

# ASI CERTIFICATION PERFORMANCE STANDARD



PRESENTED TO

# UACJ CORPORATION

CERTIFICATE  
NUMBER

178

ASI  
STANDARD

PERFORMANCE  
STANDARD  
(V2 2017)

CERTIFICATION  
LEVEL

PROVISIONAL  
CERTIFICATION

ASI ACCREDITED  
AUDITOR

ERM  
CERTIFICATION  
AND  
VERIFICATION  
SERVICES

DATE OF ISSUE

14 FEBRUARY 2022

DATE OF EXPIRY

13 FEBRUARY 2023

CERTIFIED SINCE

14 FEBRUARY 2022

AUTHORISED BY

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CERTIFICATION SCOPE

Manufacture of aluminium plate products at Fukui Works, Japan and UACJ (Thailand) Co., Ltd., Thailand.

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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](http://www.aluminium-stewardship.org)

# SUMMARY AUDIT REPORT

## PERFORMANCE STANDARD

### OVERVIEW

MEMBER NAME	UACJ Corporation
ENTITY NAME	UACJ Corporation
CERTIFICATION SCOPE	Manufacture of aluminium plate products at Fukui Works, Japan and UACJ (Thailand) Co., Ltd., Thailand.
SUPPLY CHAIN ACTIVITIES	<ul style="list-style-type: none"><li>Aluminium Re-melting/Refining</li><li>Casthouses</li><li>Material Conversion (Production and Transformation)</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>Initial Certification Audit</li></ul>
AUDIT FIRM	ERM Certification and Verification Services
AUDIT DATE	25 October – 5 November 2021
AUDIT REPORT SUBMISSION	19 January 2022
AUDIT SCOPE	<p>The audit scope covers the manufacture of aluminium plate products at Fukui Works, Japan and UACJ (Thailand) Co., Ltd., Thailand.</p> <p>The supply chain activities included in the audit scope:</p> <ul style="list-style-type: none"><li>Aluminium Re-melting/Refining</li><li>Casthouses</li><li>Material Conversion (Production and Transformation)</li></ul> <p>All relevant Criteria in the ASI Performance Standard were included in the Audit Scope.</p> <p>At the time of the Audit (October – November 2021), access to the site was not possible, due to COVID-19 related travel restrictions. The Audit has been undertaken as a 'desktop' exercise, in accordance with ASI Interim Policy regarding Audits, Audit-Related Travel and Coronavirus (v4), and included a remote review of relevant documentation.</p>

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AUDIT OUTCOME	Provisional Certification
AUDIT METHODOLOGY DECLARATION	<p>The Auditors confirm that:</p> <ul style="list-style-type: none"><li><input checked="" type="checkbox"/> The information provided by the Entity is true and accurate to the best knowledge of the Auditor(s) preparing this report.</li><li><input checked="" type="checkbox"/> The findings are based on verified Objective Evidence relevant to the time period for the Audit, traceable and unambiguous.</li><li><input checked="" type="checkbox"/> 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.</li><li><input checked="" type="checkbox"/> The Auditor(s) have acted in a manner deemed ethical, truthful, accurate professional, independent and objective.</li></ul>
CERTIFICATION PERIOD	14 February 2022 – 13 February 2023
NEXT AUDIT TYPE	Surveillance Audit
NEXT AUDIT DUE DATE	13 August 2022
CERTIFICATE NUMBER	178

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## SUMMARY OF FINDINGS

CRITERION	RATING	COMMENT
PRINCIPLE 1 BUSINESS INTEGRITY		
1.1 Legal Compliance	Conformance	<p>The Entity establishes departmental responsibility to comply with related laws/regulations. Legal requirements and required qualification lists are systematically maintained and updated for environment and safety and health, but for the Fukui Works site this is not yet the case for social requirements.</p> <p>External contracts exist at both the Fukui Works and UACJ Thailand site to ensure HSE legal changes are identified and UACJ Thailand similarly keeps up to date with changes in social and human rights law. The Entity plans to introduce its Law Management Rules that set out responsibilities and a renewal period for updating of new requirements across HSE, labour and human rights and business integrity from January 2022.</p>
1.2 Anti-Corruption	Conformance	<p>The Entity has established a Group Code of Conduct, a Group Anti-Bribery Regulations, and Global Guidelines on Bribery. Training on the Code of Conduct and Anti-Bribery is provided to new employees and annual refresher training is provided to all employees (although delayed during 2021 due to COVID restrictions). Relevant records are maintained.</p> <p>The Entity has established a third party list register to record gifts for charitable contributions.</p>
1.3 Code of Conduct	Conformance	<p>The Entity has established a Group Code of Conduct, a Group Anti-Bribery Regulations, and Global Guidelines on Bribery. Training on the Code of Conduct and Anti-Bribery is provided to new employees and annual refresher training to all employees (although delayed during 2021 due to COVID restrictions). Relevant records are maintained.</p> <p>The Entity has established a third party list register to record gifts for charitable contributions.</p>
PRINCIPLE 2 POLICY & MANAGEMENT		
2.1a Environmental, Social, and Governance Policy (implement and maintain)	Conformance	<p>The Entity has implemented Policies consistent with environmental, social, and governance practices included in the ASI Performance Standard. Group regulation is followed at both sites with links on respective websites to governance requirements. The stand-alone policies and Group Code of Conduct are endorsed and responsibilities assigned</p>

