

# ASI CERTIFICATION CHAIN OF CUSTODY STANDARD



PRESENTED TO

# YUNNAN SUNHO ALUMINUM CO., LTD

CERTIFICATE  
NUMBER

265

ASI  
STANDARD

CHAIN OF CUSTODY  
(V1 2017)

CERTIFICATION  
LEVEL

FULL  
CERTIFICATION

ASI ACCREDITED  
AUDITOR

SGS-CSTC  
STANDARDS  
TECHNICAL  
SERVICES

DATE OF ISSUE

16 MARCH 2023

DATE OF EXPIRY

15 MARCH 2026

CERTIFIED SINCE

16 MARCH 2023

AUTHORISED BY

A handwritten signature in white ink, appearing to be 'J. Ho', 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](http://www.aluminium-stewardship.org)*

CERTIFICATION SCOPE

Yunnan Sunho Aluminum Co., Ltd located in Wenshan City, Yunnan Province (China) with main production of green low-carbon hydropower aluminum.

# SUMMARY AUDIT REPORT

## CHAIN OF CUSTODY STANDARD

### OVERVIEW

MEMBER NAME	Yunnan Sunho Aluminum Co., Ltd
ENTITY NAME	Yunnan Sunho Aluminum Co., Ltd
CERTIFICATION SCOPE	Yunnan Sunho Aluminum Co., Ltd located in Wenshan City, Yunnan Province (China) with main production of green low-carbon hydropower aluminum.
SUPPLY CHAIN ACTIVITIES	<ul style="list-style-type: none"><li>Aluminium Smelting</li><li>Casthouses</li></ul>
ASI STANDARD	<ul style="list-style-type: none"><li>Chain of Custody Standard V1</li></ul>
AUDIT TYPE	<ul style="list-style-type: none"><li>Initial Certification Audit</li></ul>
AUDIT FIRM	SGS-CSTC Standards Technical Services
AUDIT DATE	<ul style="list-style-type: none"><li>9 – 10 January 2023</li></ul>
AUDIT REPORT SUBMISSION	<ul style="list-style-type: none"><li>22 February 2023</li></ul>
AUDIT SCOPE	<p>The audit scope included the Yunnan Sunho Aluminum Co., Ltd facility in Wenshan City, Yunnan Province (China) with main production of green low-carbon hydropower aluminum.</p> <p>Supply chain activities included in the audit scope:</p> <ul style="list-style-type: none"><li>Aluminium Smelting</li><li>Casthouses</li></ul> <p>All relevant criteria in the ASI Chain of Custody Standard were included in the audit scope.</p> <p>At the time of the audit (January 2023), 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 the ASI Interim Policy regarding Audits, Audit-Related Travel and Coronavirus (v4), and included a remote review of relevant documentation.</p>
AUDIT OUTCOME	<ul style="list-style-type: none"><li>Certification</li></ul>

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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

16 March 2023 – 15 March 2026

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NEXT AUDIT  
TYPE

Surveillance Audit

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NEXT AUDIT  
DUE DATE

15 March 2024

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CERTIFICATE  
NUMBER

265

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## SUMMARY OF FINDINGS

CRITERION	RATING	COMMENT
1 MANAGEMENT SYSTEM AND RESPONSIBILITIES		
1.1 ASI membership	Conformance	The Entity became an ASI Member in 2022, thereby committing to comply with ASI's membership obligations and the ASI Complaints Mechanism.
1.2 Management system	Conformance	The Entity has developed an ASI CoC Management Manual that defines a Management System which addresses all applicable requirements of the ASI Chain of Custody Standard.
1.3 Management system reviews	Conformance	The Entity has implemented procedures that require the Management System to be reviewed annually. The most recent review occurred in September 2022.
1.4 Management representative	Conformance	The Entity has appointed the Deputy General Manager as the Management Representative, who has full responsibility and authority for the Entity's compliance with all applicable requirements of the ASI Chain of Custody Standard.
1.5 Training	Minor Non-Conformance	The Entity has implemented the ASI CoC Management Manual and Human Resources Control Procedure which address the communication and training measures required to make relevant personnel aware of and competent in their responsibilities under the ASI Chain of Custody Standard. The Entity has established and implemented a yearly training plan. However, the Entity has not formulated a training plan for 2023, which does not conform to the ASI CoC Management Manual to develop the training plan for the following year at the end of each year.
1.6 Record keeping	Conformance	The ASI CoC Management Manual requires the Entity to maintain up to date records covering all applicable requirements of the ASI Chain of Custody Standard, including that records are retained for five years.
1.7a Reporting to ASI (Inputs and Outputs)	Conformance	The ASI CoC Management Manual requires the Entity to report the Input and Output Quantities of CoC Material/s over the calendar year to the ASI Secretariat within three months after the end of each calendar year. As this is the initial Certification Audit, the Entity has not yet reported to the ASI Secretariat.
1.7b Reporting to ASI (Input Percentage)	Conformance	The ASI CoC Management Manual requires the Entity to report the Input Percentage/s calculated for the calendar year to the ASI Secretariat within three months after the end of each calendar year.

