

ASI CERTIFICATION PERFORMANCE STANDARD



PRESENTED TO

NINGBO TUOPU GROUP CO., LTD. LIGHT ALLOY SYSTEM 9TH UNIT

CERTIFICATE
NUMBER

302

ASI
STANDARD

PERFORMANCE
STANDARD
(V2 2017)

CERTIFICATION
LEVEL

PROVISIONAL
CERTIFICATION

ASI
ACCREDITED
AUDITOR

TÜV
RHEINLAND
CERT GMBH

DATE OF ISSUE

3 AUGUST 2023

DATE OF EXPIRY

2 AUGUST 2024

CERTIFIED SINCE

3 AUGUST 2023

AUTHORISED BY

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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

Manufacturing aluminium auto parts at Ningbo Tuopu Group Co., Ltd Light Alloy System 9th Unit which is located at No.59, Guanhai Road, Beilun, Ningbo, China. The processes include casting, semi-processing, aluminium remelting/refining, and material conversion.

SUMMARY AUDIT REPORT

PERFORMANCE STANDARD

OVERVIEW

MEMBER NAME	Ningbo Tuopu Group Co., Ltd.
ENTITY NAME	Ningbo Tuopu Group Co., Ltd. Light Alloy System 9th Unit
CERTIFICATION SCOPE	Manufacturing aluminium auto parts at Ningbo Tuopu Group Co., Ltd Light Alloy System 9th Unit which is located at No.59, Guanhai Road, Beilun, Ningbo, China. The processes include casting, semi-processing, aluminium remelting/refining, and material conversion.
SUPPLY CHAIN ACTIVITIES	<ul style="list-style-type: none">Aluminium Re-melting/RefiningCasthousesSemi-FabricationMaterial Conversion (Production and Transformation)
ASI STANDARD	<ul style="list-style-type: none">Performance Standard V2
AUDIT TYPE	<ul style="list-style-type: none">Initial Certification Audit
AUDIT FIRM	TÜV Rheinland Cert GmbH
AUDIT DATE	<ul style="list-style-type: none">27 – 30 March 2023
AUDIT REPORT SUBMISSION	<ul style="list-style-type: none">21 June 2023
AUDIT SCOPE	<p>The audit scope covers the manufacturing aluminium auto parts at Ningbo Tuopu Group Co., Ltd Light Alloy System 9th Unit which is located at No.59, Guanhai Road, Beilun, Ningbo, China. The processes include casting, semi-processing, aluminium remelting/refining, and material conversion.</p> <p>The supply chain activities included in the audit scope:</p> <ul style="list-style-type: none">Aluminium Re-melting/ RefiningCasthousesSemi-FabricationMaterial Conversion (Production and Transformation) <p>All relevant Criteria in the ASI Performance Standard were included in the Audit Scope.</p>

AUDIT OUTCOME	Provisional Certification
AUDIT METHODOLOGY DECLARATION	<p>The Auditors confirm that:</p> <ul style="list-style-type: none"><input checked="" type="checkbox"/> The information provided by the Entity is true and accurate to the best knowledge of the Auditor(s) preparing this report.<input checked="" type="checkbox"/> The findings are based on verified Objective Evidence relevant to the time period for the Audit, traceable and unambiguous.<input checked="" type="checkbox"/> The Audit Scope and audit methodology are sufficient to establish confidence that the findings are indicative of the performance of the Entity's defined Certification Scope.<input checked="" type="checkbox"/> The Auditor(s) have acted in a manner deemed ethical, truthful, accurate professional, independent and objective.
CERTIFICATION PERIOD	3 August 2023 – 2 August 2024
NEXT AUDIT TYPE	Surveillance Audit
NEXT AUDIT DUE DATE	3 February 2024
CERTIFICATE NUMBER	302

SUMMARY OF FINDINGS

CRITERION	RATING	COMMENT
PRINCIPLE 1 BUSINESS INTEGRITY		
1.1 Legal Compliance	Conformance	The Entity has implemented a process to control Compliance with Applicable Laws, regulations and other requirements. It has integrated the latest laws regulations and other requirements into training materials which have been communicated to all employees, Contractors and Visitors.
1.2 Anti-Corruption	Conformance	The Entity has established a business ethics policy/procedure, covering anti-Bribery, Corruption and gift principles and related training has been provided to all employees. The Entity conducts a risk assessment annually and Due Diligence on business ethics and no Material risks have been identified.
1.3 Code of Conduct	Conformance	The Entity has established an ASI Performance Standard (PS) Management Manual which includes the principles related to environment, social and governance performance.
PRINCIPLE 2 POLICY & MANAGEMENT		
2.1a Environmental, Social, and Governance Policy (implement and maintain)	Conformance	The Entity has established a Management System for environmental, social and governance compliance. The Entity's ASI policies are included in the 2022 Sustainable Development Report, page 8: http://www.tuopu.com/Public/upload/2023-04-28/644b3a428e8ec.pdf
2.1b Environmental, Social, and Governance Policy (senior management)	Conformance	The Entity has established Environmental, Social and Governance policies which are endorsed by CEO. Annual management review meetings have been held to review the policies and performance of the ASI PS Management System.
2.1c Environmental, Social, and Governance Policy (communication)	Conformance	The Entity has communicated the ASI policies to internal employees through initial orientation and annual refresher training. The policies are included in the Sustainability Development Report, page 8: http://www.tuopu.com/Public/upload/2023-04-28/644b3a428e8ec.pdf
2.2 Leadership	Conformance	The Entity has established an ASI PS Management Organisation Chart to implement the system, their responsibilities and authorities are defined in ASI PS Management Manual. The System Manager is appointed as the ASI Management Representative

