
ASI CERTIFICATION PERFORMANCE STANDARD



PRESENTED TO

ALCOMET AD

CERTIFICATE
NUMBER

280

ASI
STANDARD

PERFORMANCE
STANDARD
(V2 2017)

CERTIFICATION
LEVEL

FULL
CERTIFICATION

ASI ACCREDITED
AUDITOR

TÜV RHEINLAND
CERT GMBH

DATE OF ISSUE

21 JULY 2023

DATE OF EXPIRY

20 JULY 2026

CERTIFIED SINCE

20 APRIL 2023

AUTHORISED BY

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

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*Validity of this Certificate is subject to continued
conformance with the applicable ASI Standard
and can be verified at*

www.aluminium-stewardship.org

CERTIFICATION SCOPE

Aluminium re-melting/refining, extruded and rolled
products manufacturing at the Shumen production
facilities located in Bulgaria.

SUMMARY AUDIT REPORT

PERFORMANCE

STANDARD

OVERVIEW

| | |
|-------------------------|---|
| MEMBER NAME | Alcomet AD |
| ENTITY NAME | Alcomet AD |
| CERTIFICATION SCOPE | Aluminium re-melting/refining, extruded and rolled products manufacturing at the Shumen production facilities located in Bulgaria. |
| 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 (1 – 10 November 2022)Surveillance Audit (3 – 5 May 2023) |
| AUDIT FIRM | TÜV Rheinland Cert GmbH |
| AUDIT DATE | <ul style="list-style-type: none">1 – 10 November 2022 (Initial Certification Audit)3 – 5 May 2023 (Surveillance Audit) |
| AUDIT REPORT SUBMISSION | <ul style="list-style-type: none">12 March 2023 (Initial Certification Audit)11 July 2023 (Surveillance Audit) |
| AUDIT SCOPE | <p><u>Initial Certification Audit (1 – 10 November 2022)</u></p> <p>The audit scope includes extruded and rolled products manufacturing at the Shumen production facilities located in Bulgaria.</p> <p>Supply chain activities included in the audit scope:</p> <ul style="list-style-type: none">CasthousesSemi-Fabrication <p>All relevant Criteria in the ASI Performance Standard were included in the Audit Scope.</p> <p><u>Surveillance and Scope Change Audit (3 – 5 May 2023)</u></p> <p>The audit scope includes aluminium re-melting/refining, extruded and rolled products manufacturing at the Shumen production facilities located in Bulgaria.</p> |

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| | <p>Supply chain activities included in the audit scope:</p> <ul style="list-style-type: none"> • Aluminium Re-melting/Refining • Casthouses • Semi-Fabrication <p>All relevant Criteria in the ASI Performance Standard were included in the Audit Scope.</p> |
| AUDIT OUTCOME | <ul style="list-style-type: none"> • Certification |
| AUDIT METHODOLOGY DECLARATION | <p>The Auditors confirm that:</p> <ul style="list-style-type: none"> ☑ 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 | 21 July 2023 – 20 July 2026 |
| NEXT AUDIT TYPE | Surveillance Audit |
| NEXT AUDIT DUE DATE | 20 January 2025 |
| CERTIFICATE NUMBER | 280 |

SUMMARY OF FINDINGS

| CRITERION | RATING | COMMENT |
|--|-------------|---|
| PRINCIPLE 1 BUSINESS INTEGRITY | | |
| 1.1 Legal Compliance | Conformance | A robust system exists at the Entity to ensure compliance with related laws, regulations and other requirements. An internal legal department has been established with in-house legal personnel including lawyers and other support staff. Registers on legal requirements are held under the Entity's quality documentation system. Regular reviews are conducted periodically and communicated. |
| 1.2 Anti-Corruption | Conformance | The Entity's senior management has officially structured a system against Corruption including Extortion and Bribery, coherent with Applicable Laws. Policies and procedures regarding donations, payments, gifts, third party involvements etc. were defined, issued and publicly available at: https://www.alcomet.eu/sustainability/responsibility |
| 1.3 Code of Conduct | Conformance | The Entity has implemented a Code of Conduct including commitments for environmental, social and governance compliance and performance coherent with ASI Standards. It is ensured that all parties working for or on behalf of the Entity are aware of this practice. Regular reviews are undertaken. Both internal and external publications of Code of Conduct documents (including 'Regulations for Business Conduct and Ethics' and 'Suppliers' Code of Conduct') are available at: https://www.alcomet.eu/sustainability/responsibility |
| PRINCIPLE 2 POLICY & MANAGEMENT | | |
| 2.1a Environmental, Social, and Governance Policy (implement and maintain) | Conformance | The Entity has established and implemented stand-alone policies and procedures for aspects including Quality, Environment, Occupational Health & Safety and Social Governance including clear declarations and commitments on related topics. These Policies are consistent with on-site practices and the scale of the business. |
| 2.1b Environmental, Social, and Governance Policy (senior management) | Conformance | The Environmental, Social and Governance (ESG) Policies are endorsed and supported by the Entity's senior management through the provision of resources at all levels. The Entity's ESG Policies are reflected in operational processes and embedded throughout the organisation. Policies and related resource requirements are regularly reviewed, discussed and/or updated during annual senior management meetings. |

