

# ASI CERTIFICATION PERFORMANCE STANDARD



PRESENTED TO

# KUNSHAN ALUMINIUM CO., LTD.

CERTIFICATE  
NUMBER

74

ASI  
STANDARD

PERFORMANCE  
STANDARD  
(V2 2017)

CERTIFICATION  
LEVEL

FULL  
CERTIFICATION

ASI ACCREDITED  
AUDITOR

DNV BUSINESS  
ASSURANCE  
SERVICES UK  
LTD.

DATE OF ISSUE

26 FEBRUARY 2020

DATE OF EXPIRY

25 FEBRUARY 2023

CERTIFIED SINCE

26 FEBRUARY 2020

AUTHORISED BY

A stylized, handwritten signature in black ink, likely representing the Aluminium Stewardship Initiative Ltd.

Aluminium Stewardship Initiative Ltd  
ACN 606 661 125, Australia  
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CERTIFICATION SCOPE

Kunshan Aluminium's facility at No 269, Nijiabang Road, Luyang, Zhoushi Town, Kunshan City, Jiangsu Province, China.

*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	Kunshan Aluminium Co., LTD.
ENTITY NAME	Kunshan Aluminium Co., LTD.
CERTIFICATION SCOPE	Kunshan Aluminium's facility at No 269, Nijiabang Road, Luyang, Zhoushi Town, Kunshan City, Jiangsu Province, China.
SUPPLY CHAIN ACTIVITIES	<ul style="list-style-type: none"><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 (23 – 24 December 2019)</li><li>Surveillance Audit (10 – 11 August 2022)</li></ul>
AUDIT FIRM	DNV Business Assurance Services UK Ltd.
AUDIT DATE	<ul style="list-style-type: none"><li>23 – 24 December 2019 (Initial Certification Audit)</li><li>10 – 11 August 2022 (Surveillance Audit)</li></ul>
AUDIT REPORT SUBMISSION	<ul style="list-style-type: none"><li>15 January 2020 (Initial Certification Audit)</li><li>8 November 2022 (Surveillance Audit)</li></ul>
AUDIT SCOPE	<p><u>Initial Certification Audit (23 – 24 December 2019)</u></p> <p>Kunshan Aluminium Co., Ltd.'s business scope includes the development and production of ultra-wide and ultra-thin aluminium foil and non-ferrous metal composite materials, and sales of self-produced products. The company was registered in July 2004 with a registered capital of 443.8 million RMB and a total investment of 960 million RMB. The company's double zero aluminium foil design capacity of 35,000 tons / year, product width of 1920mm, products include food, cigarettes, medicine, daily necessities, cosmetics and other high-end packaging foil and high-grade foil for the electronics industry.</p> <p>Supply chain activities included in the audit scope:</p> <ul style="list-style-type: none"><li>Material Conversion (Production and Transformation)</li></ul> <p>All relevant criteria in the ASI Performance Standard were included in the audit scope.</p>

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#### Surveillance Audit (10 – 11 August 2022)

The audit scope covers the operations at Kunshan Aluminium Co., Ltd., including the development and production of ultra-wide and ultra-thin aluminium foil and non-ferrous metal composite materials, and sales of self-produced products.

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.

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#### AUDIT OUTCOME

- Certification

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#### AUDIT METHODOLOGY DECLARATION

The Auditors confirm that:

- ☒ The information provided by the Entity is true and accurate to the best knowledge of the Auditor(s) preparing this report.
- ☒ The findings are based on verified Objective Evidence relevant to the time period for the Audit, traceable and unambiguous.
- ☒ The Audit Scope and audit methodology are sufficient to establish confidence that the findings are indicative of the performance of the Entity's defined Certification Scope.
- ☒ The Auditor(s) have acted in a manner deemed ethical, truthful, accurate professional, independent and objective.

