
ASI CERTIFICATION
PERFORMANCE
STANDARD



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 BUSINESS
ASSURANCE
SERVICES UK
LTD.

DATE OF ISSUE

29 JANUARY 2022

DATE OF EXPIRY

28 JANUARY 2025

CERTIFIED SINCE

29 JANUARY 2019

AUTHORISED BY

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

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

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">• Material Conversion
ASI STANDARD	<ul style="list-style-type: none">• Performance Standard V2
AUDIT TYPE	<ul style="list-style-type: none">• First Certification Audit (24 – 28 December 2018)• Surveillance Audit (11 – 13 August 2020)• Re-Certification Audit (19 – 21 January 2022)
AUDIT FIRM	DNV Business Assurance Services UK Ltd.
AUDIT DATE	<ul style="list-style-type: none">• First Certification Audit (24 – 28 December 2018)• Surveillance Audit (11 – 13 August 2020)• Re-Certification Audit (19 – 21 January 2022)
AUDIT REPORT SUBMISSION	<ul style="list-style-type: none">• 17 January 2019 (First Certification Audit)• 18 September 2020 (Surveillance Audit)• 24 February 2022 (Re-Certification 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">• Material Conversion

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

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.

Re-Certification Audit (19 – 21 January 2022)

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

Supply chain activities included in the audit scope:

- Material Conversion (Production and Transformation)

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

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.

CERTIFICATION
PERIOD

29 January 2022 – 28 January 2025

NEXT AUDIT
TYPE

Surveillance Audit

NEXT AUDIT
DUE DATE

28 January 2024

CERTIFICATE
NUMBER

17

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 fines and/or request for the corrective actions from government agencies and other stakeholders have been issued.</p> <p>More information on the legal compliance assessment is available in the Sustainability Report: http://www.nanshanqhj.com/static/admin/upload/file/20210824/20210824073837_50083.pdf</p> <p>Code of Conduct: http://www.nanshanqhj.com/static/admin/upload/file/20190823/20190823003726_36529.pdf</p>
1.2 Anti-Corruption	Conformance	<p>Policies and processes such as the Management Procedure of Anti-Corruption are implemented to identify and prevent corruption 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: http://www.nanshanqhj.com/static/admin/upload/file/20190823/20190823003726_36529.pdf</p>
1.3 Code of Conduct	Conformance	<p>A Code of Conduct which covers environmental, social and governance principles is available for all stakeholders and the Code of Conduct is available for all interested stakeholders on the Entity's website: http://www.nanshanqhj.com/static/admin/upload/file/20190823/20190823003726_36529.pdf</p>
PRINCIPLE 2 POLICY & MANAGEMENT		
2.1a Environmental, Social, and Governance Policy (implement and maintain)	Conformance	<p>The Entity's management Policies are consistent with the environmental, social, and governance practices. http://www.nanshanqhj.com/static/admin/upload/file/20190823/20190823003726_36529.pdf</p>
2.1b Environmental, Social, and Governance Policy (senior management)	Conformance	<p>The Entity's General Manager approves the Environmental, Social, and Governance Policy, and Senior Management demonstrate commitment to the implemented policies by communicating the policies to the interested parties and providing the necessary recourse for implementation of the policies.</p>

CRITERION	RATING	COMMENT
2.1c Environmental, Social, and Governance Policy (communication)	Conformance	The Policies are available internally and employees are provided with relevant training and all stakeholders can access the Policies on the website: http://www.nanshanghj.com/static/admin/upload/file/20190823/20190823003726_36529.pdf
2.2 Leadership	Conformance	A senior Management Representative has been appointed and has the overall responsibility and authority for ensuring conformance with the ASI Performance 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 labour rights, the Entity establishes the documented management procedures to implement the requirements in the ASI Performance Standard. For Occupational Health and Safety, the Entity holds a valid ISO 45001:2018 certificate.
2.4 Responsible Sourcing	Conformance	The Purchasing Policy is communicated to all suppliers and contractors and covers the material environmental, social and governance aspects. The Policy is published on the website: http://www.nanshanghj.com/static/admin/upload/file/20190823/20190823003726_36529.pdf
2.5 Impact Assessments	Conformance	Environmental, social, cultural and Human Rights Impact Assessments are implemented at various departments.
2.6 Emergency Response Plan	Conformance	The Entity has established a Business Continuity and Resumption Plan covering fire, earthquake, hazardous chemical leak, extreme weather, labour 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 and ISO 45001, the site has established the Emergency Response Plan for EHS issues and registered the plans with the relevant government agencies which is in 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.