| CRITERION | RATING | COMMENT |
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| 2.1c Environmental, Social, and Governance Policy (communication) | Conformance | The Entity provides open communication of ESG Policies to all interested Stakeholders, including via the Entity's website (https://alcomet.eu), upon request, at the site entrance, posters for Visitors, induction and refresher training, the Entity's intranet and staff notice boards. |
| 2.2 Leadership | Conformance | The Entity has nominated a Management Representative who has overall responsibility and authority for the requirements of the ASI program. Capacity building activities including ASI training and webinars are in place and continue with the participation of all related departments inside the Entity. |
| 2.3a Environmental and Social Management Systems (environmental) | Conformance | The Entity had established and implemented an Environmental Management System (EMS) that has been in operation for several years and is compatible with all legal requirements and the environmental management criteria of the ASI Performance Standard. The EMS addresses the entire site and all activities of the Entity, and it is regularly audited by a global certification body. |
| 2.3b Environmental and Social Management Systems (social) | Conformance | The Entity has established and implemented a Social Management System which is compatible with legal requirements and the social management criteria of the ASI Performance Standard. This system is regularly under surveillance in several parts by local authorities, clients and third party audit companies. |
| 2.4 Responsible Sourcing | Conformance | Risks and opportunities relating to procurement have been defined and evaluated under the Entity's Quality Management System documentation and integrated with Entity's responsible sourcing system. The Entity has developed a Supplier's Code of Conduct, which is accepted by all critical sourcing partners for raw materials, alloying elements, tools and components providers. The policy is publicly available at: https://www.alcomet.eu/sustainability/responsibility . It is communicated and distributed, and addresses environmental, social and governance issues. Progress and performance are regularly monitored by the procurement department with questionnaires, self-assessment forms and on-site audits. |
| 2.5 Impact Assessments | Conformance | The Entity conducts Impact Assessments for quality, resources, environment, social and Occupational Health and Safety (OH&S) aspects. These aspects are evaluated not only for regular operations but also in the case of scenarios such as New Projects or Major Changes to existing Facilities. |

| CRITERION | RATING | COMMENT |
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| 2.6 Emergency Response Plan | Conformance | Emergency response is managed under the Integrated Management Systems (Environment & OH&S) infrastructure. Comprehensive emergency plans including all activities within the Entity's whole locations are developed accordingly, and drills are undertaken regularly. |
| 2.7 Mergers and Acquisitions | Conformance | Although no Mergers and Acquisitions (M&A) have occurred, nor are any planned future M&A activity risks and opportunities defined under the Quality Management System structure where risk registers reference potential future mergers and acquisitions. |
| 2.8 Closure, Decommissioning and Divestment | Conformance | No closure, decommissioning and divestment had been realised nor planned. However, if this occurs in future, the Entity can review and manage this process under its Integrated (Quality, Environment, OH&S) Management Systems infrastructure against environmental, social and governance issues. |
| PRINCIPLE 3 TRANSPARENCY | | |
| 3.1 Sustainability Reporting | Minor Non-Conformance | <p>The Entity has prepared a Sustainability Report according to Global Reporting Initiative (GRI) guidelines for 2020. This report was disclosed and communicated at: https://www.alcomet.eu/sustainability/sustainability-reports</p> <p>At the time of the most recent ASI Audit in May 2023, the updated Sustainability Report including both 2021 and 2022 was almost completed. The report was in the final review stage and was expected to be issued in July 2023.</p> |
| 3.2 Non-compliance and liabilities | Conformance | If any significant fines, judgments, penalties and non-monetary sanctions against the Entity for failure to comply with Applicable Law are realised, it is mandatory to report and disclose this information publicly because the Entity is an open stock exchange company. The Entity also is audited regularly by independent financial third-party companies. It will be communicated in the forthcoming Sustainability Report that there were no significant fines and/or penalties reported. |
| 3.3a Payments to governments (legal and contractual) | Conformance | <p>The Anti-Bribery & Corruption Policy is consistent with Applicable Laws, and is available at: https://www.alcomet.eu/sustainability/responsibility</p> <p>Policies and procedures regarding payments, donations, Corruption and Bribery issues, gifts and third party involvements were defined. Direct participation and monitoring of the Entity's in-house legal department on the topics are ensured.</p> |