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#### CERTIFICATION PERIOD

26 February 2020 – 25 February 2023

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#### NEXT AUDIT TYPE

Re-Certification Audit

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#### NEXT AUDIT DUE DATE

25 February 2023

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#### CERTIFICATE NUMBER

74

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## SUMMARY OF FINDINGS

CRITERION	RATING	COMMENT
PRINCIPLE 1 BUSINESS INTEGRITY		
1.1 Legal Compliance	Conformance	The Entity has developed and implemented policies, systems, procedures and processes that conform to the ASI Performance Standard's legal compliance requirements. The Entity has implemented systems to maintain awareness of and to ensure compliance with Applicable Law.
1.2 Anti-Corruption	Conformance	The Entity has implemented policies and processes such as the Management Procedure of Anti-Corruption to identify and prevent Corruption. Personnel are trained in these processes and the Entity maintains training records. The Entity works against Corruption in all its forms, including extortion and Bribery, consistent with Applicable Law and prevailing international standards. The Policy and relevant information for Labour and Business Ethics is available in the Sustainability Report: <a href="http://www.akscn.net/UpLoad/files/img20220830_08590071.pdf">http://www.akscn.net/UpLoad/files/img20220830_08590071.pdf</a>
1.3 Code of Conduct	Conformance	The Entity has implemented a Code of Conduct including principles related to environmental, social and governance performance. The Entity has implemented adequate measures, including training, and communication to raise awareness of the code among business partners and suppliers. The Code of Conduct is available for all interested stakeholders on the Entity's website: <a href="http://www.akscn.net/UpLoad/files/img20220830_08590071.pdf">http://www.akscn.net/UpLoad/files/img20220830_08590071.pdf</a>
PRINCIPLE 2 POLICY & MANAGEMENT		
2.1a Environmental, Social, and Governance Policy (implement and maintain)	Conformance	The Entity has implemented management Policies that address environmental, social, and governance practices. Further details is available in the Sustainability Report: <a href="http://www.akscn.net/UpLoad/files/img20220830_08590071.pdf">http://www.akscn.net/UpLoad/files/img20220830_08590071.pdf</a>
2.1b Environmental, Social, and Governance Policy (senior management)	Conformance	Senior management demonstrates commitment to the implemented Policies. The Entity has endorsement and support from senior management in order to provide sufficient resources for regular review of policies.

CRITERION	RATING	COMMENT
2.1c Environmental, Social, and Governance Policy (communication)	Conformance	The Policies are available for internal stakeholder via training and for all stakeholders via the Sustainability Report: <a href="http://www.akscn.net/UpLoad/files/img20220830_08590071.pdf">http://www.akscn.net/UpLoad/files/img20220830_08590071.pdf</a>
2.2 Leadership	Conformance	A senior Management Representative has been nominated and there is a team including HR, EHS, quality and purchasing staff to support this role.
2.3a Environmental and Social Management Systems (environmental)	Conformance	The Entity has implemented an Environmental Management System and holds a valid ISO 14001:2015 certification.
2.3b Environmental and Social Management Systems (social)	Conformance	A Social Management System has been established and implemented. Social and Occupational Health and Safety impacts are identified and assessed, and the associated management provisions for preventing and/or mitigating these impacts are established and implemented.
2.4 Responsible Sourcing	Conformance	The Entity has developed and implemented policies, systems, procedures and processes that conform to the responsible sourcing requirements. The Entity conducts second party due diligence audits at major next tier suppliers' sites to qualify them. The procurement team and relevant personnel are trained on an annual basis on responsible sourcing requirements. The purchasing policies are part of the Entity's Policy for Labour and Business Ethics, accessible via the following link. <a href="http://www.akscn.net/UpLoad/files/img20220830_08590071.pdf">http://www.akscn.net/UpLoad/files/img20220830_08590071.pdf</a>
2.5 Impact Assessments	Conformance	The Entity has procedures and systems in place to conduct environmental, social, cultural and Human Rights Impact Assessments, including a gender analysis, for new projects or major changes to existing facilities. The Entity demonstrates a proactive and inclusive approach with key stakeholders both internally and externally when facing major changes and projects. There have been no new projects or major changes to the Facility since 2004.
2.6 Emergency Response Plan	Minor Non-Conformance	The Entity has implemented Emergency Response Plans, as developed in collaboration with stakeholders. The Emergency Response

