
ASI CERTIFICATION PERFORMANCE STANDARD



PRESENTED TO

TAISHAN CITY KAM KIU ALUMINIUM EXTRUSION CO., LTD

CERTIFICATE
NUMBER

136

ASI
STANDARD

PERFORMANCE
STANDARD
(V2 2017)

CERTIFICATION
LEVEL

FULL
CERTIFICATION

ASI ACCREDITED
AUDITOR

CHINA QUALITY
MARK
CERTIFICATION
GROUP

DATE OF ISSUE

21 JULY 2021

DATE OF EXPIRY

20 JULY 2024

CERTIFIED SINCE

21 JULY 2021

AUTHORISED BY

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

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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

Taishan City Kam Kiu Aluminium Extrusion Co., Ltd is located on Shiqiao Industrial Zone, Dajiang Country, Taishan City, China. The company mainly manufacture construction and industrial aluminium profiles and grille.

SUMMARY AUDIT REPORT

PERFORMANCE

STANDARD

OVERVIEW

MEMBER NAME	Kam Kiu Aluminium Products Group Limited
ENTITY NAME	Taishan City Kam Kiu Aluminium Extrusion Co., Ltd
CERTIFICATION SCOPE	Taishan City Kam Kiu Aluminium Extrusion Co., Ltd is located on Shiqiao Industrial Zone, Dajiang Country, Taishan City, China. The company mainly manufacture construction and industrial aluminium profiles and grille.
SUPPLY CHAIN ACTIVITIES	<ul style="list-style-type: none">Aluminium Re-melting/RefiningCasthousesSemi-Fabrication
ASI STANDARD	<ul style="list-style-type: none">Performance Standard V2
AUDIT TYPE	<ul style="list-style-type: none">Initial Certification Audit
AUDIT FIRM	China Quality Mark Certification Group
AUDIT DATE	<ul style="list-style-type: none">28 February – 5 March 2021
AUDIT REPORT SUBMISSION	<ul style="list-style-type: none">24 May 2021
AUDIT SCOPE	<p>The audit scope included the activities involved in the production of the following products: aluminum alloy industrial profiles, building profiles and aluminum grates, from the Taishan City Kam Kiu Aluminium Extrusion Co., Ltd. located in Shiqiao Industrial Zone, Dajiang Town, Taishan City, Guangdong Province, China.</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 were included in the Audit Scope.</p>
AUDIT OUTCOME	<ul style="list-style-type: none">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.

CERTIFICATION
PERIOD

21 July 2021 – 20 July 2024

NEXT AUDIT
TYPE

Surveillance Audit

NEXT AUDIT
DUE DATE

20 January 2023

CERTIFICATE
NUMBER

136

SUMMARY OF FINDINGS

CRITERION	RATING	COMMENT
PRINCIPLE 1 BUSINESS INTEGRITY		
1.1 Legal Compliance	Conformance	The Entity has a Compliance Evaluation Control Procedure and Laws and Regulations Management Procedure, and the Human Resources and Administration Department is responsible for collecting the applicable laws and regulations and evaluating the compliance, at least once a year. Each department is responsible for conveying relevant requirements to all employees and implementing them.
1.2 Anti-Corruption	Conformance	The Entity has established the Anti-Corruption and Anti-Bribery Control Procedure, which covers the requirements of anti-bribery and anti-corruption. The anti-bribery policy has been formulated, the anti-bribery management team has been established and the bribery risk assessment team has been established. The bribery risk assessment team has carried out assessments regularly, established the bribery risk assessment level standard and employees have been regularly trained. The Human Resources and Administration Department of the Entity summarizes and evaluates the implementation of anti-bribery work every year to determine whether anti-bribery measures are sufficient and effective, and the Entity's status of bribery risk.
1.3 Code of Conduct	Conformance	The Entity has formulated a Code of Conduct, including environmental code of conduct, social code of conduct, governance code of conduct. The Entity carries out an internal audit and management review every year to review the Code of Conduct. Awareness of the Code of Conduct amongst staff is raised through various measures, including meetings and training.
PRINCIPLE 2 POLICY & MANAGEMENT		
2.1a Environmental, Social, and Governance Policy (implement and maintain)	Conformance	The Entity defines environmental, social and governance policies in the ASI Management Manual. The content of the guidelines supports ASI Performance Standard requirements and is relevant to the Entity's business.
2.1b Environmental, Social, and Governance Policy (senior management)	Conformance	The General Manager formulates and issues environmental, social and governance policies, conducts management review activities every year, and the organizes the review of the suitability of the policies.