CRITERION	RATING	COMMENT
2.7 Mergers and Acquisitions	Conformance	A procedure is established for mergers and acquisitions, however no such activity has occurred since the site commenced operation in 2002.
2.8 Closure, Decommissioning and Divestment	Conformance	A procedure for closure, decommissioning and divestment is established, however no such case has occurred since Donghai Aluminium Foil commenced operation in 2002.
PRINCIPLE 3 TRANSPARENCY		
3.1 Sustainability Reporting	Conformance	The Entity publishes an annual Sustainability Report: http://www.nanshanqhj.com/static/admin/upload/file/20210824/20210824073837_50083.pdf
3.2 Non-compliance and liabilities	Conformance	There were no non-compliance or liabilities recorded in the annual Sustainability Report 2020. In accordance with 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 makes, or has made on its behalf, payments to governments on a legal and contractual basis, as disclosed in the annual Financial Report: http://static.sse.com.cn/disclosure/listedinfo/announcement/c/new/2021-04-16/600219_20210416_2.pdf The Finance Report is audited by a third 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	Whistleblowing/Complaint/Grievance channels are established and effective. The hotline and email address are published to internal and external stakeholders: http://www.nanshanqhj.com/newsdetails?id=113&cid=235 There have been no complaints received to date.
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: http://www.nanshanqhj.com/static/admin/upload/file/20210823/20210823142237_11428.pdf
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 products:

CRITERION	RATING	COMMENT
		http://www.nanshanghj.com/static/admin/upload/file/20210823/20210823142237_11428.pdf The Environmental Life Cycle Assessment Report can be provided for external communication if required. There have been no requests to date.
4.1c Environmental Life Cycle Assessment (public communication)	Conformance	The Environmental Life Cycle Assessment Report is published on the Entity's website: http://www.nanshanghj.com/static/admin/upload/file/20210823/20210823142237_11428.pdf
4.2 Product design	Conformance	The Entity integrates relevant objectives in the design and development process for products to enhance sustainability, including the environmental life cycle impacts of the end product. The information is available at: http://www.nanshanghj.com/static/admin/upload/file/20210823/20210823142237_11428.pdf
4.3a Aluminium Process Scrap (targets)	Conformance	The Entity has minimized the generation of Aluminium Process Scrap within its own operations and targets 100% of scrap for collection and recycling. Further information is available in the Sustainability Report, page 10 Life Cycle Management of Solid Waste: http://www.nanshanghj.com/static/admin/upload/file/20210824/20210824073837_50083.pdf
4.3b Aluminium Process Scrap (alloy separation)	Conformance	As per the result of risk analysis, the Process Scrap generated 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 customers to improve the recycling rate at end-of-life. The Entity communicates with the main customer to define how to achieve established targets.
4.4b Collection and recycling of products at end-of-life (engagement)	Conformance	In the absence of complete local, regional or national collection and recycling systems for aluminium scraps in China, the Entity is working with the customer to define how to achieve the targets.
PRINCIPLE 5 GREENHOUSE GAS EMISSIONS		
5.1 Disclosure of GHG emissions and energy use	Conformance	Major Scope 1 and 2 greenhouse gas emissions and energy use by source are tracked, calculated and documented annually in the GHG emission report 2020: http://www.nanshanghj.com/static/admin/upload/file/20210823/20210823142738_25476.pdf The report was not verified by a third party.