CRITERION	RATING	COMMENT
		Plans on OH&S and Environmental Incidents are implemented and personnel are trained as verified during the audit. The Entity holds valid ISO 14001:2015 and ISO 45001:2018 certificates. However, the risk of social unrest is not identified and there are no emergency action plans proposed for social unrest issues.
2.7 Mergers and Acquisitions	Conformance	A procedure for mergers and acquisitions has been established, but no such activity has occurred since operations commenced in 2004.
2.8 Closure, Decommissioning and Divestment	Conformance	A procedure for closure, decommissioning and divestment has been established in accordance to the requirement of ASI Performance Standard. No such case has occurred operations commenced in since 2004.
PRINCIPLE 3 TRANSPARENCY		
3.1 Sustainability Reporting	Conformance	The Entity has published the annual Sustainability Report on the website: <a href="http://www.akscn.net/Upload/files/img20220830_08590071.pdf">http://www.akscn.net/Upload/files/img20220830_08590071.pdf</a>
3.2 Non-compliance and liabilities	Conformance	There have been no significant fines, judgments, penalties, and/or non-monetary sanctions for failure to comply with Applicable Law in 2021 to 2022. The Entity's corporate social responsibility (CSR) performance is publicly disclosed in the Sustainability Report: <a href="http://www.akscn.net/Upload/files/img20220830_08590071.pdf">http://www.akscn.net/Upload/files/img20220830_08590071.pdf</a>
3.3a Payments to governments (legal and contractual)	Conformance	Payments to government are listed in the Entity's Finance Report which is audited by a Third Party. The Entity has only made, or has made on its behalf, payments to governments on a legal and/or contractual basis.
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	Internal and external complaints and grievances mechanisms exist (e.g., whistleblower hotlines, mail address, suggestion box), and stakeholder can reach the Entity via: <a href="http://www.akscn.net/KLJJ.aspx?TYPE=FZLCB">http://www.akscn.net/KLJJ.aspx?TYPE=FZLCB</a>

#### PRINCIPLE 4 MATERIAL STEWARDSHIP

CRITERION	RATING	COMMENT
4.1a Environmental Life Cycle Assessment (life cycle impacts)	Conformance	The Entity has conducted and documented an environmental Life Cycle Assessment (LCA) on the Entity's products.
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. The LCA can be provided by external communication if required. There have been no requests to date.
4.1c Environmental Life Cycle Assessment (public communication)	Conformance	The LCA is published in the Entity's website: <a href="http://www.akscn.net/KunLvInfo.aspx?Infold=403">http://www.akscn.net/KunLvInfo.aspx?Infold=403</a>
4.2 Product design	Conformance	The Entity integrates relevant objectives in process development for products to enhance sustainability, including the environmental life cycle impacts of the end products.
4.3a Aluminium Process Scrap (targets)	Conformance	The Entity has implemented a waste and scrap management procedure and has minimized the generation of Aluminium Process Scrap within its own operations.
4.3b Aluminium Process Scrap (alloy separation)	Not Applicable	This Criterion is not applicable as Aluminium Process Scrap generated by the Entity cannot be re-used.
4.4a Collection and recycling of products at end-of-life (strategy)	Not Applicable	This Criterion is not applicable as the nature of the product and production process means that the Entity cannot use recycled material or products.
4.4b Collection and recycling of products at end-of-life (engagement)	Conformance	Because there is no local, regional or national collection and recycling systems for Aluminium scrap in China, the Entity is working with the customer to improve the recycling rate of products at end-of-life.
PRINCIPLE 5 GREENHOUSE GAS EMISSIONS		
5.1 Disclosure of GHG emissions and energy use	Conformance	The major Scope 1 and 2 Greenhouse Gas (GHG) Emissions and energy use by source are tracked, calculated and documented annually. The information can be reached via: <a href="http://www.akscn.net/KunLvInfo.aspx?Infold=404">http://www.akscn.net/KunLvInfo.aspx?Infold=404</a> . The GHG Emission report is not verified by a Third Party.
5.2 GHG emissions reductions	Conformance	The Entity has established a GHG Emission reduction target for 2022 covering the emission sources of electricity consumed and CO <sub>2</sub> fire