CRITERION	RATING	COMMENT
		As this is the initial Certification Audit, the Entity has not yet reported to the ASI Secretariat.
1.7c Reporting to ASI (Positive Balance)	Conformance	The ASI CoC Management Manual requires the Entity to report the maximum Positive Balance in the calendar year carried over to the subsequent Material Accounting Period to the ASI Secretariat within three months after the end of each calendar year. As this is the initial Certification Audit, the Entity has not yet reported to the ASI Secretariat.
1.7d Reporting to ASI (Internal Overdraw)	Conformance	The ASI CoC Management Manual requires the Entity to report the maximum Internal Overdraw within the calendar year, if any, and the percentage of Input Quantity of CoC Material this represents to the ASI Secretariat within three months after the end of each calendar year. As this is the initial Certification Audit, the Entity has not yet reported to the ASI Secretariat.
1.7e Reporting to ASI (Eligible Scrap)	Not Applicable	This Criterion is not applicable, as the Entity does not include Post-Consumer Scrap or Pre-Consumer Scrap as Input.
1.7f Reporting to ASI (ASI Credits from Casthouses)	Not Applicable	This Criterion is not applicable, as the Entity does not intend to use the ASI Market Credit System.
1.7g Reporting to ASI (ASI Credits purchased)	Not Applicable	This Criterion is not applicable, as the Entity does not intend to use the ASI Market Credit System.
<b>2 OUTSOURCING CONTRACTORS</b>		
2.1 Outsourcing Contractors in CoC Certification Scope	Not Applicable	The Entity does not wish to include Outsourcing Contractors within their CoC Certification Scope.
2.2a Control of CoC Material	Not Applicable	The Entity does not wish to include Outsourcing Contractors within their CoC Certification Scope.
2.2b No further outsourcing	Not Applicable	The Entity does not wish to include Outsourcing Contractors within their CoC Certification Scope.
2.2c Risk assessment	Not Applicable	The Entity does not wish to include Outsourcing Contractors within their CoC Certification Scope.
2.3 Output Quantity	Not Applicable	The Entity does not wish to include Outsourcing Contractors within their CoC Certification Scope.
2.4 Verification and record-keeping	Not Applicable	The Entity does not wish to include Outsourcing Contractors within their CoC Certification Scope.
2.5 Error management	Not Applicable	The Entity does not wish to include Outsourcing Contractors within their CoC Certification Scope.

CRITERION	RATING	COMMENT
<b>3 PRIMARY ALUMINIUM: CRITERIA FOR ASI BAUXITE, ASI ALUMINA AND ASI LIQUID METAL</b>		
3.1a CoC Certification Scope – Bauxite Mining	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
3.1b ASI Performance Standard – Bauxite Mining	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
3.2a CoC Certification Scope – Alumina Refining	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
3.2b ASI Performance Standard – Alumina Refining	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
3.3a CoC Certification Scope – Aluminium Smelting	Conformance	The ASI CoC Management Manual has defined the Entity's administration of CoC Material. The Management System ensures that ASI Liquid Metal is produced only from facilities within the Entity's CoC Certification Scope.
3.3b ASI Performance Standard – Aluminium Smelting	Conformance	The Entity has undergone an ASI Performance Standard Certification Audit and Certification is expected to be issued upon completion of the ASI Secretariat's oversight process.
<b>4 RECYCLED ALUMINIUM: CRITERIA FOR ELIGIBLE SCRAP AND ASI LIQUID METAL</b>		
4.1a CoC Certification Scope – Aluminium Re-Melting/Refining	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
4.1b ASI Performance Standard – Aluminium Re-Melting/Refining	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
4.2a Pre-Consumer Scrap and Dross	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
4.2b Post-Consumer Scrap	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
4.3a Supplier records	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
4.3b Cash payments	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
<b>5 CASTHOUSES: CRITERIA FOR ASI ALUMINIUM</b>		
5.1a CoC Certification Scope – Casthouses	Conformance	The Entity has implemented the CoC Management System, which ensures the production of ASI Aluminium is only from the Casthouse that is within the Entity's CoC Certification Scope.
5.1b ASI Performance Standard – Casthouses	Conformance	The Entity has implemented the CoC Management System, which ensures the production of ASI