CRITERION	RATING	COMMENT
		at site level. The HSE policies are incorporated within the HSE Management System, signed and up to date.
2.1b Environmental, Social, and Governance Policy (senior management)	Conformance	The Entity has implemented Policies consistent with environmental, social, and governance practices included in the ASI Performance Standard. Group regulation is followed at both sites with links on respective websites to governance requirements. The stand-alone policies and Group Code of Conduct are endorsed at Senior Management level and responsibilities assigned at site level. The HSE policies are incorporated within the HSE Management System, signed and up to date.
2.1c Environmental, Social, and Governance Policy (communication)	Conformance	The Entity communicates its relevant OHS Policy, Environmental Policy and President Policy on Information Boards in offices and production areas and are made available on the website: <a href="https://uath.uacj-group.com/policy.html#safety_policy">https://uath.uacj-group.com/policy.html#safety_policy</a> New employees undertake induction training that includes this Policy. The President Policy sets out the Entity's philosophy for production and is available on the homepage and external website.
2.2 Leadership	Conformance	The Entity has established the organizational structure and nominates roles for senior Management Representative with responsibility and authority for conformance with the requirements of the ASI Performance Standard. ASI Certification Management Rules have been developed and internal training has been conducted.
2.3a Environmental and Social Management Systems (environmental)	Conformance	The Entity has implemented an Environmental Management System that is certified to ISO 14001 and plans for ISO 45001 certification. At both sites there are open non-conformities from the latest external ISO 14001:2015 Surveillance Audits, for which acceptable corrective and preventive actions have been defined.

CRITERION	RATING	COMMENT
2.3b Environmental and Social Management Systems (social)	Conformance	<p>The Corporate Governance, Human Resources and General Affairs Departments are working individually for social risk management. Labour Rights fall under the Human Resources Department and detail is described in Collective Agreements and work regulations, based on the Entity's Group Code of Conduct.</p> <p>A Social Management Committee is established at the Fukui Works site and procedures are being defined for implementation and integration over time. The UACJ Thailand site has in place a labour protection MBO (management by order) and a PDCA (Plan Do Check Act) framework that addresses Code of Conduct compliance, MBO, OHS, Welfare Committee, Employment rules, Working hours and Retention rate.</p> <p>The Entity is currently formalising its existing Social Management System.</p>
2.4 Responsible Sourcing	Conformance	<p>The Entity has developed and implemented a responsible sourcing policy covering environmental, social and governance issues through its CSR Deployment Guideline for Suppliers, publicly available on the website (last reviewed in June 2021). Suppliers must sign the document, follow its guidance with major suppliers assessed against criteria via a self-assessment.</p> <p>For the UACJ Thailand site, a CSR Guideline was introduced from September 2021 and is shared with suppliers and signed as part of procurement. An additional supplier questionnaire process is deployed that addresses the CSR Guideline criteria.</p> <p>The Entity conducts supplier evaluations once a year with its main suppliers and any non-conformance with the Entity's requirements are actioned.</p>
2.5 Impact Assessments	Conformance	<p>There have been no major projects requiring Impact Assessment at the Fukui Works and UACJ Thailand sites since 2012 and 2017 respectively. A Management of Change Procedure determines the need for environmental Impact Assessment and provides an opportunity to include Human Rights assessment in this process. Due Diligence includes Human Rights assessment and community need in the event of significant change. Human Rights assessment is undertaken every three years across operations/activities and more specifically if required however no such examples for specific needs exist to date.</p>

CRITERION	RATING	COMMENT
2.6 Emergency Response Plan	Minor Non-Conformance	<p>Emergency Response Plans are available for fire/explosion, earthquake/tsunami, natural disasters (typhoons, floods, etc.) and chemical substance leakage scenarios. Periodical response training has been conducted. For chemical substance leakage, the impacts were assessed from a significant environmental impact point of view, following ISO 14001 and controlling measures are implemented. However, the impacts were not assessed, from an occupational safety (i.e. exposure of operator) or process safety (i.e. fire/explosion) point of view so risks of personnel exposure and fire/explosion are not systematically addressed.</p>
2.7 Mergers and Acquisitions	Conformance	<p>The Entity's Group procedure for Mergers, Closure and Commissioning, along with the EHS Assessments of Prospective Mergers, Acquisitions and Divestitures Procedure outlines criteria to be followed and the Due Diligence process to be applied.</p> <p>Mergers and acquisitions, closure and decommissioning activity is managed by the Corporate Strategic Department and follows an undocumented process that considers the reported risk levels and summarises information for Board decision making. A summary document is prepared with different departmental approvals of due diligence results and an associated action plan to be followed to mitigate risks.</p> <p>There are no immediate plans for further merger and acquisition activity at Fukui Works. There has been no merger and acquisition or closure/other activity for UACJ Thailand since it opened in 2014.</p>
2.8 Closure, Decommissioning and Divestment	Conformance	<p>The Entity's Group procedure for Mergers, Closure and Commissioning, along with the EHS Assessments of Prospective Mergers, Acquisitions and Divestitures Procedure outlines criteria to be followed and the Due Diligence process to be applied, for which examples were viewed.</p> <p>Mergers and acquisitions, closure and decommissioning activity is managed by the Corporate Strategic Department and follows an undocumented process that considers the reported risk levels and summarises information for Board decision making. A summary document is prepared with different departmental approvals of due diligence results and an associated action plan to be followed to mitigate risks, in support of a decision to proceed.</p> <p>There are no immediate plans for further merger</p>