CRITERION	RATING	COMMENT
		extinguishers. The main strategy is to reduce unnecessary electricity consumption and increase ratio of green electricity. The target and management program is published at: <a href="http://www.akscn.net/KunLvInfo.aspx?Infold=402">http://www.akscn.net/KunLvInfo.aspx?Infold=402</a>
5.3a Aluminium Smelting (management system)	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
5.3b Aluminium Smelting (up to and including 2020)	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
5.3c Aluminium Smelting (after 2020)	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
PRINCIPLE 6 EMISSIONS, EFFLUENTS AND WASTE		
6.1 Emissions to Air	Conformance	The waste air generated in the operation is collected and treated before release and emissions meet the local discharge limits. The Entity has implemented an air emission management program with actions/controls to mitigate adverse impacts in accordance with the requirements of ISO 14001:2015.
6.2 Discharges to Water	Conformance	Discharges to Water is managed within the Environmental Management System. The Entity's wastewater monitoring reports in 2021 and 2022 indicate that the wastewater discharges meet the local legal discharge limits.
6.3a Assessment and Management of Spills and Leakage (assessment)	Conformance	The Entity has identified and assessed the risks associated with environment incidents including Spills and Leakage which may contaminate air, water and/or soil. The result of the identification and assessment is included in the environment incident emergency response plan, compiled in July 2021.
6.3b Assessment and Management of Spills and Leakage (management)	Conformance	In accordance with the Environmental Management System and legal requirements, the Entity has established the management procedures for Spills and Leakage. The relevant trainings are provided to Workers, and drills are conducted at least annually.
6.4a Reporting of Spills (immediate disclosure)	Conformance	The reporting of Spills and Leakage is defined in the Entity's environment protection management procedure. No Spills have occurred in the past three years.



CRITERION	RATING	COMMENT
6.4b Reporting of Spills (regular reporting)	Conformance	The Entity has established a procedure to ensure impact assessments of Spills and the remediation actions taken are published in the annual Sustainability Report. No Spills have occurred in the past three years. The information on Spills is disclosed in the 2021 Sustainability Report, Chapter 3: <a href="http://www.akscn.net/UpLoad/files/img20220830_08590071.pdf">http://www.akscn.net/UpLoad/files/img20220830_08590071.pdf</a>
6.5a Waste management and reporting (strategy)	Conformance	The Entity has implemented a waste management strategy according to the Waste Mitigation Hierarchy. The disposal of Hazardous Waste is in compliance with the legal requirements, as evidenced by information on the website of the Environment Protection Ministry.
6.5b Waste management and reporting (disclosure)	Conformance	The Entity has publicly disclosed the quantity of waste generated and disposal information in the 2021 Sustainability Report, Chapter 3: <a href="http://www.akscn.net/UpLoad/files/img20220830_08590071.pdf">http://www.akscn.net/UpLoad/files/img20220830_08590071.pdf</a>
6.6a Bauxite Residue (storage construction)	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
6.6b Bauxite Residue (integrity checks and controls)	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
6.6c Bauxite Residue (water discharge)	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
6.6d Bauxite Residue (marine and aquatic environments)	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
6.6e Bauxite Residue (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.
6.7d Spent Pot Lining (SPL) (review of alternatives)	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.