| CRITERION | RATING | COMMENT |
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| 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 | A well-structured complaint/feedback management procedure has been defined and implemented under the Quality Management System. Both internal and external requests, complaints and grievances are recorded and followed by the legal department, quality department and other related responsible areas. An accessible and transparent communication mechanism with all open contact information is available at: https://www.alcomet.eu/contacts/other-contacts |
| PRINCIPLE 4 MATERIAL STEWARDSHIP | | |
| 4.1a Environmental Life Cycle Assessment (life cycle impacts) | Conformance | The Entity has defined its major product lines in two different groups as rolled products and extruded products, and the life cycle impacts of these main product lines are evaluated. This work was completed with the cooperation of an external, competent company and undertaken in accordance with the relevant ISO group of standards. |
| 4.1b Environmental Life Cycle Assessment (cradle to gate) | Conformance | Life Cycle Assessments (LCA) reports of the Entity for the two main product lines (rolled products and extruded products) were developed using the cradle-to-gate methodology. These reports are available for distribution upon request of customers or other relevant parties. |
| 4.1c Environmental Life Cycle Assessment (public communication) | Conformance | LCAs are available to customers upon request. Assumptions including system boundaries were defined in the LCA reports. It has been planned to communicate LCA reports publicly in the next months via the Entity's website and/or the annual Sustainability Report. |
| 4.2 Product design | Conformance | The Entity has established and integrated environmental and material recycling objectives in the design and development process for products or components. Sustainability concerns were taken into consideration with the result of projects including environmental life cycle impact assessments for semi-fabrication and/or manufacture of consumer/commercial products. Products with a lower carbon footprint and higher recycled content ratios will lead the Entity to become more circular and sustainable. |
| 4.3a Aluminium Process Scrap (targets) | Conformance | The Entity is working to minimise the generation of Aluminium Process Scrap within its operations. There are designated targets for scrap handling including collection and recycling. In April 2023, the Entity had revised its internal environmental program with adding a |

| CRITERION | RATING | COMMENT |
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| | | new investment plan for the thin foil production line to reach the defined 100% recycling target for the aluminium scrap generated on site. |
| 4.3b Aluminium Process Scrap (alloy separation) | Conformance | The Entity seeks to separate alloys and grades for recycling during its operations. The planning/purchasing departments of the Entity have a pre-defined plan to seek more detail for post-consumer and post-industry-based aluminium materials (for different varieties of alloys and grades) for 2023. |
| 4.4a Collection and recycling of products at end-of-life (strategy) | Conformance | The Entity has increased efforts to implement a collection and recycling strategy for the products at End of Life. A dedicated recycling team from different disciplines has been constituted inside the plant focusing on recycling methods and alternatives for End of Life products. In April 2023, the Entity had revised its internal environmental program with two new targets to increase the amount of external scrap, through the use of more End of Life product and increasing the ratio of Post-Consumer Scrap (End of Life products) to pre-consumer material. |
| 4.4b Collection and recycling of products at end-of-life (engagement) | Conformance | The Entity has increased efforts to implement a collection and recycling strategy for the products at End of Life. In April 2023, the Entity had commenced a new collaboration with the local authority (Shumen municipality) to collect End of Life products throughout the city, which is the first initiative in the city's history. The campaign includes local TV, radio, news portal and billboard announcement and advertisements, and also the participation of 24 different schools in the city. Handling and recycling of these End of Life products gathered at collection points will be undertaken and monitored by the Entity. |
| PRINCIPLE 5 GREENHOUSE GAS EMISSIONS | | |
| 5.1 Disclosure of GHG emissions and energy use | Conformance | The Entity has prepared, communicated and publicly disclosed its account for Greenhouse Gases (GHG) emissions (Scope 1 and Scope 2) and energy use by source for the year 2020 within its Sustainability Report. This report is available at: https://www.alcomet.eu/sustainability/sustainability-reports The updated reporting for the years 2021 and 2022 was still in preparation and it is expected to be issued in early-mid 2023. |
| 5.2 GHG emissions reductions | Conformance | The Entity's Environmental Department, with the support of senior management is responsible for the accounting of both Direct and Indirect GHG emissions. With the last revision of the Entity's environmental |

