

ASI CERTIFICATION PERFORMANCE STANDARD



PRESENTED TO

ZOUPING HONGFA ALUMINUM TECHNOLOGY CO., LTD.

CERTIFICATE
NUMBER

243

ASI
STANDARD

PERFORMANCE
STANDARD
(V2 2017)

CERTIFICATION
LEVEL

FULL
CERTIFICATION

ASI ACCREDITED
AUDITOR

DNV BUSINESS
ASSURANCE
SERVICES UK
LTD.

DATE OF ISSUE

19 DECEMBER 2022

DATE OF EXPIRY

18 DECEMBER 2025

CERTIFIED SINCE

19 DECEMBER 2022

AUTHORISED BY

A handwritten signature in black ink, appearing to be 'J. H.', written over a horizontal line.

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

*Validity of this Certificate is subject to continued
conformance with the applicable ASI Standard
and can be verified at
www.aluminium-stewardship.org*

CERTIFICATION SCOPE

All activities of Zouping Hongfa Aluminum Technology Co., Ltd. (Binzhou City, Shandong Province, China), which is mainly engaged in technical research and development, production and sales of aluminum alloy rolled products, and its wholly owned subsidiary Zouping Dingrui Renewable Resources Co., Ltd. (Binzhou City, Shandong Province, China), which is mainly engaged in the processing and treatment of metal scrap and recycling of productive metal scrap. Both facilities are in Binzhou City, Shandong Province, China.

SUMMARY AUDIT REPORT

PERFORMANCE STANDARD

OVERVIEW

MEMBER NAME	China Hongqiao Group Co., Ltd.
ENTITY NAME	Zouping Hongfa Aluminum Technology Co., Ltd.
CERTIFICATION SCOPE	All activities of Zouping Hongfa Aluminum Technology Co., Ltd. (Binzhou City, Shandong Province, China), which is mainly engaged in technical research and development, production and sales of aluminum alloy rolled products, and its wholly owned subsidiary Zouping Dingrui Renewable Resources Co., Ltd. (Binzhou City, Shandong Province, China), which is mainly engaged in the processing and treatment of metal scrap and recycling of productive metal scrap. Both facilities are in Binzhou City, Shandong Province, China.
SUPPLY CHAIN ACTIVITIES	<ul style="list-style-type: none">Aluminium Re-melting/RefiningCasthousesSemi-Fabrication
ASI STANDARD	<ul style="list-style-type: none">Performance Standard V2
AUDIT TYPE	<ul style="list-style-type: none">Initial Certification Audit
AUDIT FIRM	DNV Business Assurance Services UK Ltd.
AUDIT DATE	<ul style="list-style-type: none">9 – 12 October 2022
AUDIT REPORT SUBMISSION	<ul style="list-style-type: none">21 November 2022
AUDIT SCOPE	<p>The audit scope includes activities of Zouping Hongfa Aluminum Technology Co., Ltd., which is mainly engaged in technical research and development, production and sales of aluminum alloy rolled products, which mainly include high-end products such as PS and CTP plate bases for modern thermal printing, can materials and aluminum foil blanks. The main processes include casting, hot rolling, cold rolling and finishing. The wholly owned subsidiary Zouping Dingrui Renewable Resources Co., Ltd., which is mainly engaged in the processing and treatment of metal scrap and recycling of productive metal scrap, and the main processes include remelting and alloy production.</p>

Supply chain activities included in the audit scope:

-
- Aluminium Re-melting/Refining
 - Casthouses
 - Semi-Fabrication

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

19 December 2022 –18 December 2025

NEXT AUDIT
TYPE

Surveillance Audit

NEXT AUDIT
DUE DATE

18 June 2024

CERTIFICATE
NUMBER

243

SUMMARY OF FINDINGS

CRITERION	RATING	COMMENT
PRINCIPLE 1 BUSINESS INTEGRITY		
1.1 Legal Compliance	Conformance	The Entity has collected and identified the applicable legal and other requirements and has conducted compliance evaluations annually. Internal audits are conducted and management review meetings are held.
1.2 Anti-Corruption	Conformance	Policies and processes to identify and prevent Corruption established by the parent company Shandong Hongqiao New Material Co., are implemented and trained by the Entity. The risk analysis has been conducted, training provided to the employees at high risk, and anti-corruption agreements are signed by these employees.
1.3 Code of Conduct	Conformance	The Entity has implemented a Code of Conduct that addresses the 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 at: https://mp.weixin.qq.com/s?__biz=Mzg4ODgwMTQwMQ==&mid=2247483866&idx=1&sn=ccd32bb2a9e8f73cd18be0c2d4b222d7&chksm=cff4d0ccf88359da95c2244611265d4361906e5fc9484fd1b540228b37b1b7a27538b0b2eaf6&token=1501998294&lang=zh_CN#rd
PRINCIPLE 2 POLICY & MANAGEMENT		
2.1a Environmental, Social, and Governance Policy (implement and maintain)	Conformance	The Entity has implemented the Environmental, Social and Governance Management Policy of parent company Shandong Hongqiao New Material Co: https://mp.weixin.qq.com/s?__biz=Mzg4ODgwMTQwMQ==&mid=2247483866&idx=2&sn=621798b1ccc2903f6b8ca058155f2f0a&chksm=cff4d0ccf88359da6b16eafff65afaebcd59d14e363229370d4457e021b80824811a7675f7a&token=1501998294&lang=zh_CN#rd
2.1b Environmental, Social, and Governance Policy (senior management)	Conformance	The Entity has nominated a senior Management Representative to be responsible for the approved Policies and to provide the necessary resources to establish, implement, maintain, and continually improve the Management System.
2.1c Environmental, Social, and Governance Policy (communication)	Conformance	The Entity has communicated its Environmental, Social and Governance Management Policy to internal stakeholders by training and external stakeholder via the website:

CRITERION	RATING	COMMENT
		https://mp.weixin.qq.com/s?_biz=Mzg4ODgwMTQwMQ==&mid=2247483866&idx=2&sn=621798b1ccc2903f6b8ca058155f2f0a&chksm=cff4d0ccf88359da6b16eaffff65afaebcd59d14e363229370d4457e021b80824811a7675f7a&token=1501998294&lang=zh_CN#rd
2 Leadership	Conformance	A senior Management Representative has been nominated and this role is supported by a team from the Human Resources, EHS, Quality and Purchasing departments. The responsibility and authority of each department and key roles are defined.
2.3a Environmental and Social Management Systems (environmental)	Conformance	The Entity has implemented and documented an Environmental Management System. One of the sites holds a valid ISO 14001:2015 certification.
2.3b Environmental and Social Management Systems (social)	Conformance	The Entity has established and implemented a Social Management System. Social and Occupational Health and Safety impacts are identified and assessed, and provisions for preventing and/or mitigating these impacts are established and implemented.
2.4 Responsible Sourcing	Conformance	The Entity has implemented a Purchasing Policy that addresses the material environmental, social and governance aspects relevant to suppliers. The Policy is communicated to all suppliers and Contractors.
2.5 Impact Assessments	Conformance	The Entity has established the processes to conduct environmental, social, cultural and Human Rights Impact Assessments, including a gender analysis, for New Projects or Major Changes to existing facilities.
2.6 Emergency Response Plan	Conformance	The Entity holds valid ISO 14001:2015 and ISO 45001:2018 certifications. The Entity has implemented the Emergency Response Plans developed in collaboration with stakeholder groups. The Emergency Response Plans on social, OH&S and environmental incidents have been implemented and personnel trained on the plans.
2.7 Mergers and Acquisitions	Conformance	The Entity has established a procedure for mergers and acquisitions. No such activity has occurred since the Entity commenced operation in 2015.
2.8 Closure, Decommissioning and Divestment	Conformance	The Entity has established a procedure for closure, decommissioning and divestment. No such case has occurred since the Entity commenced operation in 2015.