CRITERION	RATING	COMMENT
		and acquisition activity at Fukui Works. There has been no merger and acquisition or closure/other activity for UACJ Thailand since it opened in 2014.
PRINCIPLE 3 TRANSPARENCY		
3.1 Sustainability Reporting	Conformance	The Entity's Group Integrated Report for 2020 was published in September 2021 with an April 2020 to March 2021 reporting period in line with its financial year. The report discloses the Entity's governance approach and its material environmental, social and economic impacts. It also includes a statement regarding any breaches that might result in significant fines, judgments, penalties and non-monetary sanctions for failure to comply with Applicable Law: <a href="https://www.uacj.co.jp/english/ir/library/pdf/2021/full_2021uacjr.pdf">https://www.uacj.co.jp/english/ir/library/pdf/2021/full_2021uacjr.pdf</a>
3.2 Non-compliance and liabilities	Conformance	The Entity's Group Integrated Report for 2020 was published in September 2021 with an April 2020 to March 2021 reporting period in line with its financial year. The report discloses the Entity's governance approach and its material environmental, social and economic impacts. It also includes a statement regarding any breaches that might result in significant fines, judgments, penalties and non-monetary sanctions for failure to comply with Applicable Law.
3.3a Payments to governments (legal and contractual)	Conformance	National laws prohibit payments to government officials with this assessed by an independent body. The independent financial accounting audit includes payments to governments in its annual audit scope. The Entity's Group Anti-Corruption Policy is reviewed twice per year and signed off at Board level.
3.3b Payments to governments (disclosure - bauxite mining)	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
3.4 Stakeholder complaints, grievances and requests for information	Conformance	The Entity has established accessible, transparent, understandable and culturally and gender sensitive, Complaints Resolution Mechanisms to address stakeholder complaints, grievances and requests for information relating to its operations. There is a contact point for receiving complaints from interested parties on the Entity's website. The General Affairs Department responds to received complaints and maintains a grievance log.



CRITERION	RATING	COMMENT
PRINCIPLE 4 MATERIAL STEWARDSHIP		
4.1a Environmental Life Cycle Assessment (life cycle impacts)	Minor Non-Conformance	<p>The Fukui Works site has participated with the Japan Aluminum Association (JAA) in development of a Life Cycle Assessment (LCA) across six aluminium companies in Japan, using data from the production processes (published on the JAA website). The defined boundary excludes ingots, scrap and sheet product, however more than 80% of product falls within the Life Cycle Inventory (LCI) boundary.</p> <p>However, the LCA, published in 2000 and revised in 2006, includes consolidated average energy data as the baseline and this baseline data is dated and unlikely to reflect current processes. Also, the LCI approach has not taken an End-of-Life or Recycled Content approach (but this is work in progress). The UACJ Thailand site designs a number of products and will complete an LCA on its can stock by the end of 2021. The LCA takes a cradle-to-gate approach but it is not yet known how this information will be utilised.</p>
4.1b Environmental Life Cycle Assessment (cradle to gate)	Minor Non-Conformance	<p>Adequate cradle-to-gate Life Cycle Assessment (LCA) information on the Entity's Aluminium (containing) products is not yet available. To date only the UACJ Thailand site beverage customers have made clear such an expectation and an LCA study, close to finalisation, is in response to that. Whilst information is currently confidential, limited customer responses are available upon request.</p> <p>The LCA report published by the Japan Aluminum Association (JAA) to provide consolidated energy data based on the production processes of six aluminium companies in Japan is made available but this is out of date and does not include a cradle-to-gate approach.</p>
4.1c Environmental Life Cycle Assessment (public communication)	Conformance	<p>The LCA report published by the Japan Aluminum Association (JAA) to provide consolidated energy data based on the production processes of six aluminium companies in Japan, including the Fukui Works site, is made available.</p> <p>A cradle-to-gate LCA for a number of products at the UACJ Thailand site is currently being completed and whilst at this stage information is confidential, limited customer responses are available upon request.</p>

CRITERION	RATING	COMMENT
4.2 Product design	Conformance	The Entity establishes objectives in the design and development process for products to enhance sustainability, including the environmental life cycle impacts of the end product. The Fukui Works site has an objective to increase the ratio of recycled material in product with monthly improvement targets, backed up by corporate level KPIs. The Aluminium Promotion Working Group and the Recycle Promotion Group have implemented objectives to develop SMART branded products, generate new demand through materials replacement and create a recycling system for customer waste. The UACJ Thailand site has established product design goals to quantify potential environmental impacts of aluminium alloy coil.
4.3a Aluminium Process Scrap (targets)	Conformance	The Entity's Environmental Policy outlines that waste is to be reduced across all activity areas. The material flow diagrams quantify the separate streams for collection and recycling/reuse, which is supported by monitoring data against strategy targets. Aluminium Process Scrap collection, recycling and/or reuse is targeted at 100% and there is also an external scrap supply, forming part of the raw material as well as prime ingot. The Entity's 2021-23 action plan establishes an overall target of 85% recycled content by 2030.
4.3b Aluminium Process Scrap (alloy separation)	Conformance	The Entity's material flow diagrams quantify the separate streams for collection and recycling/reuse, which is supported by monitoring data against strategy targets. Aluminium Process Scrap collection, recycling and/or re-use is targeted at 100% and this relies on effective separation of aluminium alloys and grades for recycling.
4.4a Collection and recycling of products at end-of-life (strategy)	Conformance	The Entity implements a recycling strategy, including specific timelines, activities and targets. The recycling strategy is based on best available information as there are a number of external variables applicable, primarily the availability of external scrap. The 2021-23 action plan for the UACJ Thailand site has established a goal to increase the recycled content to 85% for can products by 2030. An overall objective for the Entity is to increase the ratio of recycled material in product, for which monthly targets are set, towards 88% by 2030.