| CRITERION | RATING | COMMENT |
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| | | program as of April 2023, the Entity had defined its time-bound GHG emission reduction target, which is at least a 2.5% decrease on CO ₂ generation compared to previous year. The plan to achieve this target includes the optimisation of production lines with new technologies and installation of rooftop solar panels. |
| 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

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| 6.1 Emissions to Air | Conformance | The Entity has developed an inventory and baseline of Emissions to Air that may have adverse effects on humans or the environment. Air emissions are regularly quantified, reported and monitored and all applicable regulatory air emissions and atmospheric air quality standards were met. Additionally, with the last revision of the Entity's environmental program as of April 2023, the Entity had defined its time-bound reduction targets and required actions for different pollutants including dust, total organic carbon (TOC) and NOx. |
| 6.2 Discharges to Water | Conformance | The Entity has developed an inventory and baseline relating to Discharges to Water that have adverse effects on humans or the environment. Discharges were regularly quantified, reported and monitored and all applicable regulatory discharge amounts and quality standards were met. A management plan, including benchmark targets (11% reduction against the previous year), related actions and monitoring - evaluation steps to decrease water discharge is available. |
| 6.3a Assessment and Management of Spills and Leakage (assessment) | Conformance | Areas in operations where Spills and Leakage may have a contamination risk have been defined and assessed in two different methods. One uses the official mandatory Environmental Impact Assessment (EIA) reports, whilst the other is an internal environmental risk assessment forms under the Environmental Management System ISO 14001. |
| 6.3b Assessment and Management of Spills and Leakage (management) | Conformance | The Entity has developed a management procedure and practice for Spills and Leakages. Communications, compliance controls and monitoring methods are in place. On-site precautions are implemented with relevant staff and resources, internal and external |

| CRITERION | RATING | COMMENT |
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| | | communication plans, emergency responses, and drills are in place. |
| 6.4a Reporting of Spills (immediate disclosure) | Conformance | The Entity has a country-specific mandatory obligation according to the environmental legislations to report immediately to the local authorities (environment agency, municipality) any significant environmental incident including Spills and Leakages. This is also reported to the same authorities as part of an annual environmental report. |
| 6.4b Reporting of Spills (regular reporting) | Conformance | The Entity has a country-specific mandatory obligation according to the environmental legislations. All environmental incidents, actions and any other significant issues (including Spills and Leakages) should annually be reported to the local authorities like the Bulgarian Environment Agency and related municipalities. These issues are also publicly disclosed by the Entity within the annual Sustainability Report to all related shareholders. |
| 6.5a Waste management and reporting (strategy) | Conformance | The Entity's practices for waste management address all waste generated within the relevant scope of operations. Wastes are characterised according to source, composition and treatment method. Risks associated with the off-site movement and transportation of waste have been considered. Waste reduction targets, proposed activities and defined timelines for waste minimisation are available according to the Waste Mitigation Hierarchy in the Entity's waste management strategy. |
| 6.5b Waste management and reporting (disclosure) | Conformance | The Entity's reporting for waste management addresses all waste generated within the relevant scope of operations. Wastes are characterised according to source, composition and treatment method. All data including wastes to be reused, recycled, recovered, to be sent to landfills (hazardous and non-hazardous) are recorded and reported publicly via Entity's Sustainability Report at: https://www.alcomet.eu/sustainability/sustainability-reports |
| 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. |