CRITERION	RATING	COMMENT
		Aluminium is only from the Casthouse within the Entity's Certification Scope for the ASI Performance Standard Certification.
5.2 Casthouse Products	Conformance	The Entity has an accounting system that can link and trace the unique identification numbers to the Input Quantity of CoC Material.
6 POST-CASTHOUSE: CRITERIA FOR ASI ALUMINIUM		
6.1a CoC Certification Scope – Post-Casthouse	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
6.1b ASI Performance Standard – Post-Casthouse	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
6.1c Sourcing ASI Aluminium	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
7 DUE DILIGENCE FOR NON-COC INPUTS AND RECYCLABLE SCRAP MATERIAL		
7.1a Responsible sourcing policy (anti-corruption)	Conformance	The Entity has established a Purchasing Policy according to the ASI Performance Standard, which addresses anti-corruption, responsible sourcing, Human Rights Due Diligence and Conflict-Affected and High-Risk Areas (CAHRAs): <a href="http://www.shalfoil.com/NewsDetail.aspx?ID=2983">http://www.shalfoil.com/NewsDetail.aspx?ID=2983</a> To date, there have been no cases of corruption by government agencies or other Stakeholders.
7.1b Responsible sourcing policy (responsible sourcing)	Conformance	The Entity has established a Purchasing Policy according to the ASI Performance Standard, which addresses anti-corruption, responsible sourcing, Human Rights Due Diligence and CAHRAs: <a href="http://www.shalfoil.com/NewsDetail.aspx?ID=2983">http://www.shalfoil.com/NewsDetail.aspx?ID=2983</a> The Entity has communicated the Purchasing Policy to most suppliers and Contractors.
7.1c Responsible sourcing policy (human rights due diligence)	Conformance	The Entity has established a Purchasing Policy according to the ASI Performance Standard, which addresses anti-corruption, responsible sourcing, Human Rights Due Diligence and CAHRAs: <a href="http://www.shalfoil.com/NewsDetail.aspx?ID=2983">http://www.shalfoil.com/NewsDetail.aspx?ID=2983</a> The Entity commits to respect Human Rights and extends this commitment to its supply chain. The Human Rights Due Diligence process covers the supply chain.
7.1d Responsible sourcing policy (conflict affected and high risk areas)	Conformance	The Entity has implemented the Conflict-Affected and High-Risk Areas procedure and has surveyed the related parties. The Entity's business activities and purchasing are not affected by CAHRAs.