CRITERION	RATING	COMMENT
4.4b Collection and recycling of products at end-of-life (engagement)	Conformance	<p>The Entity engages with local, regional and national collection and recycling systems to support accurate measurement and efforts to increase recycling rates for products containing Aluminium. The Entity is a member of, and provides a secondee to, the 'Can to Can' initiative, a multi-stakeholder group to further understanding in the recyclability of aluminium cans for closed loop systems. The Entity works closely with high profile customers on closed loop recycle systems, to return aluminium waste to the processing chain. The UACJ Thailand site implements a packaging action plan where it engages with partners and suppliers to improve the market approach and customer-specific recycling and collection capacity in Thailand, including support for local authorities in reducing packaging waste.</p>
PRINCIPLE 5 GREENHOUSE GAS EMISSIONS		
5.1 Disclosure of GHG emissions and energy use	Conformance	<p>The Entity publishes GHG data on their website and in the annual Integrated Report, Investor Relations section:  <a href="https://www.uacj.co.jp/english/csr/index.htm">https://www.uacj.co.jp/english/csr/index.htm</a>  <a href="https://www.uacj.co.jp/english/ir/library/factbook.htm">https://www.uacj.co.jp/english/ir/library/factbook.htm</a></p> <p>The Entity submits carbon dioxide emission data to the Carbon Disclosure Project (CDP). The UACJ Thailand site certified its carbon footprint under the Thailand Greenhouse Gas Management Organization Guidance in 2021 and has a GHG emissions inventory to record Scope 1, Scope 2 and specific Scope 3 emissions, consolidated in the UACJ Group GHG (CO<sub>2</sub>) emissions data and energy use reporting.</p>
5.2 GHG emissions reductions	Conformance	<p>The Entity has a carbon dioxide emissions reduction target, described in the UACJ Vision 2030. The target is 22% reduction of carbon dioxide emission across the whole supply chain by 2030 compared with 2019. The Climate Change Countermeasures Promotion Committee creates an annual reduction plan including specific reduction actions and monitors energy consumption and direct and indirect carbon dioxide emission. The UACJ Thailand submits an annual energy management report to the Department of Energy Development and Efficiency (DEDE) as required under the national regulation. The report includes energy conservation policies, target, plans and measures.</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	Conformance	The Entity has developed comprehensive procedures to quantify and report Emissions to Air with the potential to have adverse effects on humans or the environment. This includes process related emissions and ambient air quality parameters, usually based on initial impact assessment studies. Reporting of emissions monitoring data to regulatory bodies is specific and regular. Mitigation plans and measures are in place to minimise potentially adverse impacts that could arise through elevated air emissions that exceed permitted threshold limits.
6.2 Discharges to Water	Conformance	The Entity quantifies and reports Discharges to Water with the potential to have adverse effects on humans or the environment. This includes process related water discharges and site and storm water run-off which are typically based on initial impact assessment studies. Reporting of water discharges monitoring data to regulatory bodies is specific and regular. Mitigation plans and measures are in place to minimise potentially adverse impacts that could arise through elevated discharge levels of parameters of concern that exceed permitted threshold limits.
6.3a Assessment and Management of Spills and Leakage (assessment)	Unable to Rate	The Entity conducts assessment of major risk areas where Spills and Leakage of hazardous substances including liquids and gases may contaminate air, water and/or soil. Monitoring procedures exist to prevent release and emergency scenarios for which an emergency response plan is in place to minimize resulting impact. Prevention and control measures for chemical storage include regular inspection of chemical storage areas for Spills and Leakage, floor condition, spill kits and chemical container integrity checking. Whilst records were reviewed and assessed as being in conformance, this Criterion will be re-assessed during the on-site component of the audit.

CRITERION	RATING	COMMENT
6.3b Assessment and Management of Spills and Leakage (management)	Unable to Rate	<p>The Entity conducts assessment of major risk areas where Spills and Leakage of hazardous substances including liquids and gases may contaminate air, water and/or soil. Monitoring procedures exist to prevent release and emergency scenarios for which an emergency response plan is in place to minimize resulting impact. Prevention and control measures for chemical storage include regular inspection of chemical storage areas for Spills and Leakage, floor condition, spill kits and chemical container integrity checking.</p> <p>Whilst records were reviewed and assessed as being in conformance, this Criterion will be re-assessed during the on-site component of the audit.</p>
6.4a Reporting of Spills (immediate disclosure)	Minor Non-Conformance	<p>The Entity implements a process to disclose to affected parties the volume, type and potential impact of any significant Spill following such an incident. Emergency Response Plans for Spills and Leakage of hazardous chemical substances are established and include the contact details of affected parties, including local authorities.</p> <p>In case of incidental release of hazardous chemical substances, it is regulated to report the released substance and quantity to the affected parties. However, there is currently no requirement in the Entity's established process to report on the potential impact of such a release.</p>
6.4b Reporting of Spills (regular reporting)	Conformance	<p>The Entity implements a process for disclosing to affected parties the event of any Spill and the remediation actions taken. This includes minor exceedances of agreed emissions threshold limits with regulatory authorities (which are published on the Sustainability pages of the Entity's website).</p> <p>The Entity has Emergency Management Plans with emergency contacts and response teams in place for communication as well as remediation. Spill incident reporting includes the location and nature of the incident, type and volume of chemicals/hazardous substance, action taken and prevention measures.</p>
6.5a Waste management and reporting (strategy)	Unable to Rate	<p>The Entity implements a waste management strategy with a '5R' Waste Mitigation Hierarchy, covering waste classification, waste separation and handling, waste accumulation, transportation and disposal, and reporting. The Entity implements waste reduction policies and action plans at site level. The annual waste reduction target is one of the key performance indicators monitored monthly</p>

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		at environment management reviews and is monitored at monthly committee meetings. Whilst records were reviewed and assessed as being in conformance, this Criterion will be re-assessed during the on-site component of the audit.
6.5b Waste management and reporting (disclosure)	Minor Non-Conformance	<p>The Entity has established a process to publicly disclose on an annual basis the quantity of Hazardous and Non-Hazardous Waste generated and the associated Waste management options and disposal methods.</p> <p>Data on final waste for disposal is legally required as a report to the relevant authority. This is undertaken by various means including electronic manifest system and conventional reporting. Consolidated waste information, including data on quantity and disposal methods (recycled and landfill) is disclosed on the Entity's Group webpage: <a href="https://www.uacj.co.jp/english/csr/environment/emission.htm">https://www.uacj.co.jp/english/csr/environment/emission.htm</a></p> <p>However, there is currently no reporting of the waste classification i.e. Hazardous or Non-Hazardous.</p>
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.
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.