| CRITERION | RATING | COMMENT |
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| 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. |
| 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 | There is an implemented dross and dross residues handling strategy. The Entity was regularly seeking alternative methods to have more efficient dross management like checking different suppliers and/or better technologies for better flocs to generate less dross, or alternative methods & revisions on the production lines (like dross pressing). Also, the Entity had defined a dedicated operational efficiency rate target, actions and deadline to increase the recovery of aluminium from dross and dross residues. For the maximization of recycling of dross residues, there is an ongoing search for different internal and/or external recycling technologies, and also for alternative suppliers with better recycling conditions and performance. |
| 6.8b Dross (recycling) | Conformance | There is an implemented dross and dross residues handling strategy. The Entity was regularly seeking alternative methods to have more efficient dross management like checking different suppliers and/or better technologies for better flocs to generate less dross, or alternative methods & revisions on the production lines (like dross pressing). Also, the Entity had defined a dedicated operational efficiency rate target, actions and deadline to increase the recovery of aluminium from dross and dross residues. For the maximization of recycling of dross residues, there is an ongoing search for different internal and/or external |

| CRITERION | RATING | COMMENT |
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| | | recycling technologies, and also for alternative suppliers with better recycling conditions and performance. |
| 6.8c Dross (review of alternatives) | Conformance | Dross residues are continuously reviewed for alternative handling opportunities rather sending to the landfills as final waste. Cooperation with different Stakeholders, good practice has been implemented with some customers to use the Entity's non-aluminium Dross residues for desulphurisation and dephosphorisation in iron and steel production. |
| PRINCIPLE 7 WATER STEWARDSHIP | | |
| 7.1a Water assessment (mapping) | Conformance | The Entity has a detailed register and mapping (inventory) for its water sources and types. Name and location of water sources, water quantities and ultimate source of the water are presented. Water discharge points, location and quantity, including the destination or ultimate receiving water body are also presented. Therefore, water balance can be monitored via the flow of water in and out during the operations. |
| 7.1b Water assessment (risk assessment) | Conformance | The Entity has evaluated its water-related risks in Watersheds in the Entity's Area of Influence with two different methods. One is the official mandatory Environmental Impact Assessment (EIA) reports, and the other is the internal environmental risk assessment forms under the Entity's Environmental Management System. |
| 7.2a Water management (management plans) | Conformance | The Entity has developed and implemented water consumption reduction targets and continuous monitoring relevant to time-bound water management plans. |
| 7.2b Water management (monitoring) | Conformance | The Entity monitors the effectiveness of its plans. Reporting is undertaken using two different methods: One is the official reporting to the authorities according to local legislations, and the other is the annual sustainability reporting. |
| 7.3 Disclosure of water usage and risks | Conformance | The Entity has a detailed register and mapping (inventory) for its water sources and types. Name and location of water sources, water quantities and ultimate source of the water are presented. Water balance can be monitored via the flow of water in and out during the operations. The Entity publicly reports water withdrawal and usage data and water-related risks annually via its Sustainability Report at: https://www.alcomet.eu/sustainability/sustainability-reports |

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| PRINCIPLE 8 BIODIVERSITY | | |
| 8.1 Biodiversity assessment | Conformance | The Entity is located in an official industrial zone as designed by the government, and biodiversity risks have been assessed as low. Additionally, the Entity assessed the risk and materiality of the impacts on biodiversity from the land use and activities in the Entity's Area of Influence using two different methods: Mandatory environmental impact assessment (EIA) reports according to local environmental legislation and environmental risk assessments carried out under Environmental Management System risk and opportunities procedures. |
| 8.2a Biodiversity management (biodiversity action plans) | Not Applicable | This Criterion is not applicable as biodiversity risks have been determined as low, as the Entity is located in an official industrial zone. |
| 8.2b Biodiversity management (consultation and mitigation hierarchy) | Not Applicable | This Criterion is not applicable as biodiversity risks have been determined as low, as the Entity is located in an official industrial zone. |
| 8.2c Biodiversity management (reporting) | Not Applicable | This Criterion is not applicable as biodiversity risks have been determined as low, as the Entity is located in an official industrial zone. |
| 8.3 Alien Species | Conformance | Risks relating to Alien Species have been assessed as low according to Environmental Impact Assessment (EIA) reports. The Entity separately assesses these risks via environmental risk assessment forms under Environmental Management System risk and opportunities procedures. |
| 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 established and implemented stand-alone policies and procedures for different aspects like environment, Occupational Health and Safety, |