CRITERION	RATING	COMMENT
2.1c Environmental, Social, and Governance Policy (communication)	Conformance	The Entity defines environmental, social and governance policies in the ASI Management Manual. This policy is provided to all stakeholders internally through document training and on-site display and communicated externally through publicity materials, corporate culture introduction and other publicity including the website: https://www.kamkiu.com/news/detail/422/
2.2 Leadership	Conformance	A Deputy General Manager has been appointed as the ASI management representative whose responsibilities are specified in the letter of appointment. The role is responsible for and authorized to manage activities to meet ASI Performance Standards.
2.3a Environmental and Social Management Systems (environmental)	Conformance	The Entity has a current ISO 14001 certified Environmental Management System and the scope of the certification includes the scope of ASI Performance Standard certification.
2.3b Environmental and Social Management Systems (social)	Conformance	The Entity has compiled requirements for the social management system, involving human rights and labour rights and interests, to manage the social management system.
2.4 Responsible Sourcing	Conformance	The Entity has established a Procurement Control Procedure and formulated various policies to meet the relevant requirements of responsible procurement. The Purchasing Department investigates and evaluates suppliers before purchasing and communicates with suppliers through purchasing contracts or subsidiary agreements and re-evaluates suppliers annually. The evaluation content relates to environmental, social and governance risks and meeting policy requirements.
2.5 Impact Assessments	Conformance	The requirements for environmental, social, cultural and human rights impact assessment for new projects or major changes to existing facilities are specified in the ASI Management Manual. The Environmental and Occupational Health and Safety Assessment Control Procedures for New Projects has been formulated, which stipulates the requirements for the declaration, environmental impact and risk assessment and recording of new projects.
2.6 Emergency Response Plan	Conformance	The Entity has current certificates for the environmental management system and occupational health and safety management system and stipulates relevant requirements of the Emergency Response

CRITERION	RATING	COMMENT
		Plan in the ASI Management Manual. The Entity has a summary report of emergency drills undertaken for 2019 and one covering the first half of 2020.
2.7 Mergers and Acquisitions	Conformance	The Entity has a Merger and Acquisition Procedure which addresses requirement such as pre-implementation preparation, possible risks and risk avoidance in transactions. Environmental, social and governance factors are important considerations when implementing mergers and acquisitions. There has been no merger or acquisition since the establishment of the ASI system.
2.8 Closure, Decommissioning and Divestment	Conformance	The Entity specifies the requirements for closure, decommissioning and divestment in the ASI Management Manual. Control procedures for closure, decommissioning and divestment have been developed, and working procedures have been defined in accordance with ASI requirements. No closure, decommissioning and divestment occurred in the company.
PRINCIPLE 3 TRANSPARENCY		
3.1 Sustainability Reporting	Conformance	The Entity has a management manual to develop and implement policies, systems and procedures that meet sustainability reporting requirements. The 2019 Sustainable Development Report, released December 2019, includes: Social Responsibility Subjects, Performance Indicator Report, Public Disclosure Data, Environment, Labour Performance Indicator Report, Human Rights Performance Indicator Report, Social Performance Indicator Report, and Product Performance Indicator Report. The 2019 report can be found at the following link: https://www.kamkiu.com/news/detail/422/ The 2020 report was also recently made available: https://www.kamkiu.com/news/list/9/
3.2 Non-compliance and liabilities	Conformance	The requirements for reporting on violations and liabilities are set out in the ASI Management Manual. There were no violations or liabilities to report in 2020, see the Sustainable Development Report: https://www.kamkiu.com/news/detail/422/
3.3a Payments to governments (legal and contractual)	Conformance	Payment (legal and contractual) requirements to the Government are set out in the ASI Management Manual. Policies, systems, procedures and processes that meet these anti-corruption requirements have been developed and implemented. This requirement is met through the deployment of transparency and anti-corruption policies. No other payments were made.