CRITERION	RATING	COMMENT
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 Entity has in place processes aimed to maximise the recovery and reuse/recycling of Dross generated from melting furnaces and other equipment. The draw down ratio of the primary recovery is approximately 50% for one of the sites and 40% for the other site. Further secondary recovery both on site and by external providers delivers a recovery rate of 30 to 35%. Full records are kept and the Entity is investigating options to increase the on-site recovery rate and reduce the volume of Dross waste generated.
6.8b Dross (recycling)	Conformance	The Entity has in place processes aimed to maximise the recovery and reuse/recycling of Dross generated from melting furnaces and other equipment. The draw down ratio of the primary recovery is approximately 50% for one of the sites and 40% for the other site. Further secondary recovery both on site and by external providers delivers a recovery rate of 30 to 35%. Full records are kept and the Entity is investigating options to increase the on-site recovery rate and reduce the volume of dross waste generated.
6.8c Dross (review of alternatives)	Conformance	The Entity is a member of the Dross Committee at the Japan Aluminum Association and the Up-Cycle Study Group on Aluminum Manufacturing By-products at the Institute of Light Metals, which has been investigating technical solutions to reduce the landfill quantity of Dross residues.
PRINCIPLE 7 WATER STEWARDSHIP		
7.1a Water assessment (mapping)	Conformance	The Entity identifies and maps its water source and withdrawal and use via a Water Inventory Map and water/wastewater flow diagrams, which identify the water sources and water consumption facilities, including both process and sanitary water.
7.1b Water assessment (risk assessment)	Conformance	The Entity has assessed the water-related risks in Watersheds in its Area of Influence. At one site water use accounts for 10% of total industrial water supply and about 5% of total potable water supply. For the other site water use accounts for 1% of total industrial water use. Both locations are relatively

CRITERION	RATING	COMMENT
		water rich with no risks identified through water risk assessments conducted by the Entity.
7.2a Water management (management plans)	Unable to Rate	The Entity understands the importance of water management planning for sustainability, even though no material risks are identified in the water risk assessment. As a result, formal water management plans are not necessary. However, various initiatives are in place to measure and reduce water consumption. Opportunities exist to improve the actual water consumption monitoring. Whilst records were reviewed and assessed as being in conformance, this Criterion will be re-assessed during the on-site component of the audit.
7.2b Water management (monitoring)	Conformance	The Entity has no water management plans and no requirement to monitor the effectiveness of the plans as no material risk was identified in the water risk assessments. However, various initiatives are in place to measure and reduce water consumption. Opportunities exist to improve the actual water consumption monitoring
7.3 Disclosure of water usage and risks	Conformance	The Entity consolidates and reports its total water withdrawal and use, and its water-related risks as part of the Entity's Group Fiscal Year reporting and makes this available on the website, under the Resource Conservation and Waste Reduction section: <a href="https://www.uacj.co.jp/english/csr/environment/emission.htm">https://www.uacj.co.jp/english/csr/environment/emission.htm</a>
PRINCIPLE 8 BIODIVERSITY		
8.1 Biodiversity assessment	Conformance	The Entity has assessed the risk and materiality of the impacts on biodiversity from the land use and activities in the Entity's Areas of Influence. External advisory companies have supported the biodiversity assessments with specialist knowledge. The Entity is not located in a key biodiversity area; negative impacts to the biodiversity were not identified by the assessments and negative impacts due to the activities at the Entity have not been identified.
8.2a Biodiversity management (biodiversity action plans)	Conformance	The Entity has no Biodiversity Action Plan in place as the Entity is not located in a key biodiversity area and does not pose a material risk to the local biodiversity, as determined through biodiversity assessment.



CRITERION	RATING	COMMENT
8.2b Biodiversity management (consultation and mitigation hierarchy)	Conformance	The Entity has no Biodiversity Action Plan in place as the Entity is not located in a key biodiversity area and does not pose a material risk to the local biodiversity, as determined through biodiversity assessment.
8.2c Biodiversity management (reporting)	Conformance	The Entity publishes biodiversity outcomes on its website: <a href="https://www.uacj.co.jp/english/csr/environment/biodiversity.htm">https://www.uacj.co.jp/english/csr/environment/biodiversity.htm</a> At Group level, the Environment Management Manual requires publication of biodiversity study outcomes and impacts. There has been localised reporting as a result of wider environmental impact assessment feedback to the community.
8.3 Alien Species	Conformance	The Entity has an Alien Species Damage Prevention Procedure to establish prevention measures for the accidental or deliberate introduction of Alien Species, by source and transferred materials. The highest invasion risk of Alien Species is recognised at both sites although no documented risk evaluation to identify potential vectors though the Entity's activities and operations exists for this.
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 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)	Minor Non-Conformance	The Entity respects Human Rights and observes the UN Guiding Principles on Business and Human Rights appropriate to its business and activities. However, there is no Human Rights Policy in place to date; a draft Human Rights Policy has been developed and training has commenced. The Entity's Human Rights position and commitments are made and referred to in the Group Code of Conduct.