CRITERION	RATING	COMMENT
3.1 Sustainability Reporting	Conformance	The Entity reports via the Hongqiao China Group's annual Environmental, Social and Governance (ESG) Report: http://www.hongqiaochina.com/Uploads/File/2022/05/30/C1378-ESG.20220530182304.pdf
3.2 Non-compliance and liabilities	Conformance	The Entity has not received any non-conformances from local authorities and this is disclosed in the ESG Report: http://www.hongqiaochina.com/Uploads/File/2022/05/30/C1378-ESG.20220530182304.pdf
3.3a Payments to governments (legal and contractual)	Conformance	The Entity's payments to the government are included in the 2021 Annual Audit Report and are audited by a Third Party. The report is available at: http://www.hongqiaochina.com/Uploads/File/2022/09/26/C1378.20220926165455.pdf
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 an internal and external whistleblowing/complaints/grievance mechanism that includes a 'whistleblower' hotline, mailing address, suggestion box, and QR code.
PRINCIPLE 4 MATERIAL STEWARDSHIP		
4.1a Environmental Life Cycle Assessment (life cycle impacts)	Conformance	The Entity has conducted an environmental Life Cycle Assessment (LCA) on its Aluminium sheet and strip products and published the report: https://mp.weixin.qq.com/s/krUzxDTRwP5CvG46Tnddkg
4.1b Environmental Life Cycle Assessment (cradle to gate)	Conformance	The Entity has publicly communicated cradle-to-gate LCA information and its underlying assumptions, including system boundaries.
4.1c Environmental Life Cycle Assessment (public communication)	Conformance	The Entity has made available its environmental Life Cycle Assessment Report: https://mp.weixin.qq.com/s/krUzxDTRwP5CvG46Tnddkg
4.2 Product design	Conformance	The Entity has integrated relevant objectives in the design and development process for products to enhance sustainability, including the environmental life cycle impacts of the end product. For each product development process, energy consumption, the use of clean energy, waste reduction and recycling are taken into consideration. The targets for these relevant aspects have been defined.

CRITERION	RATING	COMMENT
4.3a Aluminium Process Scrap (targets)	Conformance	The Entity has minimised the generation of Aluminium Process Scrap within its own operations and the target for the collection, recycling and/or reuse of scrap, is 100%. Process scrap is collected and sent to a smelter for recycling.
4.3b Aluminium Process Scrap (alloy separation)	Conformance	The Entity has implemented processes to separate Aluminium alloys and grades for recycling.
4.4a Collection and recycling of products at end-of-life (strategy)	Conformance	The Entity has developed a recycling strategy, including specific timelines, activities and targets. The Entity is communicating with the main customer to discuss how to improve the recycling rate of products at End of Life.
4.4b Collection and recycling of products at end-of-life (engagement)	Conformance	There are no local, regional or national collection and recycling systems for aluminium scraps in China. The Entity works with the customer to decide how 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	Minor Non-Conformance	The Entity has calculated its major Scope 1 and 2 Greenhouse Gas (GHG) Emissions and energy use by source and disclosed the data in the 2021 GHG Emissions Report: https://mp.weixin.qq.com/s/_msC0pcfth6J3okImB7cw GHG Emissions are not verified by a Third Party. However, some emission factors adopted in the annual report are data from the '2006 IPCC Guidelines for National Greenhouse Gas Inventories' (IPCC 2006), instead of actual data or local regional data. For example, the emission factor used for natural gas is 3.89kj/m ³ rather than the actual data of 3.46kg/m ³ .
5.2 GHG emissions reductions	Conformance	The Entity has established a GHG Emissions reduction target to reduce GHG emissions from 0.73 tonne CO ₂ / tonne product in 2021 to 0.72 tonne CO ₂ / tonne product by 2027. The main strategy is to reduce the electricity consumption and increase the scrap recycling rate. The GHG Emissions reduction target is available at: https://mp.weixin.qq.com/s/RRC2hA0FuaCOe1rszb7T2A
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.

CRITERION	RATING	COMMENT
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 conducted an Environmental Impact Assessment to identify and quantify the Emissions to Air that have adverse effects on humans or the environment. The Entity has established the emissions treatment facilities required and the operational requirements to treat the emissions prior to release and has monitored the air emissions at the required interval. The monitoring results in 2021 and 2022 indicate emissions are lower than the legal emission limit.
6.2 Discharges to Water	Conformance	Discharges to Water are addressed and managed within the Environmental Management System. The Entity has established water reduction targets and implemented a related plan to minimise adverse impacts. The wastewater monitoring reports indicated the major pollutants are monitored and results indicate pollutants meet the local legal discharge limit.
6.3a Assessment and Management of Spills and Leakage (assessment)	Conformance	An assessment of risk areas of operations where Spills and Leakage may contaminate air, water and soil, has been undertaken by following the risk assessment process for the Environmental Management System.
6.3b Assessment and Management of Spills and Leakage (management)	Conformance	The Entity has implemented the Emergency Response Plan for environment incidents in which the control methods for the identified spill/leakage are defined. The required spill management facilities are in good order. The Entity has provided training on the plan to the relevant Workers and has conducted emergency drills.
6.4a Reporting of Spills (immediate disclosure)	Conformance	The Entity has defined the requirement to report Spills and Leakage in the Emergency Response Plan, which also addresses responsibilities and the reporting process. No Spills occurred in 2021 or 2022.
6.4b Reporting of Spills (regular reporting)	Conformance	The Entity has a process to ensure Impact Assessments associated with Spills and Leakages and the remedial actions taken are disclosed. No Spills or Leakage occurred in 2021 or 2022. The Entity has published the annual Environmental Performance Report 2021: https://mp.weixin.qq.com/s/hoGr4GJsOx-6i14EZ1MeIQ