CRITERION	RATING	COMMENT
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 requirements for stakeholder complaints, appeals and information requests are set out in the ASI Management Manual. The Consultation, Communication and Information Exchange Control Procedure has been formulated to publicize the Entity's contact telephone number, email address and other information to stakeholders by means of public board, accepting information inquiries, complaints and appeals from all parties. The HR Department sets up posts to track the requests and complaints of stakeholders and has an appropriate resolution mechanism.
PRINCIPLE 4 MATERIAL STEWARDSHIP		
4.1a Environmental Life Cycle Assessment (life cycle impacts)	Conformance	The requirements for environmental Life Cycle Assessment are set out in the ASI Management Manual and the Identification and Evaluation Control Procedures of Environmental Factors have been formulated. The Entity has developed and implemented policies, systems, and processes that meet these LCA requirements. An LCA has been conducted for the major products.
4.1b Environmental Life Cycle Assessment (cradle to gate)	Conformance	The Aluminium Life Cycle Environmental Impact Assessment Report was provided. The evaluation covers all products and covers all production processes and major manufacturing activities from the initial source of raw materials to the factory. The report introduces the life cycle of aluminum profiles from four stages, and interprets the environmental impact of aluminum profiles in each stage.
4.1c Environmental Life Cycle Assessment (public communication)	Minor Non-Conformance	The Entity conducts an environmental Life Cycle Assessment but does not publicly disclose the LCA.
4.2 Product design	Conformance	The requirements for product design are specified in the ASI Management Manual. Design and development control procedures have been developed, and LCA procedures have been established in the product design process. The LCA should take into account various environmental impacts, including energy, consumption, water, air emissions and waste. The Entity defines product yield rates, incorporates design goals, and adjusts production processes to ensure that these goals meet sustainability requirements.

CRITERION	RATING	COMMENT
4.3a Aluminium Process Scrap (targets)	Conformance	The requirements for aluminum process scrap are set out in the ASI Management Manual. The production process requirements and operation instructions were established to minimize the production of aluminum process waste. The Entity established the product scrap rate index of the whole process of the product and control it to achieve the target.
4.3b Aluminium Process Scrap (alloy separation)	Conformance	The requirements for aluminum process scrap are set out in the ASI Management Manual. The documents "Scrap Grade Classification Details" and "Raw Material Use Rating and Scrap Management of Aluminum Alloy Bar Melting" were formulated and require process scrap to be re-smelted and utilized.
4.4a Collection and recycling of products at end-of-life (strategy)	Conformance	The ASI Management Manual stipulates the relevant requirements for the recovery and recycling of scrapped products, and formulates the recycling strategy of scrapped products, so as to improve the collection and recycling of scrapped aluminum products by exerting influence on relevant parties.
4.4b Collection and recycling of products at end-of-life (engagement)	Conformance	The ASI Management Manual stipulates the related requirements for the recovery and recycling of scrapped products. The Entity plans to use some of the scrapped products as raw materials in 2021.
PRINCIPLE 5 GREENHOUSE GAS EMISSIONS		
5.1 Disclosure of GHG emissions and energy use	Minor Non-Conformance	<p>Disclosure requirements for GHG emissions and energy use are set out in the ASI Management Manual. The Entity has been conducting annual inspections of GHG emissions since 2019 but is yet to publicly disclose its GHG emissions and use of various energy sources.</p> <p>The 2019 Greenhouse Gas Emission Report, issued by a third party, is used to track, calculate and record GHG emissions and energy sources in Major Scopes 1 and 2. The company submits an annual report on energy use to the government's energy management department and provides the 2019 report, which contains the energy consumption indicators.</p>
5.2 GHG emissions reductions	Conformance	<p>The ASI Performance Assurance Manual specifies the requirements for GHG emission reduction, and a GHG Emission Reduction Plan has been developed. The Entity's 2019 emissions were 0.26 t CO₂/t. Forecast emissions are 0.255 t CO₂/t for 2020, 0.247 t CO₂/t in 2025 and 0.240 t CO₂/t in 2030. Eight specific measures are specified in the Plan, available on the website:</p> <p>https://www.kamkiu.com/news/detail/422/</p>