CRITERION	RATING	COMMENT
7.2 Risk assessment	Conformance	The Entity has established a procedure for a supplier risk assessment which included actions required for any non-conformance. Interviews with Purchasing Department personnel and a review of the supplier assessment report confirmed that no risks of adverse impacts have been identified.
7.3 Complaints mechanism	Conformance	The Entity has established a complaints mechanism that is appropriate to the nature, scale and impact of the business and that allows interested parties to voice concerns about non-compliance with its Responsible Sourcing Policy in its Aluminium supply chain.
8 MASS BALANCE SYSTEM: COC MATERIAL AND ASI ALUMINIUM		
8.1 Material Accounting System	Conformance	The Entity's Management System includes a Material Accounting System that records the Input Quantity and Output Quantity of CoC Material and Non-CoC Material, by mass.
8.2a Post-Consumer Scrap	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
8.2b Pre-Consumer Scrap (total)	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
8.2c Pre-Consumer Scrap (Eligible Scrap)	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
8.3 Material Accounting Period	Conformance	The Entity has a Material Accounting System that specifies a Material Accounting Period of 12 months.
8.4 Input Percentage	Conformance	The Entity has a Material Accounting System that uses the formula in the ASI Chain of Custody Standard to calculate and record Input Percentage. The units are all in tonnes.
8.5 Input Percentage (Aluminium Re-Melting/Refining)	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
8.6 Output Quantity determination	Conformance	The ASI CoC Management Manual requires that the Entity use the Input Percentage for the given Material Accounting Period to determine the Output Quantity of CoC Material, by mass.
8.7 Output Quantity designation	Conformance	The ASI CoC Management Manual requires that the Output Quantity of CoC Material be designated as 100% CoC Material.
8.8 Output Quantity - Pre-Consumer Scrap	Not Applicable	This Criterion is not applicable, as the unqualified Aluminium ingots produced by the Entity are all remelted and re-cast, and the waste generated is not Pre-Consumer Scrap.



CRITERION	RATING	COMMENT
8.9 Outputs not exceed Inputs	Conformance	The Entity has used a fixed table to record input and output, which can ensure that the total output of CoC Material and/or Eligible Scrap do not proportionally exceed the Input Percentage as applied to the total input of CoC Material and/or Eligible Scrap over the Material Accounting Period.
8.10a Internal Overdraws (not exceed 20%)	Conformance	The ASI CoC Management Manual requires that the Internal Overdraw do not exceed 20% of the total Input Quantity of CoC Material for the Material Accounting Period.
8.10b Internal Overdraws (not exceed affected amount)	Conformance	The ASI CoC Management Manual requires that the Internal Overdraw do not exceed the amount of CoC Material affected by the Force Majeure situation.
8.10c Internal Overdraws (period to make up)	Conformance	The ASI CoC Management Manual requires that the Internal Overdraw do not exceed the amount of CoC Material affected by the Force Majeure situation. And the same time, the Manual defines that the Internal Overdraw should be made up within the next 12 months.
8.11a Positive Balance (carry over)	Conformance	The Entity's Material Accounting System can clearly identify any carry over of a Positive Balance.
8.11b Positive Balance (expiry)	Conformance	The ASI CoC Management Manual requires that a Positive Balance generated in one Material Accounting Period can be carried over to the subsequent Material Accounting Period, and expires at the end of that Period if not drawn down.
9 ISSUING COC DOCUMENTS		
9.1 Shipments and transfers	Conformance	The Entity has a CoC Document template that provides for the inclusion of information as required by the ASI Chain of Custody Standard.
9.2a Date of issue	Conformance	The Entity has a CoC Document template that provides for the inclusion of information as required by the ASI Chain of Custody Standard.
9.2b Reference number	Conformance	The Entity has a CoC Document template that provides for the inclusion of information as required by the ASI Chain of Custody Standard.
9.2c Issuing Entity	Conformance	The Entity has a CoC Document template that provides for the inclusion of information as required by the ASI Chain of Custody Standard.
9.2d Receiving customer	Conformance	The Entity has a CoC Document template that provides for the inclusion of information as required by the ASI Chain of Custody Standard.

CRITERION	RATING	COMMENT
9.2e Responsible employee	Conformance	The Entity has a CoC Document template that provides for the inclusion of information as required by the ASI Chain of Custody Standard.
9.2f Conformance statement	Conformance	The Entity has a CoC Document template that provides for the inclusion of information as required by the ASI Chain of Custody Standard.
9.2g Type of CoC Material	Conformance	The Entity has a CoC Document template that provides for the inclusion of information as required by the ASI Chain of Custody Standard.
9.2h Mass of CoC Material	Conformance	The Entity has a CoC Document template that provides for the inclusion of information as required by the ASI Chain of Custody Standard.
9.2i Mass of total material	Conformance	The Entity has a CoC Document template that provides for the inclusion of information as required by the ASI Chain of Custody Standard.
9.3a Sustainability Data (optional)	Conformance	The Entity has a CoC Document template that provides for the inclusion of Sustainability Data.
9.3b Sustainability Data (passing on)	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
9.3c Post-Casthouse ASI Certification status	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
9.4 Supplementary Information (optional)	Conformance	The Entity has a CoC Document template that allows for Supplementary Information to be included where it can be supported by objective evidence, such as ISO certifications, ASI Certification Status and packing list.
9.5 Response to verification requests	Conformance	The ASI CoC Management Manual has defined the employee who is in charge of replying to any reasonable requests for verification of information on the CoC Documents.
9.6 Error management	Conformance	The Entity has defined a procedure that addresses taking corrective action for a non-conformance. Interviews with personnel indicate the responsible persons know how to take necessary action to correct an error, such as recalling the CoC Document.
<b>10 RECEIVING COC DOCUMENTS</b>		
10.1 Verify required information included	Conformance	The ASI CoC Management Manual defines the process to verify the required information in received CoC Documents.