CRITERION	RATING	COMMENT
6.5a Waste management and reporting (strategy)	Conformance	Waste management is covered by the Environmental Management System. The Entity has implemented a waste management strategy according to the Waste Mitigation Hierarchy. The inventory of wastes generated in the operation is established and control methods for the different types of waste are defined. The main Hazardous Wastes are diatomite with oil and waste oil including rolling oil and mineral oil. The disposal of Hazardous Waste complies with legal requirements and transferred to qualified suppliers for disposal. Each transfer is registered with the Environment Protection Ministry. The transfers in 2021 and 2022 were audited and no non-compliance was found.
6.5b Waste management and reporting (disclosure)	Conformance	The quantity of Hazardous and Non-Hazardous Waste generated by the Entity, and the associated waste disposal methods are disclosed in the annual Environmental Performance Report: https://mp.weixin.qq.com/s/hoGr4GJsOx-6i14EZ1MeIQ
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)	Conformance	The Aluminium recovered from the Dross pressing is recycled in the Entity's melting furnaces. The remaining is sold to external processors for recycling, which is used to produce Aluminium alloying ingots and cement materials.
6.8b Dross (recycling)	Conformance	The Aluminium taken from the Dross pressing is recycled in the Entity's melting furnaces for recycling the Dross residues. The remaining is sold to external dross processors for recycling, which is used to produce Aluminium alloying ingots and cement materials.
6.8c Dross (review of alternatives)	Conformance	There is no Dross residue sent to landfill.
PRINCIPLE 7 WATER STEWARDSHIP		
7.1a Water assessment (mapping)	Conformance	The Entity has identified and mapped its water withdrawal and use. The Entity only sources water from the municipal water supply and identifies the discharge and consumption source. The water balance analysis has been conducted.
7.1b Water assessment (risk assessment)	Conformance	The Entity has conducted a water risk assessment which considered the Entity's Area of Influence: https://mp.weixin.qq.com/s/TiApu36TL15zl5Th-4kdYA Due to the nature of the product and production processes in the local water environment, the level of water-related risk was identified as low.
7.2a Water management (management plans)	Conformance	There were no identified significant water-related risks in the Entity's Area of Influence.
7.2b Water management (monitoring)	Conformance	There were no identified significant water-related risks in the Entity's Area of Influence.
7.3 Disclosure of water usage and risks	Conformance	The Entity has disclosed its Water Resources Risk Assessment report: https://mp.weixin.qq.com/s/TiApu36TL15zl5Th-4kdYA
PRINCIPLE 8 BIODIVERSITY		
8.1 Biodiversity assessment	Conformance	The Biodiversity assessment is included in the Entity's Environmental Management System. The assessment involved qualified Third Parties and the report was approved by the local Environmental Protection Bureau. The risk and impact were assessed as low. Further information is available in the Biodiversity Risk Assessment Report:

CRITERION	RATING	COMMENT
		https://mp.weixin.qq.com/s/DsMUStMgAPosWW8wQf-actw
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	The Entity has identified the risk of introducing Alien Species within its Biodiversity Risk Assessment Report, which is limited to the use of wooden pallets and 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 mines)	Not Applicable	This Criterion is not applicable to the Entity’s Certification Scope.
8.5a Mine rehabilitation (best available techniques)	Not Applicable	This Criterion is not applicable to the Entity’s Certification Scope.
8.5b Mine rehabilitation (financial provisions)	Not Applicable	This Criterion is not applicable to the Entity’s Certification Scope.
PRINCIPLE 9 HUMAN RIGHTS		
9.1a Human Rights Due Diligence (policy)	Conformance	The Entity has an ASI Policy that addresses its commitment to respect Human Rights according to the UN Guiding Principles on Business and Human Rights.
9.1b Human Rights Due Diligence (process)	Conformance	The Entity has established a Due Diligence process to identify and assess the risks and impacts on Human Rights. The requirements of the ASI Performance Standard are communicated to suppliers and major supplies are audited to verify conformance with the requirements.
9.1c Human Rights Due Diligence (remediation)	Conformance	The Entity has established and published the complaints/grievance channels to stakeholders. A remediation process for any adverse Human Rights