CRITERION	RATING	COMMENT
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 municipal water supply and usage is tracked and documented. The Entity has the required Permit for Water Discharge into Public Drainage System, granted by the government agency.
7.1b Water assessment (risk assessment)	Conformance	The Entity has conducted water-related risk assessments that considered the Entity's industrial park location and nearby lands and waterways in their Area of Influence. Due to the nature of the product and production processes and the implemented water management system, the level of water-related risk was assessed as low.
7.2a Water management (management plans)	Not Applicable	This Criterion is not applicable as the water-related risks within the Entity's Area of Influence has been assessed as low.
7.2b Water management (monitoring)	Not Applicable	This Criterion is not applicable as the water-related risks within the Entity's Area of Influence has been assessed as low.
7.3 Disclosure of water usage and risks	Conformance	The Entity has published the water usage and risk assessment report: <a href="http://www.akscn.net/KunLvInfo.aspx?Infold=405">http://www.akscn.net/KunLvInfo.aspx?Infold=405</a> The water balance map is published at: <a href="http://www.akscn.net/KunLvInfo.aspx?Infold=406">http://www.akscn.net/KunLvInfo.aspx?Infold=406</a>

#### PRINCIPLE 8 BIODIVERSITY

8.1 Biodiversity assessment	Conformance	Biodiversity assessment is included in the Entity's Environmental Management System. The Entity has assessed the risk and impact on biodiversity within its Area of Influence, which was assessed as low. The assessment involved qualified third parties and the report was approved by the local Environmental Protection Bureau (EPB). Further
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CRITERION	RATING	COMMENT
		information is available in the Biodiversity Risk Assessment Report: <a href="http://www.akscn.net/KunLvInfo.aspx?Infold=408">http://www.akscn.net/KunLvInfo.aspx?Infold=408</a> .
8.2a Biodiversity management (biodiversity action plans)	Not Applicable	This Criterion is not applicable as the outcome of the biodiversity risk assessment did not identify significant biodiversity impacts.
8.2b Biodiversity management (consultation and mitigation hierarchy)	Not Applicable	This Criterion is not applicable as the outcome of the biodiversity risk assessment did not identify significant biodiversity impacts.
8.2c Biodiversity management (reporting)	Not Applicable	This Criterion is not applicable as the outcome of the biodiversity risk assessment did not identify significant biodiversity impacts.
8.3 Alien Species	Conformance	As per the Biodiversity Risk Assessment Report, the only source which could introduce the alien species is the pallets which is wood used for product package. All pallets are fumigated before using to prevent introduction of alien species.
8.4a Commitment to “No Go” in World Heritage properties (exploration and new mines)	Not Applicable	This Criterion is not applicable to the Entity’s Certification Scope.
8.4b Commitment to “No Go” in World Heritage properties (existing operations)	Not Applicable	This Criterion is not applicable to the Entity’s Certification Scope.
8.5a Mine rehabilitation (best available techniques)	Not Applicable	This Criterion is not applicable to the Entity’s Certification Scope.
8.5b Mine rehabilitation (financial provisions)	Not Applicable	This Criterion is not applicable to the Entity’s Certification Scope.
PRINCIPLE 9 HUMAN RIGHTS		
9.1a Human Rights Due Diligence (policy)	Conformance	The Entity has an ASI Policy that states its commitment to respect Human Rights according to the UN Guiding Principles on Business and Human Rights: <a href="http://www.akscn.net/KunLvInfo.aspx?Infold=410">http://www.akscn.net/KunLvInfo.aspx?Infold=410</a>
9.1b Human Rights Due Diligence (process)	Conformance	The Entity commits to respect Human Right. The risk assessment process is established and covers the supply chain and social audits are conducted on the major material suppliers based on the requirements of the Due Diligence process.
9.1c Human Rights Due Diligence (remediation)	Conformance	The Entity respects Human Rights and observes the UN Guiding Principles on Business and