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| | | governance etc. These policies are consistent with on-site practices and business scale, and in line with ASI requirements. Policy commitment about Human Rights is included in the 'Code of Conduct and Ethics' and Human Resources procedures. |
| 9.1b Human Rights Due Diligence (process) | Conformance | The Entity respects Human Rights, and a specific Due Diligence and Impact Assessment process is in line with the UN Guiding Principles on Business and Human Rights. Recently implemented evaluations and updated procedures cover impacts and risks on topics including human rights, women rights, child labour, local communities, forced labour, human trafficking, discrimination and gender equity. |
| 9.1c Human Rights Due Diligence (remediation) | Conformance | The Entity has established and implemented a Human Rights compliance system. The Entity's policy commitment to Human Rights is included in the 'Code of Conduct and Ethics' and Human Resources procedures. There is no evidence on site of any Human Rights impacts. |
| 9.2 Women's Rights | Conformance | Both local laws and the Entity's practices demonstrate a firm commitment to women's rights. Respect for the rights and interests of women is practically implemented. After the completion of initial certification audit, documentation revisions on policies, risk assessments and internal human resources procedures on women's rights were completed. |
| 9.3 Indigenous Peoples | Not Applicable | This Criterion is not applicable as there are no Indigenous Peoples in or around the Entity's Area of Influence. |
| 9.4 Free, Prior, and Informed Consent (FPIC) | Not Applicable | This Criterion is not applicable as there are no Indigenous Peoples in or around the Entity's Area of Influence. |
| 9.5 Cultural and sacred heritage | Not Applicable | This Criterion is not applicable as there are no Indigenous Peoples in or around the Entity's Area of Influence. |
| 9.6a Resettlements (avoid or minimise) | Not Applicable | This Criterion is not applicable as no resettlements are being considered or have taken place since joining ASI, or through changes since the last Audit, or are expected to occur during the Certification Period. |
| 9.6b Resettlements (where unavoidable) | Not Applicable | This Criterion is not applicable as no resettlements are being considered or have taken place since joining ASI, or through changes since the last Audit, or are expected to occur during the Certification Period. |

| CRITERION | RATING | COMMENT |
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| 9.7a Local Communities (rights and interests) | Conformance | There are no reported issues or problems affecting Local Communities. The Entity respects the legal and customary rights and interests of Local Communities in their lands and livelihoods. |
| 9.7b Local Communities (impacts) | Conformance | There are no reported issues or problems affecting Local Communities. The Entity respects the legal and customary rights and interests of local Communities in their lands and livelihoods. The Entity takes appropriate steps to prevent and address any adverse impacts on Local Community livelihoods. |
| 9.7c Local Communities (livelihoods) | Conformance | The Entity takes appropriate steps to prevent and address any adverse impacts on the Local Community's livelihoods. The Entity explores with Local Communities opportunities to respect and support their livelihood. |
| 9.8 Conflict-Affected and High-Risk Areas | Conformance | There are no direct activities from the Entity in, or from Conflict-Affected and High-Risk Areas (CAHRAs) and the Entity does not contribute to armed conflict or Human Rights abuses. Supplier selection, evaluation and audit procedure were implemented and potential suppliers with similar risks from these areas are prioritised to be controlled strictly. |
| 9.9 Security practice | Conformance | The Entity engages a third-party supplier for security services on site. They are provided with the same training, oversight and discipline procedures as per internal staff. The Entity ensures that security providers respect Human Rights in line with recognised legislations, standards and good practices. |

PRINCIPLE 10 LABOUR RIGHTS

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| 10.1a Freedom of Association and Right to Collective Bargaining (freedom of association) | Conformance | All employees in the Entity have the Freedom of Association like it is proclaimed in the Universal Declaration of Human Rights. Two different Labour Unions are actively representing Workers in the Entity. All Workers have the same unlimited right to join any union, as well as be representatives at worker's councils and committees. |
| 10.1b Freedom of Association and Right to Collective Bargaining (collective bargaining) | Conformance | Collective Bargaining is an open and free process inside the Entity. All unions at the Entity (currently two) have the same right to participate in Collective Bargaining on salaries and/or additional social rights and compensations and sign a collective labour and social program agreement with the Entity. Workers who are not members of any unions have the same right to benefit from these Collective Bargaining contracts. |