CRITERION	RATING	COMMENT
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	Minor Non-Conformance	Pollutants in the air emissions are quantified in the discharge permit. The Entity monitors air emissions every quarter to meet the local legal emission limit. However, the discharge outlet number in the discharge permit is inconsistent with the actual number.
6.2 Discharges to Water	Conformance	The Water Pollutant Reduction Implementation Plan specifies annual targets for reducing water pollutants and measures to achieve these targets. The Entity has a sewage treatment plant and after the sewage treatment reaches the standard, it is directed to the local municipal pipe network system. The sludge generated is collected as hazardous waste and transferred by a qualified third party. Water quality monitoring at sewage outlets and local environmental protection departments are networked, and a third party is commissioned to conduct testing every quarter. During the audit, no penalties from local authorities or negative information disclosures from other parties were found.
6.3a Assessment and Management of Spills and Leakage (assessment)	Conformance	The Environmental Factors Identification and Evaluation Control Procedures sets out the requirement for environmental factors identification and environmental impact assessment and the main risk areas of air, water and land pollution that may occur in production operations. Spills and leakage are evaluated to identify possible spill and leakage emergency situations.
6.3b Assessment and Management of Spills and Leakage (management)	Conformance	The Emergency Preparedness and Response Control Procedure has been formulated, and the emergency plan for spills and leakage has been formulated. Annual training on spills and leakage is conducted. The Entity has developed and implemented a management and external communication plan to prevent and monitor such spills and leaks. The Entity has no history of leaks.

CRITERION	RATING	COMMENT
		The formulated Emergency Plan shall be submitted to the Taishan Branch of the local Bureau of Ecology and Environment for the record.
6.4a Reporting of Spills (immediate disclosure)	Conformance	Spills and the reporting of spills are specified in the ASI Management Manual. No spills have occurred since the Entity began operating.
6.4b Reporting of Spills (regular reporting)	Conformance	Spills and reporting requirements are set out in the ASI Management Manual. The impact assessment of spills and remedial actions taken will be published in the annual sustainability report. No spills have occurred since the Entity began operating.
6.5a Waste management and reporting (strategy)	Conformance	The Entity has an ISO14001 certified Environmental Management System. The Waste Management Procedure and Hazardous Waste Management Plan are prepared to manage the collection and disposal of all wastes. The "Hazardous Waste Reduction Plan" and "Hazardous Waste Reduction Measures" are followed up quarterly by the competent authorities. The disposal of hazardous waste complies with the legal provisions.
6.5b Waste management and reporting (disclosure)	Minor Non-Conformance	Hazardous wastes are legally transferred and disposed of through the online declaration of the Guangdong Province Solid Waste Management Information Platform. However, the amount of hazardous and general waste and their method of disposal are not publicly disclosed on the Entity's website.
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 (state 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.