CRITERION	RATING	COMMENT
		<p>A Human Rights Due Diligence process does take place although this is not supported by an internal due diligence procedure (under development at the time of the audit) which would ensure consistency across sites. To date, the Entity has not identified adverse Human Rights impacts that it may have caused or contributed to through the existing mechanisms in use.</p>
<p>9.1b Human Rights Due Diligence (process)</p>	<p>Minor Non-Conformance</p>	<p>The Entity respects Human Rights and observes the UN Guiding Principles on Business and Human Rights appropriate to its business and activities. However, there is no Human Rights Policy in place to date; a draft Human Rights Policy has been developed and training has commenced. The Entity's Human Rights position and commitments are made and referred to in the Group Code of Conduct.</p> <p>A Human Rights Due Diligence process does take place although this is not supported by an internal due diligence procedure (under development at the time of the audit) which would ensure consistency across sites. To date, the Entity has not identified adverse Human Rights impacts that it may have caused or contributed to through the existing mechanisms in use.</p>
<p>9.1c Human Rights Due Diligence (remediation)</p>	<p>Minor Non-Conformance</p>	<p>The Entity respects Human Rights and observes the UN Guiding Principles on Business and Human Rights appropriate to its business and activities. However, there is no Human Rights Policy in place to date; a draft Human Rights Policy has been developed and some training has commenced. The Entity's Human Rights position and commitments are made and referred to in the Group Code of Conduct.</p> <p>A Human Rights Due Diligence process does take place although this is not supported by an internal due diligence procedure (under development at the time of the audit) which would ensure consistency across sites. To date, the Entity has not identified adverse Human Rights impacts that it may have caused or contributed to through the existing mechanisms in use.</p>
<p>9.2 Women's Rights</p>	<p>Minor Non-Conformance</p>	<p>The Entity recognises and respects rights and interests of women, consistent with international standards, but to date has no policy or specific process on women's rights.</p>

CRITERION	RATING	COMMENT
9.3 Indigenous Peoples	Not Applicable	The Entity is located within industrial areas or on the city fringe where Indigenous populations are not present. As such, it is not necessary for the Entity to develop policies or processes to ensure respect for the rights and interests of Indigenous Peoples.
9.4 Free, Prior, and Informed Consent (FPIC)	Not Applicable	The Entity is located within industrial areas or on the city fringe where Indigenous populations are not present. As such, it is not necessary for the Entity to develop policies or processes to address impacts on the Indigenous Peoples associated culturally with or living on those relevant lands.
9.5 Cultural and sacred heritage	Not Applicable	The Entity is located within industrial areas or on the city fringe where Indigenous populations are not present. As such, it is not necessary for the Entity to develop policies or processes to address impacts on the Indigenous Peoples associated culturally with or living on those relevant lands, or to cooperatively identify sacred or cultural heritage sites and values within the Entity's Area of Influence.
9.6a Resettlements (avoid or minimise)	Not Applicable	The Entity does not occupy locations where relocation or Resettlement has been necessary in the establishment of operations. There are no Indigenous Peoples or Indigenous Peoples' lands, territories or resources to the extent that the Entity's business activities affect it.
9.6b Resettlements (where unavoidable)	Not Applicable	The Entity does not occupy locations where relocation or Resettlement has been necessary in the establishment of operations. There are no Indigenous Peoples or Indigenous Peoples' lands, territories or resources to the extent that the Entity's business activities affect it.
9.7a Local Communities (rights and interests)	Conformance	The Entity respects the rights and concerns of the Local Communities and identifies these as part of its Human Rights Due Diligence process and in its use of the evaluation tool. No significant issues or risks are currently identified. Dialogue with the Community has led to local initiatives such as 'clean up the environment' days, support for the disabled and tree planting activities.
9.7b Local Communities (impacts)	Conformance	The Entity respects the rights and concerns of the Local Communities and identifies these as part of its Human Rights Due Diligence process and in its use of the evaluation tool. No significant issues or risks are currently identified. Dialogue with the

CRITERION	RATING	COMMENT
		Community has led to local initiatives such as 'clean up the environment' days, support for the disabled and tree planting activities.
9.7c Local Communities (livelihoods)	Unable to Rate	The Entity respects the rights and the concerns of the Local Communities and identifies these as part of its Human Rights Due Diligence process and in its use of the evaluation tool. No significant issues or risks are currently identified. Dialogue with the Community has led to local initiatives such as 'clean up the environment' days, support for the disabled and tree planting activities. Whilst records were reviewed and assessed as being in conformance, this Criterion will be re-assessed during the on-site component of the audit.
9.8 Conflict-Affected and High-Risk Areas	Not Applicable	High-risk areas are identified and summarized in a risk table and the Entity does not operate in Conflict-Affected and High-Risk Areas.
9.9 Security practice	Conformance	The Entity in its involvement with public and private security providers, respects Human Rights in line with recognised standards and good practices. There is an opportunity to align providers more closely with the Entity's Code of Conduct on a contractual basis.
PRINCIPLE 10 LABOUR RIGHTS		
10.1a Freedom of Association and Right to Collective Bargaining (freedom of association)	Unable to Rate	The Entity respects the rights of Workers to associate freely in Labour Unions, seek representation and join Workers' councils without interference. The Entity also respects the rights of Workers to collective bargaining where this would be appropriate and the bargaining agreements that may result. At the Fukui Works site a Union exists for which there is a voluntary and high level of membership. At the UACJ Thailand site no Labour Union exists but there is welfare committee in place as a legal requirement. Whilst records were reviewed and assessed as being in conformance, this Criterion will be re-assessed during the on-site component of the audit.
10.1b Freedom of Association and Right to Collective Bargaining (collective bargaining)	Unable to Rate	The Entity respects the rights of Workers to associate freely in Labour Unions, seek representation and join Workers' councils without interference. The Entity also respects the rights of Workers to collective bargaining where this would be appropriate and the bargaining agreements that may result. At the Fukui Works site a Union exists for which there is a voluntary and high level of