CRITERION	RATING	COMMENT
5.2 GHG emissions reductions	Conformance	The Entity has established a GHG emission reduction target for 2021, which is to reduce GHG emissions to 1.320 tonnes CO ₂ -eq/tonne product based on the 2018 level, aligning with the group target assigned. The main strategy is to reduce electricity consumption and increase energy efficiency. The detailed information can be found at: http://www.nanshanghj.com/static/admin/upload/file/20210823/20210823142140_88903.pdf Achievement against the target is reviewed annually.
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 of Emissions to Air are identified and assessed. In accordance with the requirements of ISO 14001:2015, the waste air generated in the operation is collected and treated before discharge. The emission treatment facilities are functioning well. The 2021 monitoring report indicates the air emissions meets the local emission limits.
6.2 Discharges to Water	Conformance	In accordance with the requirements of ISO 14001:2015, the Discharges to Water are covered and managed within the Environmental Management System. The Entity has established water reduction targets and established related plans to minimize adverse impacts. The 2021 monitoring report indicates the discharge of major pollutants meets the local legal discharge limits.
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 of the Entity's Environmental Management System.
6.3b Assessment and Management of Spills and Leakage (management)	Conformance	In accordance to the requirements of ISO 14001:2015, the assessment and management of Spills and Leakage are defined in the Entity's Environmental Management System. Major Spills and Leakages are handled and communicated by the emergency response team. The appropriate training courses are provided to the relevant workers, and the drills on how

CRITERION	RATING	COMMENT
		to respond the spills and leakage are conducted regularly.
6.4a Reporting of Spills (immediate disclosure)	Conformance	Reporting of Spills is defined in the Emergency Response Plan. There has been no spill or leakage to date.
6.4b Reporting of Spills (regular reporting)	Conformance	The impact assessments of Spills and the remediation actions taken are published in the annual Sustainability Report, page 7: http://www.nanshanghj.com/static/admin/upload/file/20210824/20210824073837_50083.pdf There has been no spill or leakage during 2020.
6.5a Waste management and reporting (strategy)	Conformance	Waste management is covered by the Entity's Environmental Management System. The management procedures for the Hazardous and Non-Hazardous Waste are established. The Entity focuses on the recycling of the Process Scrap and 100% compliance with the legal requirements on hazardous wastes.
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 transfer and disposal status of solid wastes are reported in the Sustainability Report 2020: http://www.nanshanghj.com/static/admin/upload/file/20210824/20210824073837_50083.pdf
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.

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)	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.
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 the municipal water supply and usage is tracked and documented. The latest Water Risk Assessment Report is published at: http://www.nanshanqhj.com/static/admin/upload/file/20210823/20210823142650_52179.pdf
7.1b Water assessment (risk assessment)	Conformance	The water-related risk assessment was conducted for the Environmental Impact Assessment (EIA) report in which water discharge is identified and assessed. Due to the nature of the product and production processes, in the local water environment, the level of water-related risk is low. The latest water-related risk assessment is published in the Sustainability Report 2020: http://www.nanshanqhj.com/static/admin/upload/file/20210824/20210824073837_50083.pdf
7.2a Water management (management plans)	Conformance	Based on the result of water-related risk assessment, the targets and the achievement statuses of water-consumption reduction in 2020 is established. The targets are published in the Sustainability Report 2020: http://www.nanshanqhj.com/static/admin/upload/file/20210824/20210824073837_50083.pdf
7.2b Water management (monitoring)	Conformance	Water consumption is monitored monthly. The water reduction target is established and achievement against the water-related targets is assessed annually and published in the Sustainability Report 2020, page 11:

CRITERION	RATING	COMMENT
		http://www.nanshanghj.com/static/admin/upload/file/20210824/20210824073837_50083.pdf
7.3 Disclosure of water usage and risks	Conformance	In accordance with the communication procedure in the Environment Management System, the Entity discloses water usage and risks in the Water Risk Assessment Report and the water balance map and water consumption targets are published in the Sustainability Report, page 11: http://www.nanshanghj.com/static/admin/upload/file/20210823/20210823142650_52179.pdf http://www.nanshanghj.com/static/admin/upload/file/20210824/20210824073837_50083.pdf
PRINCIPLE 8 BIODIVERSITY		
8.1 Biodiversity assessment	Conformance	The impact on biodiversity by the operation has been assessed by a third party as part of the Environmental Impact Assessment and the report has been approved by the local Environmental Protection Bureau. The biodiversity assessment assessed the risk and materiality of the impacts on biodiversity from the land use and activities in the Entity's Area of Influence. In accordance with the two assessment reports, there is no significant risk and impact on biodiversity due to the nature of products and the production processes.
8.2a Biodiversity management (biodiversity action plans)	Not Applicable	This Criterion is not applicable as the biodiversity risk assessment determined there are no significant risks or impacts by the operation of the Entity.
8.2b Biodiversity management (consultation and mitigation hierarchy)	Not Applicable	This Criterion is not applicable as the biodiversity risk assessment determined there are no significant risks or impacts by the operation of the Entity.
8.2c Biodiversity management (reporting)	Not Applicable	This Criterion is not applicable as the biodiversity risk assessment determined there are no significant risks or impacts by the operation of the Entity.
8.3 Alien Species	Conformance	The main carrier medium (wooden pallets) are 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.

CRITERION	RATING	COMMENT
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's Human Rights and Business Ethics Policy commitment is established and communicated to all employees. The further information, please see: http://www.nanshanqhj.com/static/admin/upload/file/20190823/20190823003726_36529.pdf
9.1b Human Rights Due Diligence (process)	Conformance	The Entity commits to respect Human Right. The Due Diligence process is established to cover the supply chain. The management procedure for implementing the ASI Performance Standard on the supply chain is established and the requirements are communicated to suppliers. The major supplies are identified and social audits on the major suppliers are conducted to verify compliance.
9.1c Human Rights Due Diligence (remediation)	Conformance	The Entity establishes and publishes the complaint/grievance channel to stakeholders. There has been no major impact reported.
9.2 Women's Rights	Conformance	Women's legal rights and interests are respected. There has been no complaint received from women Workers. The interviewed women Workers felt equal to male Workers.
9.3 Indigenous Peoples	Not Applicable	This Criterion is not applicable as there are no Indigenous Peoples in the Entity's Certification Scope.
9.4 Free, Prior, and Informed Consent (FPIC)	Not Applicable	This Criterion is not applicable as there are no Indigenous Peoples in the Entity's Certification Scope.
9.5 Cultural and sacred heritage	Not Applicable	This Criterion is not applicable as there are no cultural and sacred heritage affected by the Entity.
9.6a Resettlements (avoid or minimise)	Not Applicable	This Criterion is not applicable as there is no Resettlement necessary.
9.6b Resettlements (where unavoidable)	Not Applicable	This Criterion is not applicable as there is no Resettlement necessary
9.7a Local Communities (rights and interests)	Conformance	The Entity has a good and close relationship with local Communities. Stakeholders and their interests have been identified and mapped.

CRITERION	RATING	COMMENT
9.7b Local Communities (impacts)	Conformance	The control measures for the identified impact on local Communities are established and implemented. There has been no complaint received from the local Communities.
9.7c Local Communities (livelihoods)	Conformance	The Entity has a close relationship with local Communities. Greater than half of the employees are from the local Communities; The parent company of the Entity also supports several social initiatives to support the livelihoods of the local Communities.
9.8 Conflict-Affected and High-Risk Areas	Conformance	The Entity has conducted an analysis to determine if conflict minerals are used in products or the production processes and determined that no conflict minerals are used, and no materials are from Conflict-Affected and High-Risk Areas. The Entity makes a commitment to all customers and suppliers prohibiting the use of conflict minerals and communicates this to all relevant stakeholders. The Entity and all suppliers sign a commitment letter to not use conflict minerals.
9.9 Security practice	Not Applicable	This Criterion is not applicable as plant security is provided by the 'Entity's employees.
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 commits itself to respect the Workers' 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 Entity respects the rights of Workers to Collective Bargaining. There are no Collective Bargaining Agreements in the Entity.
10.1c Freedom of Association and Right to Collective Bargaining (alternative means)	Conformance	Workers' representatives deal with the Workers' concerns with management on behalf of Workers.
10.2a Child Labour (minimum age)	Conformance	The Entity does not use nor support the use 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 not allowed to work in hazardous working conditions. There is no Child Labour or young Workers in the Entity.