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		impact has been established. No major impact has been reported.
9.2 Women's Rights	Minor Non-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, consistent with international standards, including the UN Convention on the Elimination of all Forms of Discrimination Against Women (CEDAW). The Equal Employment Opportunity Policy has been established and communicated to all employees. However, there was no female Worker representative, which does not meet the Entity's policy.
9.3 Indigenous Peoples	Not Applicable	This Criterion is not applicable as there are no Indigenous Peoples. However, policies and processes to ensure respect for the rights and interests of Indigenous Peoples has been established.
Not Applicable	Not Applicable	This Criterion is not applicable as there are no Indigenous Peoples. However, policies and processes to ensure respect for the rights and interests of Indigenous Peoples including Free, Prior, and Informed Consent (FPIC) has been established.
9.5 Cultural and sacred heritage	Not Applicable	This Criterion is not applicable as there is no cultural or sacred heritage. However, policies and procedure to protect cultural and sacred heritage has been established.
9.6a Resettlements (avoid or minimise)	Not Applicable	This Criterion is not applicable as there has been no Resettlement, with all land purchased from the local government, no expansion plans, and no Indigenous Peoples involved. However, the Entity has established a management procedure for resettlements.
9.6b Resettlements (where unavoidable)	Not Applicable	This Criterion is not applicable as there has been no Resettlement, with all land purchased from the local government, no expansion plans, and no Indigenous Peoples involved. However, the Entity has established a management procedure for resettlements.
9.7a Local Communities (rights and interests)	Conformance	The control measures for the identified impacts on Local Communities are established and implemented. No complaint from the Local Communities has been received.
9.7b Local Communities (impacts)	Conformance	The Entity has identified and assessed the impact on the Local Communities. The control measures for the identified impacts on Local Communities are

CRITERION	RATING	COMMENT
		established and implemented. There has been no complaint from the Local Communities received.
9.7c Local Communities (livelihoods)	Conformance	The Entity has a proactive approach to working with Local Communities and neighbourhood organisations to improve and support mutual interests. The Entity is active in community engagement and provides a positive impact on the communities.
9.8 Conflict-Affected and High-Risk Areas	Conformance	The Entity makes a commitment to not using conflict minerals and communicates it through the Aluminium value chain. No conflict minerals are used by the Entity during production.
9.9 Security practice	Conformance	The Entity is involved with public and private security providers and commits to respect Human Rights in accordance with the ASI Performance Standard and good practices. The management procedure on the duties of security workers includes 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 and to Collective Bargaining. There are three freely 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. Although there are no Collective Bargaining Agreements in the Entity, a Policy for respecting the right to Collective Bargaining has been implemented.
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. The Entity has demonstrated respect for Freedom of Association and Collective Bargaining and has freely elected representatives, including one woman and these Worker representatives can deal with the Workers' concerns with management on behalf of the Workers.
10.2a Child Labour (minimum age)	Conformance	The Entity has implemented a Policy prohibiting the use of Child Labour. There is no Child Labour or young Workers in the Entity. The age of candidates is verified by checking identity cards and via interview.
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 are not allowed to work in hazardous working conditions.