CRITERION	RATING	COMMENT
		<p>membership. At the UACJ Thailand site no Labour Union exists but there is welfare committee in place as a legal requirement.</p> <p>Whilst records were reviewed and assessed as being in conformance, this Criterion will be re-assessed during the on-site component of the audit.</p>
10.1c Freedom of Association and Right to Collective Bargaining (alternative means)	Not Applicable	The Entity is not located in countries where Applicable Law restricts the right to freedom of association and collective bargaining.
10.2a Child Labour (minimum age)	Unable to Rate	<p>The Entity does not use or support the use of Child Labour as defined in ILO Conventions C138 and C182, and complies with related national and international law, stipulating in both locations that children under 15 years will not be employed. The Entity's Working Regulation stipulates that no hiring below 18 years of age can take place.</p> <p>Whilst records were reviewed and assessed as being in conformance, this Criterion will be re-assessed during the on-site component of the audit</p>
10.2b Child Labour (hazardous)	Unable to Rate	<p>The Entity does not use or support the use of Child Labour as defined in ILO Conventions C138 and C182, and complies with related national and international law, stipulating in both locations that children under 15 years will not be employed. The Entity's Working Regulation stipulates that no hiring below 18 years of age can take place.</p> <p>Whilst records were reviewed and assessed as being in conformance, this Criterion will be re-assessed during the on-site component of the audit</p>
10.2c Child Labour (worst forms)	Unable to Rate	<p>The Entity does not use or support the use of Child Labour as defined in ILO Conventions C138 and C182, and complies with related national and international law, stipulating in both locations that children under 15 years will not be employed. The Entity's Working Regulation stipulates that no hiring below 18 years of age can take place.</p> <p>Whilst records were reviewed and assessed as being in conformance, this Criterion will be re-assessed during the on-site component of the audit</p>
10.3a Forced Labour (human trafficking)	Unable to Rate	The Entity does not engage in nor support the use of Forced Labour as defined in ILO Conventions C29, along with Protocol P29 (2014) to this Convention, and C105. The Entity does not engage in or support Human Trafficking in any way, require deposits, bonds or identity papers for employment

CRITERION	RATING	COMMENT
		<p>in return, restrict freedom of movement or the right to terminate employment.</p> <p>Whilst records were reviewed and assessed as being in conformance, this Criterion will be re-assessed during the on-site component of the audit</p>
10.3b Forced Labour (deposits, fees, advances)	Unable to Rate	<p>The Entity does not engage in nor support the use of Forced Labour as defined in ILO Conventions C29, along with Protocol P29 (2014) to this Convention, and C105. The Entity does not engage in or support Human Trafficking in any way, require deposits, bonds or identity papers for employment in return, restrict freedom of movement or the right to terminate employment.</p> <p>Whilst records were reviewed and assessed as being in conformance, this Criterion will be re-assessed during the on-site component of the audit</p>
10.3c Forced Labour (migrant workers)	Unable to Rate	<p>The Entity does not engage in nor support the use of Forced Labour as defined in ILO Conventions C29, along with Protocol P29 (2014) to this Convention, and C105. The Entity does not engage in or support Human Trafficking in any way, require deposits, bonds or identity papers for employment in return, restrict freedom of movement or the right to terminate employment.</p> <p>Whilst records were reviewed and assessed as being in conformance, this Criterion will be re-assessed during the on-site component of the audit</p>
10.3d Forced Labour (debt bondage)	Unable to Rate	<p>The Entity does not engage in nor support the use of Forced Labour as defined in ILO Conventions C29, along with Protocol P29 (2014) to this Convention, and C105. The Entity does not engage in or support Human Trafficking in any way, require deposits, bonds or identity papers for employment in return, restrict freedom of movement or the right to terminate employment.</p> <p>Whilst records were reviewed and assessed as being in conformance, this Criterion will be re-assessed during the on-site component of the audit</p>
10.3e Forced Labour (freedom of movement)	Unable to Rate	<p>The Entity does not engage in nor support the use of Forced Labour as defined in ILO Conventions C29, along with Protocol P29 (2014) to this Convention, and C105. The Entity does not engage in or support Human Trafficking in any way, require deposits, bonds or identity papers for employment in return, restrict freedom of movement or the right to terminate employment.</p>

CRITERION	RATING	COMMENT
		<p>Whilst records were reviewed and assessed as being in conformance, this Criterion will be re-assessed during the on-site component of the audit</p>
<p>10.3f Forced Labour (retention of identity papers, permits, certificates)</p>	<p>Unable to Rate</p>	<p>The Entity does not engage in nor support the use of Forced Labour as defined in ILO Conventions C29, along with Protocol P29 (2014) to this Convention, and C105. The Entity does not engage in or support Human Trafficking in any way, require deposits, bonds or identity papers for employment in return, restrict freedom of movement or the right to terminate employment.</p> <p>Whilst records were reviewed and assessed as being in conformance, this Criterion will be re-assessed during the on-site component of the audit</p>
<p>10.3g Forced Labour (freedom to terminate employment)</p>	<p>Unable to Rate</p>	<p>The Entity does not engage in nor support the use of Forced Labour as defined in ILO Conventions C29, along with Protocol P29 (2014) to this Convention, and C105. The Entity does not engage in or support Human Trafficking in any way, require deposits, bonds or identity papers for employment in return, restrict freedom of movement or the right to terminate employment.</p> <p>Whilst records were reviewed and assessed as being in conformance, this Criterion will be re-assessed during the on-site component of the audit.</p>
<p>10.4 Non-Discrimination</p>	<p>Conformance</p>	<p>The Entity has in place measures to ensure that equal opportunities are made available and does not engage in or support Discrimination in hiring, salary, promotion, training, advancement or termination of Workers on the basis of common discrimination criteria. It has mechanisms in place for direct engagement with Workers and their representatives regarding workplace and labour conditions and resolution of such issues, including anonymous whistleblowing. The use of corporal punishment, mental or physical coercion, harassment, and gender-based violence is not supported in any way and is addressed in the Entity's Code of Conduct and Work Rules.</p>
<p>10.5 Communication and engagement</p>	<p>Unable to Rate</p>	<p>The Entity has in place measures to ensure that equal opportunities are made available and does not engage in or support Discrimination in hiring, salary, promotion, training, advancement or termination of Workers on the basis of common discrimination criteria. It has mechanisms in place for direct engagement with Workers and their representatives regarding workplace and labour</p>

