651.pdf">http://www.nanshanghj.com/static/admin/upload/file/20190823/20190823004005_21651.pdf</a> .
7.1b Water assessment (risk assessment)	Conformance	Based on the approval EIA report in which the water discharge is identified and assessed, the water-related risk assessment was conducted. Due to the nature of the product and production processes, in the local water environment, the level of water-related risk is low. The water risk assessment report is published: <a href="http://www.nanshanghj.com/static/admin/upload/file/20190823/20190823004113_29745.pdf">http://www.nanshanghj.com/static/admin/upload/file/20190823/20190823004113_29745.pdf</a> .
7.2a Water management (management plans)	Conformance	Based on the result of Water-related risks assessment, the targets of water-consumption reduction in 2020 is set up. The targets are published on the Page 8 in the sustainability report in 2019: <a href="http://www.nanshanghj.com/static/admin/upload/file/20200810/20200810170129_21178.pdf">http://www.nanshanghj.com/static/admin/upload/file/20200810/20200810170129_21178.pdf</a> .
7.2b Water management (monitoring)	Conformance	The water consumption is counted every month, The target of the water reduction is established for 2019, and the achievement status of the water-related targets is assessed, and published on <a href="http://www.nanshanghj.com/static/admin/upload/file/20200810/20200810170129_21178.pdf">http://www.nanshanghj.com/static/admin/upload/file/20200810/20200810170129_21178.pdf</a> .
7.3 Disclosure of water usage and risks	Conformance	In accordance to the communication procedure in the environment management system, the Water-related risks assessment report, water balance map and target of water-consumption reduction is published on <a href="http://www.nanshanghj.com">www.nanshanghj.com</a> .
PRINCIPLE 8 BIODIVERSITY		
8.1 Biodiversity assessment	Conformance	As a part of environmental impact assessment, the impact on biodiversity by the operation is assessed by the qualified 3rd party, the report is approved by the local EPB. Additionally, the biodiversity impact assessment report is compiled to assess the risk and materiality of the impacts on biodiversity from the land use and activities in its Area of Influence. Per the two assessment reports, no significant risk and impact on biodiversity due to the nature of products and the production processes.

CRITERION	RATING	COMMENT
8.2a Biodiversity management (biodiversity action plans)	Not Applicable	As per the result of the risk assessment on biodiversity, there is not any significant risk or impact by the operation of the Entity.
8.2b Biodiversity management (consultation and mitigation hierarchy)	Not Applicable	The risk or impact by the operation of the Entity on biodiversity is very low.
8.2c Biodiversity management (reporting)	Not Applicable	The risk or impact by the operation of the Entity 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 company Human Rights and Business Ethics Policy commitment is set up, and communicated to all employees. The further information, please see: <a href="http://www.nanshanghj.com/static/admin/upload/file/20190823/20190823003726_36529.pdf">http://www.nanshanghj.com/static/admin/upload/file/20190823/20190823003726_36529.pdf</a> .
9.1b Human Rights Due Diligence (process)	Conformance	The Entity commits to respect Human Right. The due diligence process is established covering the supply chain. The Management procedure of implementing ASI standards on Supply chain is established. The requirements of ASI standards are communicated to suppliers. The major supplies are identified, the social audit on the major suppliers are conducted to verify the compliance status of ASI standards.
9.1c Human Rights Due Diligence (remediation)	Conformance	The Entity establishes and publishes the complaint/grievance channel to stakeholders. No Major impact is reported.

CRITERION	RATING	COMMENT
9.2 Women's Rights	Conformance	Women's legal rights and interests are respected. No complaint is received on from women workers. The interviewed women workers felt equal with the men workers.
9.3 Indigenous Peoples	Not Applicable	This Criterion is not applicable as there are no indigenous people in the site's Certification Scope.
9.4 Free, Prior, and Informed Consent (FPIC)	Not Applicable	This Criterion is not applicable as there are no indigenous people in the site's Certification Scope.
9.5 Cultural and sacred heritage	Not Applicable	Not applicable, as no cultural and sacred heritage is affected by the site.
9.6a Resettlements (avoid or minimise)	Not Applicable	This Criterion is not applicable as there is no resettlement necessary in the site's Certification Scope.
9.6b Resettlements (where unavoidable)	Not Applicable	This Criterion is not applicable as there is no resettlement necessary in the site's Certification Scope.
9.7a Local Communities (rights and interests)	Conformance	The Entity has a good and close relationship with local communities. Stakeholders with their interests were identified and mapped.
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	The Entity has a close relationship with local communities. Almost half of its employees are from the local communities; The father company of the Entity supports several social initiatives of the local communities
9.8 Conflict-Affected and High-Risk Areas	Conformance	The Entity conducts an analysis to determine if the conflict minerals are used in products or the production processes. The result is no conflict minerals are used, and no materials are from the Conflict-Affected and High-Risk Areas. The Entity makes a commitment to all customers and suppliers: prohibiting using the conflict minerals and communicates to all relevant stakeholders; The Entity and all suppliers site sign the commitment letter to promise not using the conflict mineral.
9.9 Security practice	Not Applicable	Not applicable, as plant security is provided through the company's own staffs.
PRINCIPLE 10 LABOUR RIGHTS		
10.1a Freedom of Association and Right to	Conformance	There are laws that restrict Freedom of Association in China. The site commits itself to respect the workers'