| CRITERION | RATING | COMMENT |
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| 10.1c Freedom of Association and Right to Collective Bargaining (alternative means) | Not Applicable | This Criterion is not applicable as there is no restriction to Freedom of Association and Collective Bargaining in Bulgaria. |
| 10.2a Child Labour (minimum age) | Conformance | The Entity does not involve, nor support Child Labour as defined in local country laws, EU legislations and ILO Conventions C138 & C182. The minimum legal working age in the country is 16, and for any possible hazardous, heavy, difficult, dangerous or harmful job this minimum age is 18 years. The Entity only allows staff who are 18 years old to work on site. School interns or trainees aged between 16 and 17 can only work outside of production lines for lighter jobs like administration or office duties. All suppliers of the Entity have to accept and sign a Suppliers' Code of Conduct against any kind of Child Labour. |
| 10.2b Child Labour (hazardous) | Conformance | The Entity does not involve, nor support Child Labour as defined in local country laws, EU legislations and ILO Conventions C138 & C182. The minimum legal working age in the country is 16, and for any possible hazardous, heavy, difficult, dangerous or harmful job this minimum age is 18 years. The Entity only allows staff who are 18 years old to work on site. School interns or trainees aged between 16 and 17 can only work outside of production lines for lighter jobs like administration or office duties. All suppliers of the Entity have to accept and sign the Suppliers' Code of Conduct against any kind of Child Labour. |
| 10.2c Child Labour (worst forms) | Conformance | The Entity does not engage or support Worst Forms of Child Labour which is strictly banned in local country laws, EU legislations and ILO Conventions C138 & C182. All suppliers of the Entity have to accept and sign the Suppliers' Code of Conduct against any kind of Child Labour. |
| 10.3a Forced Labour (human trafficking) | Conformance | The Entity has implemented corporate procedures and rules against Human Trafficking. There is no evidence of Human Trafficking. The Entity neither engages in nor supports the use of Forced Labour in any kind or form, according to local country laws, EU legislations and related ILO Conventions. This is also clearly defined in the Entity policy and procedures like the Business Code of Conduct and Ethics, and Suppliers' Code of Conduct (all suppliers of the Entity have to accept and sign this document) via: https://www.alcomet.eu/sustainability/responsibility |
| 10.3b Forced Labour (deposits, fees, advances) | Conformance | The Entity has implemented corporate procedures and rules against taking deposits or any other payments. |

| CRITERION | RATING | COMMENT |
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| | | There is no evidence of Human Trafficking. The Entity neither engages in nor supports the use of Forced Labour in any kind or form, according to local country laws, EU legislations and related ILO Conventions. This is also clearly defined in the Entity policy and procedures like the Business Code of Conduct and Ethics, and Suppliers' Code of Conduct (all suppliers of the Entity have to accept and sign this document) via: https://www.alcomet.eu/sustainability/responsibility |
| 10.3c Forced Labour (migrant workers) | Conformance | There were no Migrant Workers employed during the audit at the Entity. The Entity neither engages in nor supports the use of Forced Labour in any kind or form, according to local country laws, EU legislations and related ILO Conventions. This is also clearly defined in the Entity policy and procedures like the Business Code of Conduct and Ethics, and Suppliers' Code of Conduct (all suppliers of the Entity have to accept and sign this document) via: https://www.alcomet.eu/sustainability/responsibility |
| 10.3d Forced Labour (debt bondage) | Conformance | There is no indication for Debt Bondage or similar practice has been observed during the audit, including site tour and worker interviews. The Entity neither engages in nor supports the use of Forced Labour in any kind or form, according to local country laws, EU legislations and related ILO Conventions. This is also clearly defined in the Entity policy and procedures like the Business Code of Conduct and Ethics, and Suppliers' Code of Conduct (all suppliers of the Entity have to accept and sign this document) via: https://www.alcomet.eu/sustainability/responsibility |
| 10.3e Forced Labour (freedom of movement) | Conformance | There is no indication against freedom of movement or similar practice has been observed during the audit, including procedures and documentation checks, site tour and worker interviews. The Entity neither engages in nor supports the use of Forced Labour in any kind or form, according to local country laws, EU legislations and related ILO Conventions. |
| 10.3f Forced Labour (retention of identity papers, permits, certificates) | Conformance | There is no indication of the retention of identity papers or similar practice has been observed during the audit, including procedures and documentation checks, site tour and worker interviews. |
| 10.3g Forced Labour (freedom to terminate employment) | Conformance | Freedom to terminate employment is guaranteed by local law, defined in the Entity's procedures and included in worker contracts. The notice period is defined by laws and included in contracts of |