CRITERION	RATING	COMMENT
		<p>conditions and resolution of such issues, including anonymous whistle blowing. The use of corporal punishment, mental or physical coercion, harassment, and gender-based violence is not supported in any way and is addressed in the Entity's Code of Conduct and Work Rules. Whilst records were reviewed and assessed as being in conformance, this Criterion will be re-assessed during the on-site component of the audit.</p>
10.6 Disciplinary practices	Unable to Rate	<p>The Entity has in place measures to ensure that equal opportunities are made available and does not engage in or support Discrimination in hiring, salary, promotion, training, advancement or termination of Workers on the basis of common discrimination criteria. It has mechanisms in place for direct engagement with Workers and their representatives regarding workplace and labour conditions and resolution of such issues, including anonymous whistle blowing. The use of corporal punishment, mental or physical coercion, harassment, and gender-based violence is not supported in any way and is addressed in the Entity's Code of Conduct and Work Rules. Whilst records were reviewed and assessed as being in conformance, this Criterion will be re-assessed during the on-site component of the audit.</p>
10.7a Remuneration (living wage)	Conformance	<p>The Entity has implemented systems for calculating pay that respects the rights of Workers to a living wage. Workers are paid for a normal working week that meets or exceeds the legal and industry minimum standard, that meets basic needs plus some discretionary income. Wage payments are fully documented and paid directly via transfer on a monthly basis.</p>
10.7b Remuneration (method of payment)	Conformance	<p>The Entity has implemented systems for calculating pay that respects the rights of Workers to a living wage. Workers are paid for a normal working week that meets or exceeds the legal and industry minimum standard, that meets basic needs plus some discretionary income. Wage payments are fully documented and paid directly via transfer on a monthly basis.</p>
10.8 Working Time	Conformance	<p>The Entity has implemented for each Worker an employee contract and employee letter of engagement that collectively include Labour Rights afforded to the individual and employment conditions including working week, overtime salary,</p>



CRITERION	RATING	COMMENT
		annual leave, public holidays and notice period, according to the Applicable Law in each country.
PRINCIPLE 11 OCCUPATIONAL HEALTH AND SAFETY		
11.1a Occupational Health and Safety (OH&S) Policy (policy)	Conformance	The Entity has an Occupational Health and Safety (OH&S) Philosophy and Policy, signed at Executive level and published on its public and site-specific web locations. The Policy is subject to regular review and following a change at Corporate/Group or Management System level.
11.1b Occupational Health and Safety (OH&S) Policy (workers and visitors)	Conformance	The Occupational Health and Safety Policy applies to all Workers and Visitors who must apply the Entity's OH&S rules and relevant procedures for suppliers or contractors, developed based on the site OH&S Policy. The OH&S rules are described in the Safety Handbook provided to all Workers and Safety and Environmental Rules are provided to suppliers for acknowledgement during procurement. Other Visitors to the Entity are instructed in OH&S rules upon arrival.
11.1c Occupational Health and Safety (OH&S) Policy (applicable law and standards)	Conformance	The Entity's OH&S Policy includes a statement to comply with Applicable Law and other obligations regarding OHS. The Entity has developed an OHS legal register for each of the sites which is updated and legal requirements are incorporated into Standard Operational Procedures.
11.1d Occupational Health and Safety (OH&S) Policy (right to stop unsafe work)	Minor Non-Conformance	The safety of employees is emphasised in the Group Code of Conduct and the OH&S Policy. Risk assessment and chemical safety assessments are conducted for all work activities and a permit to work system is implemented to ensure safe deployment. However, one of the sites does not specifically include in high level documentation that Workers have the right to understand the hazards and safe practices for their work, and the authority to refuse or stop unsafe work.
11.2 OH&S Management System	Conformance	The Entity has in place a documented Occupational Health and Safety Management System that aligns in structure and content with applicable national and international standards.
11.3 Employee engagement on health and safety	Unable to Rate	The Entity provides Workers with a mechanism by which they can raise, discuss and participate in the resolution of Occupational Health and Safety issues with management. The Entity has an Occupational Health and Safety (OHS) Committee at each site which includes broad

CRITERION	RATING	COMMENT
		<p>employee representation. OHS Committee meetings are conducted monthly with an agenda that includes all OHS incidents, trends and issues of concern. The Entity also has other processes for Workers to raise health and safety risk issues such as a safety group and a Safety Concern Form. All issues are subject to investigation by the OHS Department.</p> <p>Whilst records were reviewed and assessed as being in conformance, this Criterion will be re-assessed during the on-site component of the audit.</p>
11.4 OH&S performance	Conformance	<p>The Entity evaluates its Occupational Health and Safety performance using a range of metrics including Group-wide lagging and leading indicators, and compares this across UACJ sites globally and best practices generally. The Occupational Health and Safety Management System (OHS MS) is not independently certified to ISO 45001 but continuous improvement is a working ethos. Safety performance is reviewed monthly during the OHS Committee meetings and biannually during the UACJ Group OHS Management Review.</p>

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

Revision	Date	Notes
0	14 February 2022	Initial Certification Audit - Provisional Certification
1	16 March 2022	Text amendment to correct facility name to UACJ (Thailand) Co., Ltd.