CRITERION	RATING	COMMENT
Collective Bargaining (freedom of association)		rights. There are six elected worker representatives including one woman.
10.1b Freedom of Association and Right to Collective Bargaining (collective bargaining)	Conformance	There are laws that restrict Collective bargaining in China. However, 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 Entity.
10.1c Freedom of Association and Right to Collective Bargaining (alternative means)	Conformance	Workers' representatives can deal with the workers' concerns with management on behalf of workers.
10.2a Child Labour (minimum age)	Conformance	There is not child labor or young worker in the company.
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. There is not child labour or young workers in the Entity.
10.2c Child Labour (worst forms)	Conformance	Child labour is prohibited in China. The Entity commits itself - and expects its suppliers - to comply with the prohibition of child labour.
10.3a Forced Labour (human trafficking)	Conformance	Donghai Aluminium Foil commits itself - and expects its suppliers - to comply with the prohibition of forced labor, slavery and human trafficking.
10.3b Forced Labour (deposits, fees, advances)	Conformance	Donghai Aluminium Foil is not involved in forced labour. All employees are hired directly. Workers are not required any form of deposit, recruitment fee or equipment advance.
10.3c Forced Labour (migrant workers)	Not Applicable	There is not foreign migrant worker in Donghai Aluminium Foil, all workers are Chinese.
10.3d Forced Labour (debt bondage)	Conformance	Donghai Aluminium Foil is not involved in forced labour, does not provide loan to workers. In the labour contracts signed between Donghai and workers, no term of Debt Bondage is found. The pays lips of workers indicate there is not illegal deduction. All interviewed workers state they never hear the case of Debt Bondage or pay for a debt in Donghai Aluminium Foil.
10.3e Forced Labour (freedom of movement)	Conformance	Donghai Aluminium Foil is not involved in forced labour. There is no restriction of workers' movement at the site. Per the site observation and worker interview, the basic liberty at workplace is guaranteed.

CRITERION	RATING	COMMENT
10.3f Forced Labour (retention of identity papers, permits, certificates)	Conformance	Donghai Aluminium Foil 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)	Conformance	Donghai Aluminium Foil is not involved in forced labour. The notice period for announced termination of the employment is in compliance with the Labour Contract Law: 30 days in advance or 3 days in the period of probation.
10.4 Non-Discrimination	Conformance	Donghai Aluminium Foil 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. The communication channels are announced to workers, workers can complain and raise their concerns regarding working conditions and resolution of workplace and compensation issues, without threat of reprisal, intimidation or harassment.
10.6 Disciplinary practices	Conformance	Donghai Aluminium Foil respects its employees, disciplinary measures are in compliance with legal requirements and require the confirmation of involved worker.
10.7a Remuneration (living wage)	Conformance	The wage structure is clearly defined, the basic wage is above the legal minimum wage. The total payment meets the workers' basic need. All workers enrol in the mandatory social insurance scheme.
10.7b Remuneration (method of payment)	Conformance	All payments are documented and timely paid to all workers by bank transfer at the end of the following month.
10.8 Working Time	Conformance	Working hours are recorded manually. The regular working time is 40 hours a week, 5 days. For workers at workshops, there are 2 shifts at the packaging process and there are 4 groups for 3 shifts at other processes. For office staff, only one shift. Working hours are monitored control, the monthly overtime working hours do not exceed the legal monthly limit, at least one day off in a week is guaranteed.
PRINCIPLE 11 OCCUPATIONAL HEALTH AND SAFETY		
11.1a Occupational Health and Safety (OH&S) Policy (policy)	Conformance	ISO 18001:2007 The audit report on Oct. 10, 2019 indicates the Occupational Health and Safety (OH&S) Policy is established, implemented, communicated with the relevant stakeholder. The continual suitability, adequacy and effectiveness of the policy is reviewed in

CRITERION	RATING	COMMENT
		the annual management review meeting. The OH&S policy is published on: <a href="http://www.nanshanghj.com/static/admin/upload/file/20190823/20190823003726_36529.pdf">http://www.nanshanghj.com/static/admin/upload/file/20190823/20190823003726_36529.pdf</a> .
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. Further information, please see: <a href="http://www.nanshanghj.com/static/admin/upload/file/20190823/20190823003726_36529.pdf">http://www.nanshanghj.com/static/admin/upload/file/20190823/20190823003726_36529.pdf</a> .
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. Further information, please see: <a href="http://www.nanshanghj.com/static/admin/upload/file/20190823/20190823003726_36529.pdf">http://www.nanshanghj.com/static/admin/upload/file/20190823/20190823003726_36529.pdf</a> .
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 site has implemented a documented OHSAS 18001:2007 Management system and holds a valid OHSAS 18001:2007 Certificate. The status of the OHSAS 18001:2007 can be found at <a href="http://www.cnca.org.cn">www.cnca.org.cn</a> .
11.3 Employee engagement on health and safety	Conformance	The has a system of workers' consultation and participation in health & safety. Worker representatives participate at the monthly health and safety meeting periodically, the management responds 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.

#### **Document Control and Version History**

Revision	Date	Notes
0	29 January 2019	Issued
1	2 March 2019	Comments section updated by audit firm and addition of links to public information.
2	28 August 2019	Updated links
3	8 October 2020	Surveillance Audit, including a revision to the Entity name for the Certificate.