CRITERION	RATING	COMMENT
10.2 Verify consistency with shipments	Conformance	The ASI CoC Management Manual defines the process to verify the received CoC Documents before CoC Material is put into storage.
10.3 Verify supplier CoC Certification status	Conformance	The ASI CoC Management Manual defines the process for checking the ASI website on a regular basis to verify the validity and scope of any changes in the supplier's ASI CoC Certification.
10.4 Error management	Conformance	The ASI CoC Management Manual defines the process for the Entity to correct an error, including asking the supplier to recall the CoC Document and change the CoC Material, if an error is discovered after CoC Material or Eligible Scrap has been received.
11 MARKET CREDITS SYSTEM: ASI CREDITS		
11.1a Material Accounting System – allocation	Not Applicable	The Entity does not intend to use the ASI Market Credit System.
11.1b Link to Casthouse Products	Not Applicable	The Entity does not intend to use the ASI Market Credit System.
11.1c No double counting	Not Applicable	The Entity does not intend to use the ASI Market Credit System.
11.1d No Positive Balance for ASI Credits	Not Applicable	The Entity does not intend to use the ASI Market Credit System.
11.2a Date of issue	Not Applicable	The Entity does not intend to use the ASI Market Credit System.
11.2b Reference number	Not Applicable	The Entity does not intend to use the ASI Market Credit System.
11.2c Issuing Entity	Not Applicable	The Entity does not intend to use the ASI Market Credit System.
11.2d Receiving Entity	Not Applicable	The Entity does not intend to use the ASI Market Credit System.
11.2e Conformance statement	Not Applicable	The Entity does not intend to use the ASI Market Credit System.
11.2f ASI Credits statement	Not Applicable	The Entity does not intend to use the ASI Market Credit System.
11.2g Quantity	Not Applicable	The Entity does not intend to use the ASI Market Credit System.
11.3a CoC Certification Scope – purchasing ASI Credits	Not Applicable	The Entity does not intend to use the ASI Market Credit System.

CRITERION	RATING	COMMENT
11.3b Material Accounting System – purchasing	Not Applicable	The Entity does not intend to use the ASI Market Credit System.
11.3c Expiry	Not Applicable	The Entity does not intend to use the ASI Market Credit System.
11.3d No re-trading	Not Applicable	The Entity does not intend to use the ASI Market Credit System.
11.3e No allocation to physical products	Not Applicable	The Entity does not intend to use the ASI Market Credit System.
11.3f Verify supplier CoC Certification status	Not Applicable	The Entity does not intend to use the ASI Market Credit System.
11.3g Five years maximum for ASI Credits purchasing	Not Applicable	The Entity does not intend to use the ASI Market Credit System.
<b>12 CLAIMS AND COMMUNICATIONS</b>		
12.1a ASI Claims Guide	Conformance	The Entity has established and documented an ASI CoC Management Manual that requires that any claims and/or representations about CoC Material are made in a manner and form consistent with the ASI Claims Guide.
12.1b Verifiable evidence	Conformance	The Entity has established and documented an ASI CoC Management Manual that requires that any claims and/or representations about CoC Material are supported by verifiable evidence.
12.1c Employee training	Conformance	The Entity has provided appropriate training for relevant employees to understand and communicate the claims and/or representations.

**Document Control and Version History**

Revision	Date	Notes
0	16 March 2023	Initial Certification Audit – Full Certification