CRITERION	RATING	COMMENT
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 waste management procedure is implemented and there is an adequate and effective process to collect and recycle aluminum slag.
6.8b Dross (recycling)	Conformance	The Entity has procedures in place to ensure all the collected aluminum slag is recycled.
6.8c Dross (review of alternatives)	Minor Non-Conformance	The Entity refines the active ingredients, and the remaining residue is recycled by other entities and transferred to other products, such as building materials. However, due diligence on waste recycling suppliers, conducted annually, did not address whether the aluminium slag was landfilled.
PRINCIPLE 7 WATER STEWARDSHIP		
7.1a Water assessment (mapping)	Conformance	The Entity undertakes water related risk analysis, including water balance, to determine and map the source and type of water it draws and uses. The Entity has a water balance statistical data table for 2020, water resources management goals and plans, and a water balance chart.
7.1b Water assessment (risk assessment)	Conformance	The Entity carried out a water risk assessment. The water risk assessment considers the Entity's business and internal and external risks within its sphere of influence. For the local water environment, the level of water related risk is relatively low.
7.2a Water management (management plans)	Conformance	The Water Resources Goal and Management Plan for 2020-2021 establishes the annual goal of continuous reduction of water consumption including the water consumption per ton of product to gradually decrease at the rate of 1% per year. It is expected that the water consumption per ton of product will be reduced to 3 m ³ / tonne by 2021. No significant water-related risks were found in the Entity's area of influence.

CRITERION	RATING	COMMENT
7.2b Water management (monitoring)	Conformance	The Entity sets annual goals to continuously reduce water consumption and develops a program to achieve the goals. Monthly economic analysis meetings occur to monitor implementation of the plan.
7.3 Disclosure of water usage and risks	Minor Non-Conformance	The Entity's production water is treated by the wastewater treatment station, with part of it recycled and part discharged after reaching the standard. It is monitored by the local environmental protection department through the network, and there is no pollution risk. However, due to content adjustments on the Entity's website, water use and risks have not been published on the website.
PRINCIPLE 8 BIODIVERSITY		
8.1 Biodiversity assessment	Conformance	In combination with the analysis of the ecological impact factors in the Environmental Impact Retrospective Assessment Report conducted by a qualified third party, the Entity issued the Biodiversity Assessment Report 2020. The report states the Entity is not located in or near any protected area and there is no significant risk or impact on biodiversity.
8.2a Biodiversity management (biodiversity action plans)	Conformance	The Biodiversity Assessment Report, including the Biodiversity Improvement Plan, is approved by the General Manager. The operation of the Entity has no significant risk or impact on biodiversity.
8.2b Biodiversity management (consultation and mitigation hierarchy)	Conformance	The Entity has prepared a Biodiversity Assessment Report, including the Biodiversity Improvement Plan. The Entity cooperates with the government's actions and initiatives such as Blue Sky Action and Clear Water Plan, to ensure the continuous improvement of the ecological environment. There is no wildlife or nature reserve under national or provincial key protection areas near the factory, and there is no aquaculture farm in the river near the sewage outlet.
8.2c Biodiversity management (reporting)	Conformance	The operation of the Entity has no significant risk or impact on biodiversity. The Biodiversity Assessment Report is available on website: https://www.kamkiu.com/news/detail/422/
8.3 Alien Species	Conformance	Biodiversity risks were assessed and the Entity had no significant biodiversity impacts, including 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 mines)	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 is committed to respecting human rights by complying with the UN Guiding Principles on Business and Human Rights, to respect the civil rights of employees and eliminate discrimination. The Human Rights Policy is communicated to all employees.
9.1b Human Rights Due Diligence (process)	Conformance	The Labour Rights Risk Identification and Risk Assessment Procedure has been established and implemented. The Human Rights Commitment Questionnaire and the ASI Supplier Performance Questionnaire were provided to identify and assess human rights risks.
9.1c Human Rights Due Diligence (remediation)	Conformance	The Entity undertakes to observe and respect human rights and to avoid situations that adversely affect human rights. Should this occur, the Entity will remedy the situation through the legal process. The Entity formed a trade union to defend Workers' rights and interests.
9.2 Women's Rights	Conformance	The Entity has compiled the Measures for the Protection of Female Employees and the Management and Control of the Prevention and Treatment of Occupational Diseases to respect women's legitimate rights and interests. The Entity defines women's legal rights and implements controls to ensure that those rights are met, including the Empowerment of Women's Empowerment Principles (the UN Global Compact/Women) and the UN Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW) compliance.
9.3 Indigenous Peoples	Conformance	The Entity has established and implements Indigenous protection procedures to respect the rights and interests of Indigenous Peoples. There are currently no Indigenous Peoples in the vicinity of the Entity.
9.4 Free, Prior, and Informed Consent (FPIC)	Conformance	There are no Indigenous Peoples in the areas where the Entity operates.