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| | | employment. No contrary practice was observed during the audit. |
| 10.4 Non-Discrimination | Conformance | The Entity maintains a firm position against any kind of Discrimination which is supported by publicly disclosed corporate policy, internal Human Resources procedures and on-site practices. According to interviews and observations, it was clear that employees have equal opportunities, and that the Entity does not engage in any kind of Discrimination in hiring, salary, promotion or termination of any job contract on the basis of gender, race, national or social origin, religion, disability, political affiliation, sexual orientation, marital status and age. |
| 10.5 Communication and engagement | Conformance | Communication channels are open with all employees and their representatives (freely elected unions, delegates etc.) inside the Entity. There are defined communication and grievance/complaint solution procedures and practical mechanisms for any feedback including working conditions, workplace and compensation issues. Staff have the possibility to give feedback anonymously. |
| 10.6 Disciplinary practices | Conformance | Internal disciplinary procedures are in accordance with harmonised country laws under EU regulations, acknowledged by the employees and under the surveillance of the in-house legal department. There is no evidence of any kind of disciplinary practice abuses at the Entity. |
| 10.7a Remuneration (living wage) | Conformance | Whilst there is a defined official minimum wage in the country, the Entity offers a starting salary above this legal minimum wage. Also, general remuneration at the Entity is higher than the region and sector minimum. There are Labour Unions' Collective Bargaining contracts and sectoral agreements like the Bulgarian Association of the Metallurgical Industry which ensure the rights of Workers to a living wage and salaries to be sufficient to meet the basic needs plus some discretionary income for employees. |
| 10.7b Remuneration (method of payment) | Conformance | The payments of wages are done timely and fully by the Entity into the bank accounts of employees, and all process is under evidence both physically and electronically in accordance with local legal regulations. |
| 10.8 Working Time | Conformance | The Entity complies with local laws and industry standards on Working Time. There are different shifts for production, but each shift works in line with legislative time duration. Working Time for staff in heavy duties like re-melting furnaces are less, which are |

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| | | defined by laws that the Entity follows. Overtime working hours are paid per extra hour and the Entity also meets the requirements about public holidays and paid annual leave. |
| PRINCIPLE 11 OCCUPATIONAL HEALTH AND SAFETY | | |
| 11.1a Occupational Health and Safety (OH&S) Policy (policy) | Conformance | The Entity has implemented a detailed stand-alone Occupational Health and Safety (OH&S) Policy. The policy has been communicated via the external website, internal web portal, printed brochures, posters and notice boards. The policy is reviewed regularly and endorsed by senior management. |
| 11.1b Occupational Health and Safety (OH&S) Policy (workers and visitors) | Conformance | The OH&S Policy has been communicated via the external website, internal web portal, printed brochures, posters and notice boards. The Policy applies to both Workers (including Contractors) and Visitors across all operational areas. The Policy can be openly reached via Entity's corporate web page: https://www.alcomet.eu/sustainability/health-and-safety |
| 11.1c Occupational Health and Safety (OH&S) Policy (applicable law and standards) | Conformance | The Entity has implemented a detailed stand-alone OH&S Policy which includes related commitments to comply with Applicable Law and international standards on Workers' health and safety. |
| 11.1d Occupational Health and Safety (OH&S) Policy (right to stop unsafe work) | Conformance | The Entity has implemented a detailed stand-alone Occupational Health and Safety Policy. A statement on the Workers' right to understand the hazards and safe practices for their work, and the authority to refuse or stop unsafe work is incorporated into the Policy. |
| 11.2 OH&S Management System | Conformance | The Entity has established and properly implemented an OH&S management strategy addressing all activities and locations. All related nominations, documentation, records and reports are available. The system is certified by an independent third-party certification company against ISO 45001:2018. The last surveillance audit was conducted in 2022. |
| 11.3 Employee engagement on health and safety | Conformance | The Entity has established a health and safety committee which includes participation from employees and Labour Union representatives, production Workers, administrative staff and medical personnel. The committee meets periodically to discuss and determine Health, Safety and Environment (HSE) actions and elevate these to senior management for their consideration and approval. |
| 11.4 OH&S performance | Conformance | The Entity records, reports and evaluates its Occupational Health and Safety performance |

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| | | periodically using different indicators and aims to meet best practice and implement continuous improvement. Performance indicators indicate a significant decrease on accidents with injuries and lost time. A hazardous situations register was developed and implemented in early 2023. |

Document Control and Version History

| Revision | Date | Notes |
|----------|---------------|---|
| 0 | 20 April 2023 | Initial Certification Audit – Provisional Certification |
| 1 | 21 July 2023 | Surveillance Audit – Full Certification |