CRITERION	RATING	COMMENT
10.2c Child Labour (worst forms)	Conformance	The Entity has implemented a Policy prohibiting the use of Child Labour. 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 has implemented a Policy of prohibition against Forced Labour including Human Trafficking. The Policy is communicated internally and to suppliers.
10.3b Forced Labour (deposits, fees, advances)	Conformance	The Entity has implemented a Policy of prohibition against Forced Labour. Workers are not required to provide any form of deposit, Recruitment Fees or equipment advance.
10.3c Forced Labour (migrant workers)	Conformance	There are no foreign Migrant Workers at the Entity and approximately 5% of Workers are internal Migrant Workers from other provinces. The Entity's management procedure on the prohibition of Forced Labour and the Code of Conduct are implemented through training and periodical internal checks. No deposits or security payments are required at any time.
10.3d Forced Labour (debt bondage)	Conformance	The Entity is not involved in Forced Labour and does not provide loans to Workers. Labour contracts signed between the facilities and Workers do not include terms related to Debt Bondage, and payslips indicate there are no illegal deductions.
10.3e Forced Labour (freedom of movement)	Conformance	The Entity has established an Employee Manual that defines there is no restriction on Workers' movement at the Entity. This was verified through interviews with Workers.
10.3f Forced Labour (retention of identity papers, permits, certificates)	Conformance	The Entity has defined within the management procedure on Forced Labour and the Employee Manual, that the retention of Workers' original documents is prohibited. Only copies of original documents are kept in Workers' files.
10.3g Forced Labour (freedom to terminate employment)	Conformance	The Entity is not involved in Forced Labour. Workers are free to terminate their employment at any time without penalty, given notice of thirty days in advance or three days in the period of probation, in compliance with the Labour Contract Law.
10.4 Non-Discrimination	Conformance	The Entity is committed to non-discrimination. No case of discrimination has been received. Recruitment advertisement and training plan indicate no discrimination during hiring or provision of training

CRITERION	RATING	COMMENT
		opportunities. The interviewed women workers confirm that they feel equal with male workers.
10.5 Communication and engagement	Conformance	The Entity has regular meetings between Worker representatives and senior management, a grievance and complaints hotline, and has implemented operating procedures to ensure communication and direct engagement with Workers regarding working conditions and resolution of workplace and compensation issues.
10.6 Disciplinary practices	Conformance	The Entity respects its employees and disciplinary measures including management procedures, comply with legal requirements and require the confirmation of the involved Worker. Disciplinary measures are defined and communicated to Workers.
10.7a Remuneration (living wage)	Conformance	The Entity has a wage structure that is clearly defined. The basic wage meets the legal minimum wage and the total payment meets the Workers' basic needs.
10.7b Remuneration (method of payment)	Conformance	All payments are documented and made to all Workers by bank transfer near the 1 st of the following month, seven days after the wage cycle.
10.8 Working Time	Minor Non-Conformance	Working hours are recorded by a face-scanning attendance system. Working hours are monitored. However, the leave benefits for female Workers over seven months pregnant do not meet legal requirements.
PRINCIPLE 11 OCCUPATIONAL HEALTH AND SAFETY		
11.1a Occupational Health and Safety (OH&S) Policy (policy)	Conformance	The Entity has implemented an Occupational Health and Safety (OH&S) Policy, which is reviewed periodically and communicated with Stakeholders. The Entity holds a valid ISO 45001:2018 certification and the recent surveillance audit raised one minor non-conformity, and the corrective action has been implemented.
11.1b Occupational Health and Safety (OH&S) Policy (workers and visitors)	Conformance	The OH&S Policy is applied to Workers and visitors in compliance with the legal requirements and the requirements of ISO 45001:2018.
11.1c Occupational Health and Safety (OH&S) Policy (applicable law and standards)	Conformance	The OH&S Policy includes a commitment to comply with the legal requirements and other requirements. The Entity has implemented systems to identify all applicable legal and related requirements and evaluate legal compliance at least annually.

CRITERION	RATING	COMMENT
11.1d Occupational Health and Safety (OH&S) Policy (right to stop unsafe work)	Conformance	Workers are provided with training courses to understand the hazards, OH&S risks and actions determined as relevant for them and their right to refuse unsafe work. The Entity has a measure to protect Workers from undue consequences for stopping 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 certification.
11.3 Employee engagement on health and safety	Conformance	The Entity has implemented a system of Workers' consultation and participation in health and safety, in conformance with ISO 45001:2018. Workers are encouraged to report their concerns or advice on OH&S issues by themselves, or via the Worker representative. The management responds to the concerns and advice from Workers on OH&S issues.
11.4 OH&S performance	Conformance	The Entity has established and documented four Occupational Health and Safety targets in the OH&S Program. The implementation programs are established and implemented. The achievement status of the targets is monitored periodically. Currently, the implementation of the management programs for the OH&S targets is on track.

Document Control and Version History

Revision	Date	Notes
0	19 December 2022	Initial Certification Audit – Full Certification