CRITERION	RATING	COMMENT
9.5 Cultural and sacred heritage	Conformance	The Entity has established and implements the Procedures for the Treatment of Cultural Sites and Religious Sacred Land, and provided the Survey Record Form of Aboriginal Peoples and Relics Sacred Land. There are no cultural sites or religious sites in the surrounding areas, and the Entity's operation will not affect them.
9.6a Resettlements (avoid or minimise)	Conformance	A resettlement procedure has been established and the Entity has no projects for resettlement.
9.6b Resettlements (where unavoidable)	Conformance	Resettlement procedures have been established and there are no projects in the Entity's history that have resulted in resettlement.
9.7a Local Communities (rights and interests)	Conformance	The Entity has established and implements an influence process for relevant parties to respect the legal and traditional rights of local communities in respect of their land, livelihoods and use of natural resources, while exploring opportunities to respect and support community livelihoods with the Dajiang Town Shiqiao Industrial Area.
9.7b Local Communities (impacts)	Conformance	There is no conflict of land use, custom or other aspects between the Entity and the surrounding villages. Control measures were developed and implemented to address identified impacts on local communities. No complaints were received from the local community.
9.7c Local Communities (livelihoods)	Conformance	The Entity has close ties with the local community. Nearly 50 per cent of its staff are local. The Entity has developed programs to support the surrounding community and has made donations to the local community.
9.8 Conflict-Affected and High-Risk Areas	Conformance	The ASI Management Manual states the Entity does not engage in armed conflict or violate human rights. The Entity undertakes annual inspection of raw material suppliers, direct or indirect, from conflict-affected or high-risk areas. The Entity will conduct due diligence and risk assessment for any raw materials coming from conflict-affected areas and high-risk areas.
9.9 Security practice	Conformance	The Entity has developed a security code that defines the management responsibilities of security personnel and provides training to security personnel to ensure awareness of the tasks and manner in which they respect human rights. To date, no complaints or complaints concerning security have been received.

CRITERION	RATING	COMMENT
PRINCIPLE 10 LABOUR RIGHTS		
10.1a Freedom of Association and Right to Collective Bargaining (freedom of association)	Conformance	The Entity has established and implemented a management procedure on freedom of association and collective bargaining, with commitment to respect the rights of workers. Worker representatives participate in the election of a trade union. The trade union negotiates, according to the national laws and regulations, on behalf of staff on labour remuneration, working hours, rest and vacation, labour safety and health, vocational training, insurance and welfare and other matters to sign a collective contract.
10.1b Freedom of Association and Right to Collective Bargaining (collective bargaining)	Conformance	The Entity has formulated the Management Procedure of Free Association and Collective Bargaining and worker representatives participate in the negotiation and signing of the collective contract. There is a Collective Bargaining Agreement between the Entity and the Union. All provisions of the collective agreement comply with local legal requirements.
10.1c Freedom of Association and Right to Collective Bargaining (alternative means)	Conformance	The Entity has a trade union and elected workers' representatives participate in collective bargaining. The Entity respects the freedom of association and the right to collective bargaining.
10.2a Child Labour (minimum age)	Conformance	The Entity has established and implemented management procedures for the elimination of child labour and the protection of underage workers, and prohibits the use of child labour and underage workers. In the 2019 Sustainable Development Report (section four, human rights performance indicators) the Entity disclosed that it has no child labour or underage workers, and this was also found during review of staff rosters, staff documents and identity cards. The youngest workers are all over the age of 18.
10.2b Child Labour (hazardous)	Conformance	The Entity has established a Management Procedure for Child Labour Relief and Protection of Underage Workers. Juvenile workers do not work in unsafe or dangerous environments, and are not used for generator operation, processing and other high risk activities that may impact their health and safety. The worst forms of child labour are banned. No evidence of child labour was found during review of staff rosters, staff documents and identity cards.
10.2c Child Labour (worst forms)	Conformance	The Entity has established a Management Procedure for Child Labour Relief and Protection of Underage Workers which prohibits the worst forms of child