CRITERION	RATING	COMMENT
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	The Entity commits itself, and expects its suppliers, to comply with the prohibition of Forced Labour, slavery and Human Trafficking.
10.3b Forced Labour (deposits, fees, advances)	Conformance	The Entity is not involved in Forced Labour. All employees are hired directly and are not required to provide any form of deposit, recruitment fee or equipment advance.
10.3c Forced Labour (migrant workers)	Not Applicable	This Criterion is not applicable as there are no foreign Migrant Workers in the Entity, all workers are Chinese.
10.3d Forced Labour (debt bondage)	Conformance	The Entity is not involved in Forced Labour does not provide loans to Workers and Labour Contracts do not include Debt Bondage terms. The payslips of workers indicate there are no illegal deductions. All interviewed workers state they are unaware of any case of Debt Bondage or requirement to pay a debt.
10.3e Forced Labour (freedom of movement)	Conformance	The Entity is not involved in Forced Labour. There is no restriction of Workers' movement at the site.
10.3f Forced Labour (retention of identity papers, permits, certificates)	Conformance	The Entity is not involved in Forced Labour. There is no retention of Workers' original documents, only copies of original documents are kept in Workers' personnel files.
10.3g Forced Labour (freedom to terminate employment)	Conformance	The Entity 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 three days in the period of probation.
10.4 Non-Discrimination	Conformance	The Entity is committed to Non-Discrimination. There has been no case of Discrimination received.
10.5 Communication and engagement	Conformance	Direct and frequent communication with the Workers and the Workers representatives is established. The communication channels are announced to Workers, who can raise concerns regarding working conditions and resolution of workplace and compensation issues, without threat of reprisal, intimidation or harassment.
10.6 Disciplinary practices	Conformance	The Entity respects its employees and disciplinary measures are in compliance with legal requirements and require the confirmation of the involved Worker.
10.7a Remuneration (living wage)	Conformance	The wage structure is clearly defined and the basic wage is above the legal minimum wage. The total

CRITERION	RATING	COMMENT
		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 for office staff is 40 hours a week, over five days. For Workers at workshops, shifts are filled for six consecutive days before at least one rest day. Working hours are monitored control and monthly overtime working hours do not exceed the legal monthly limit.
PRINCIPLE 11 OCCUPATIONAL HEALTH AND SAFETY		
11.1a Occupational Health and Safety (OH&S) Policy (policy)	Conformance	The Entity has established and implemented an Occupational Health and Safety (OH&S) Policy and the Policy is communicated with relevant stakeholders. The continual suitability, adequacy and effectiveness of the Policy is reviewed in the annual Management Review meeting. The OH&S Policy is published on: http://www.nanshanghj.com/static/admin/upload/file/20190823/20190823003726_36529.pdf
11.1b Occupational Health and Safety (OH&S) Policy (workers and visitors)	Conformance	The Occupational Health and Safety Policy is applied to Workers and Visitors in compliance with the legal requirements and the requirements of ISO 45001:2018. For further information, please see: http://www.nanshanghj.com/static/admin/upload/file/20190823/20190823003726_36529.pdf
11.1c Occupational Health and Safety (OH&S) Policy (applicable law and standards)	Conformance	The Occupational Health and 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. For further information, please see: http://www.nanshanghj.com/static/admin/upload/file/20190823/20190823003726_36529.pdf
11.1d Occupational Health and Safety (OH&S) Policy (right to stop unsafe work)	Conformance	Workers are provided the training courses to understand the hazards, OH&S risks and actions determined that are relevant to them and the right to refuse unsafe work.
11.2 OH&S Management System	Conformance	The Entity has implemented a documented ISO 45001:2018 Management System and holds a valid ISO 45001:2018 certificate: www.cnca.org.cn

CRITERION	RATING	COMMENT
11.3 Employee engagement on health and safety	Conformance	The Entity has a system of Workers' consultation and participation on health and safety. Worker representatives participate in the monthly health and safety meeting and management responds to the concerns and advice on OH&S issues from Workers.
11.4 OH&S performance	Conformance	Health and Safety targets and improvements are documented in the 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.
4	10 March 2022	Re-Certification Audit