CRITERION	RATING	COMMENT
		Human Rights. The Entity has established and published the complaints/grievances channel to stakeholders. Where the Entity identifies as having caused or contributed to adverse Human Rights impacts, it cooperates in their remediation through legitimate processes
9.2 Women's Rights	Conformance	Women's legal rights and interests are respected by the Entity. The Entity has implemented policies and processes to ensure respect for the rights and interests of women. The Equal Employment Opportunity Policy is communicated to all employees.
9.3 Indigenous Peoples	Not Applicable	This Criterion is not applicable as there are no Indigenous Peoples. However, the Entity has established Policies and processes to ensure respect for the rights and interests of Indigenous Peoples.
9.4 Free, Prior, and Informed Consent (FPIC)	Not Applicable	This Criterion is not applicable as there are no Indigenous Peoples. However, the Entity has established Policies and processes to ensure respect for the rights and interests of Indigenous Peoples including Free, Prior, and Informed Consent (FPIC).
9.5 Cultural and sacred heritage	Not Applicable	This Criterion is not applicable as there is no cultural and sacred heritage. However, the Entity has established Policies and procedures to protect cultural and sacred heritage.
9.6a Resettlements (avoid or minimise)	Not Applicable	The Entity has established a procedure on Resettlements. However, no resettlement or displacement has been conducted by the Entity.
9.6b Resettlements (where unavoidable)	Not Applicable	The Entity has established a procedure on Resettlements. However, no resettlement or displacement has been conducted by the Entity.
9.7a Local Communities (rights and interests)	Conformance	Based on the results of the Human Rights Due Diligence and a general risk assessment, which addressed the rights and interest of Local Communities, environmental pollution was the only identified adverse impact. The Entity has implemented plans to mitigate adverse impacts. The Entity is active in community engagement at the site and at a corporate level.
9.7b Local Communities (impacts)	Conformance	The Entity has implemented appropriate steps to prevent and address any adverse impacts on

CRITERION	RATING	COMMENT
		Local Community livelihoods resulting from its activities. The control measures for the identified impact on local communities are established and implemented.
9.7c Local Communities (livelihoods)	Conformance	The Entity has a proactive approach to working with Local Communities and neighbourhood organizations to improve and support mutual interests. The Entity is active in community engagement at the site and at a corporate level.
9.8 Conflict-Affected and High-Risk Areas	Conformance	The Entity has implemented the policies related to armed conflict or Human Rights abuses in Conflict-Affected and High-Risk Areas. The Entity and all suppliers sign the commitment letter to not use conflict minerals.
9.9 Security practice	Conformance	The Entity commits, in its involvement with public and private security providers, to respect Human Rights. The service agreement between the Entity and the security company and labour contracts of security workers also clearly defines the primary role of security workers which is to protect people, property and or assets and to respect Human Rights.
PRINCIPLE 10 LABOUR RIGHTS		
10.1a Freedom of Association and Right to Collective Bargaining (freedom of association)	Conformance	There are laws that restrict Freedom of Association in China. However, the Entity demonstrates they respect the right to Freedom of Association. There is a trade union at the site with five freely elected committee members, including three women.
10.1b Freedom of Association and Right to Collective Bargaining (collective bargaining)	Conformance	The Entity respects the right to Collective Bargaining and has implemented a policy to this effect. There are collective bargaining agreements in the Entity.
10.1c Freedom of Association and Right to Collective Bargaining (alternative means)	Conformance	There are laws that restrict Freedom of Association and Collective Bargaining in China. However, the Entity demonstrates they respect the right to Freedom of Association and to Collective Bargaining. There is a trade union at the site and the trade union and senior management hold quarterly meetings. The trade union can deal with the Workers' concerns with management on behalf of the Workers.