CRITERION	RATING	COMMENT
		labour, such as debt slavery, child trafficking, forced child labour, and the use of children in armed conflict. No evidence of child labour was found during review of staff rosters, staff documents and identity cards.
10.3a Forced Labour (human trafficking)	Conformance	The Entity has established and implements a procedure forbidding forced labour. The Entity strictly abides by the relevant provisions of the Labour Law which does not allow forced labour. Interviewed employees stated there is no forced labour.
10.3b Forced Labour (deposits, fees, advances)	Conformance	The Entity has compiled the Management Procedure for Prohibiting Forced Labour. The Entity does not use forced labour and does not require any form of deposit, fee or advance. Interviewed employees stated there is no forced labour. In its Sustainability Report 2019, the Entity disclosed there were no cases of forced labour and that it strictly complies with the relevant provisions of the Labour Law.
10.3c Forced Labour (migrant workers)	Conformance	The Entity has established a management procedure that prohibits forced labour. In its Sustainability Report 2019, the Entity disclosed strict compliance with labour laws, which do not allow any form of collection or withholding of savings and personal belongings from workers. Employees interviewed stated that the Entity does not take deposits and does not withhold personal property or items.
10.3d Forced Labour (debt bondage)	Conformance	Article 10.3 of the ASI Management Manual stipulates the relevant requirements of forced labour, and a management procedure prohibiting forced labour has been prepared. In its Sustainability Report 2019, the Entity disclosed there were no cases of forced labour and that it strictly complies with the relevant provisions of the Labour Law. The interviewed employees stated that the Entity had no debt relationship with the employees.
10.3e Forced Labour (freedom of movement)	Conformance	The Entity does not use forced labour and does not restrict the freedom of movement of workers. The Entity provides dormitories for employees who need them and employees can choose whether to use the dormitories or not. During work hours, employees have freedom of movement in the workplace according to the needs of the work. During rest time, employees can make their own movements in the accommodation area. Interviewed employees stated there were no constraints.

CRITERION	RATING	COMMENT
10.3f Forced Labour (retention of identity papers, permits, certificates)	Conformance	The Entity does not use forced labour and does not retain original copies of identity papers, permits or certificates. Interviewed employees stated the employees' papers and certificates were not detained.
10.3g Forced Labour (freedom to terminate employment)	Conformance	The Entity does not use forced labour. The Labour Contract stipulates the time for termination of the labour contract.
10.4 Non-Discrimination	Conformance	The Entity establishes and implements anti-discrimination management procedures. An effective monitoring mechanism is established and review of the human rights due diligence indicates the Entity does not discriminate in employee hiring, compensation, promotion, training, dismissal and other matters.
10.5 Communication and engagement	Conformance	The Entity implements procedures for consultation, communication and information to encourage employees to participate in the ASI management system and establish direct contact with employees and representatives of a work safety management committee. The feedback and communication mechanism of interviewees is sound and channels are smooth.
10.6 Disciplinary practices	Conformance	The Entity implements a disciplinary action management procedure in which no person shall engage in or tolerate the use of corporal punishment, mental or physical coercion, harassment and gender-based violence, including sexual harassment, or verbal insults. Employees can make complaints and provide feedback on unfair treatment related to disciplinary measures in accordance with the procedure.
10.7a Remuneration (living wage)	Conformance	Compensation management procedures have been established, employee compensation records reviewed and employees interviewed. Wages are higher than the minimum standards stipulated by local laws and can meet the basic needs of workers.
10.7b Remuneration (method of payment)	Conformance	Salary records and employee interviews show wages are paid on the 10th of each month and are paid on time.
10.8 Working Time	Conformance	Working hours are set out in the Entity's management procedure where working hours and statutory holidays shall comply with relevant laws and industry standards. The statutory standard working week (excluding overtime hours) shall not exceed 40 hours.

CRITERION	RATING	COMMENT
		<p>Overtime on Saturday and Sunday shall be entitled to extra holiday or double pay.</p> <p>Attendance records and pay slips of 25 employees, over October to November 2020, shows that these employees worked no more than 44 hours per week (including overtime) on average and were paid more than the local minimum monthly wage.</p>
PRINCIPLE 11 OCCUPATIONAL HEALTH AND SAFETY		
11.1a Occupational Health and Safety (OH&S) Policy (policy)	Conformance	The Entity has established, implemented and operated the occupational health and safety management system, which is certified to ISO 45001:2018. The occupational health and safety policy is approved by the General Manager and posted on the internal bulletin board of the company.
11.1b Occupational Health and Safety (OH&S) Policy (workers and visitors)	Minor Non-Conformance	The Entity has prepared management manuals and procedures, which are available to employees and related parties. All employees and related parties are given training to understand and abide by OHS rules. However, during the interviews some employees were unable to communicate full understanding of the policy.
11.1c Occupational Health and Safety (OH&S) Policy (applicable law and standards)	Minor Non-Conformance	<p>The Entity prepares and implements procedures for law and regulation control and compliance evaluation, and compiles applicable laws and regulations and other requirements and undertakes compliance evaluations.</p> <p>However, some newly promulgated legal standards have not been collected, such as the Law on the Prevention and Control of Environmental Pollution by Solid Waste (effective September 2020), the Regulations on the Management of Discharge Permits (effective on March 2021), the updated version of the National List of Hazardous Waste (2021 edition) and the Fire Protection Law of the People's Republic of China (April 2019).</p>
11.1d Occupational Health and Safety (OH&S) Policy (right to stop unsafe work)	Conformance	The Entity implements and operates the Occupational Health and Safety Management System, implements relevant laws and regulations, and through training, provides the knowledge to employees of the job hazard factors and their right to refuse unsafe work.
11.2 OH&S Management System	Minor Non-Conformance	The Entity has established an OHS management manual and control procedures and has a Management System certified to ISO 45001:2018. However, on-site observations in the Extrusion Factory Area 5 included:

CRITERION	RATING	COMMENT
		Workshop waste not being effectively classified and masks were discarded at the workshop gate; Automatic spray paint cans and alcohol bottles are placed next to the workshop inspection table; 5 tons of direct view type electronic hanging scale, hanging wire rope weight limit of 1.3 tons; and Part of the steel wire ropes hanging are missing the identification plate (specifications and weight limits).
11.3 Employee engagement on health and safety	Conformance	The Entity has established an effective mechanism to collect employee feedback on occupational health and safety, such as a suggestion box, congress and irregular worker interviews. Records have been well preserved since its establishment.
11.4 OH&S performance	Conformance	The Entity establishes performance indicators and improvement measures in the area of occupational health and safety. For example, in 2020 Annual Production Safety Goal and Assessment Plan, there is a target implementation plan, and monthly statistics are made on the completion of the target.

Document Control and Version History

Revision	Date	Notes
0	21 July 2021	Initial Certification Audit (Full Certification)