CRITERION	RATING	COMMENT
10.2a Child Labour (minimum age)	Conformance	There is no Child Labour or young Workers at the Entity. The youngest Worker is 20 years. The policy of not using Child Labour is established.
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.
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 neither engages in nor tolerates Human Trafficking either directly or through any employment or recruitment agencies. The Entity's policy of the prohibition of Forced Labour includes Human Trafficking is established and communicated internally and to the suppliers.
10.3b Forced Labour (deposits, fees, advances)	Conformance	The Entity neither engages in nor tolerates the use of Forced Labour. All employees are hired directly. Workers are not required to provide any form of deposit; recruitment fee or advance on equipment, and no illegal deductions are made. The training course on Forced Labour is provided to all employees.
10.3c Forced Labour (migrant workers)	Conformance	There are no foreign Migrant Workers in the Entity.
10.3d Forced Labour (debt bondage)	Conformance	The Entity is not involved in any form of Forced Labour and does not provide loans or credit to workers.
10.3e Forced Labour (freedom of movement)	Conformance	The Entity is not involved in Forced Labour. The Entity does not unreasonably restrict the freedom of movement of Workers. Workers are free to leave the factory when not engaged in work; and move freely accessing basic liberties.
10.3f Forced Labour (retention of identity papers, permits, certificates)	Conformance	The Entity is not involved in Forced Labour. The Entity does not retain Workers' original documents, only copies are retained in personnel files.
10.3g Forced Labour (freedom to terminate employment)	Conformance	The Entity is not involved in Forced Labour. The time 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.

CRITERION	RATING	COMMENT
10.4 Non-Discrimination	Conformance	The Entity has implemented policies and procedures that ensure equal opportunities and it does not engage in or support discrimination in hiring, salary, promotion, training, advancement opportunities or termination of any Worker.
10.5 Communication and engagement	Conformance	Regular meetings between the trade union and senior management, grievance and complaint hotline and email, as well as operating procedures ensure open communication and direct engagement with Workers and their representatives regarding working conditions and resolution of workplace and compensation issues.
10.6 Disciplinary practices	Conformance	The Entity respects its employees and disciplinary measures comply with legal requirements and require the confirmation of involved Worker. The Entity does not engage in nor tolerate the use of corporal punishment, mental or physical coercion, harassment, and gender-based violence including sexual harassment, or verbal abuse of Workers.
10.7a Remuneration (living wage)	Minor Non-Conformance	The wage structure is clearly defined, and the basic wage meets the legal minimum wage. The total payment meets the Workers' basic need. However, the Overtime compensation rate did not meet the legal requirement.
10.7b Remuneration (method of payment)	Conformance	All wage payments are documented and timely paid to Workers by bank transfer on or thereabouts the 10 <sup>th</sup> of the following month.
10.8 Working Time	Conformance	Working hours are recorded by a finger-scanner. Working hours are monitored and controlled, and the monthly Overtime working hours do not exceed the legal monthly limit, and at least one day off in a week is guaranteed.
PRINCIPLE 11 OCCUPATIONAL HEALTH AND SAFETY		
11.1a Occupational Health and Safety (OH&S) Policy (policy)	Conformance	In conformance with the Entity's Occupational Health and Safety (OH&S) Management System, the OH&S Policy is approved by senior management, implemented and reviewed periodically. The Policy is published on the Entity's website and communicated to the employees and stakeholders.
11.1b Occupational Health and Safety (OH&S) Policy (workers and visitors)	Conformance	The health and safety of Workers and Visitors is covered in the scope of the OH&S Management System. The detailed control methods for Workers and Visitors are defined and implemented.

CRITERION	RATING	COMMENT
11.1c Occupational Health and Safety (OH&S) Policy (applicable law and standards)	Conformance	The OH&S 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.
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 right to refuse the unsafe work.
11.2 OH&S Management System	Conformance	The Entity has implemented a documented OH&S Management System and holds a valid ISO 45001:2018 certification.
11.3 Employee engagement on health and safety	Conformance	The Entity has a system of Workers' consultation and participation in health and safety. Workers are encouraged to report concerns or advices on OH&S issues by themselves or via the Worker representative, and management responds to the concerns.
11.4 OH&S performance	Conformance	Health and Safety Targets and improvements are established and documented in the OH&S Program. The implementation plans are established and implemented. The achievement status of the targets is monitored monthly.

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

Revision	Date	Notes
0	26 February 2020	Issued (Full Certification)
1	29 March 2021	Revised to correct public headline statements relating to Criteria 9.3, 9.4, 9.5, 9.6a and b.
2	15 December 2022	Surveillance Audit