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		who is responsible for implementing the ASI Management System.
2.3a Environmental and Social Management Systems (environmental)	Conformance	The Entity has established an Environment Management System according to ISO14001:2015 requirements and has been certified by an accredited certification body. The ISO14001:2015 Certificate is available at: http://cx.cnca.cn/CertECloud/result/skipResultList
2.3b Environmental and Social Management Systems (social)	Conformance	The Entity has established a Social Management System. A risk assessment procedure, internal audit control procedure and management review control procedure are established to review the effectiveness of the Social Management System, the latest internal audit was conducted in August 2022. For the non-conformances, root cause analysis is conducted, and corrective and preventive actions are implemented.
2.4 Responsible Sourcing	Conformance	The Entity has implemented responsible sourcing activities by ensuring suppliers sign ASI commitment letters, supplier assessments and emphasising to its suppliers to implement ASI Standards. This is verified through the review of relevant supplier KPI (Key Performance Indicator) monthly review records and supplier audit reports. The Responsible Sourcing Policy is included in the 2022 Sustainable Development Report, page 12: http://www.tuopu.com/Public/upload/2023-04-28/644b3a428e8ec.pdf
2.5 Impact Assessments	Conformance	The Entity has established an ASI PS Management Manual which defines the process of how to conduct a Social Accountability Risk Assessment. In April 2022, the Entity initially conducted a Social Accountability Risk Assessment for all new and present projects or major changes covering the impacts of social, cultural and Human Rights No Material risks were identified. The environmental impact analysis is addressed under the ISO14001 Management System which is certified by a qualified third party.
2.6 Emergency Response Plan	Conformance	The Entity has developed specific Emergency Response Plans in collaboration with potentially affected Stakeholder groups such as Local Communities, Workers, the Fire Bureau and the Environment Bureau, The Entity has conducted emergency drills according to the frequency as defined in these Plans.

CRITERION	RATING	COMMENT
2.7 Mergers and Acquisitions	Conformance	The Entity has established a Merger and Acquisition control procedure, which includes a Due Diligence process to be conducted before any Merger or Acquisition. In the past three years, no Mergers or Acquisitions have occurred.
2.8 Closure, Decommissioning and Divestment	Conformance	The Entity has established Closures, Decommissioning and Divestment control procedures. No such case has happened in the last three years.
PRINCIPLE 3 TRANSPARENCY		
3.1 Sustainability Reporting	Conformance	The Entity has disclosed the governance approach and material environmental, social and economic impacts in the 2022 Sustainability Development Report: http://www.tuopu.com/Public/upload/2023-04-28/644b3a428e8ec.pdf
3.2 Non-compliance and liabilities	Conformance	The Entity publishes non-compliance issues (such as significant fines, judgement, penalties, and non-monetary sanctions) in the 2022 Sustainable Development Report, page 30: http://www.tuopu.com/Public/upload/2023-04-28/644b3a428e8ec.pdf In the past three years, one penalty was issued to the Entity, which related to occupational health. The Entity has since implemented adequate and effective corrective actions for the relevant non-conformances.
3.3a Payments to governments (legal and contractual)	Conformance	The Entity has developed and implemented policies, systems, procedures, and processes to ensure payment to the government is legal and reasonable. The Entity has hired a qualified third party to undertake the annual financial audit. The 2022 report demonstrates that all the payments to the government are based on legal law or contracts, such as social insurance fees, business tax, and housing fund fees. The Entity has disclosed the payments to governments in the 2022 Sustainability Development Report, page 30: http://www.tuopu.com/Public/upload/2023-04-28/644b3a428e8ec.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 implemented a process to manage the internal and external complaints taking into consideration cultural and gender-sensitive impacts. For employees, they can report complaints

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		<p>and grievances using the suggestion boxes, email (tuopu@tuopu.com, yajie.wang@tuopu.com), via their worker representatives and a hotline (0574-56582888, +86-13586517034) These communication channels have been communicated to all employees during training and posters onsite. For external Stakeholders, reporting channels include a hotline (0574-56582888) and email (tuopu@tuopu.com) which is publicly available in the 2022 Sustainability Development Report, page 10: http://www.tuopu.com/Public/upload/2023-04-28/644b3a428e8ec.pdf</p> <p>In the previous year, there have been no complaints or grievances received from external sources. Internal appeals records show the complaints and grievances have been resolved in a manner that is accepted by the individuals who submitted them.</p>

PRINCIPLE 4 MATERIAL STEWARDSHIP

4.1a Environmental Life Cycle Assessment (life cycle impacts)	Conformance	The Entity has established a process and system to conduct Life Cycle Assessment (LCA). The LCA report was completed in January 2022 for main products and was developed in accordance to both ISO14040:2006 and ISO14044:2006 requirements.
4.1b Environmental Life Cycle Assessment (cradle to gate)	Minor Non-Conformance	<p>The Entity's LCA report for current products is available in the 2022 Sustainable Development Report, pages 14-16: http://www.tuopu.com/Public/upload/2023-04-28/644b3a428e8ec.pdf</p> <p>However, the current LCA information only addresses environmental impacts from gate to gate, which therefore means the impacts within the supply chain are not considered (cradle to gate) in the assessment.</p>
4.1c Environmental Life Cycle Assessment (public communication)	Conformance	<p>The Entity's LCA report for current products is available in the 2022 Sustainable Development Report, pages 14-16: http://www.tuopu.com/Public/upload/2023-04-28/644b3a428e8ec.pdf</p> <p>The public LCA information includes the underlying assumptions and system boundaries.</p>
4.2 Product design	Minor Non-Conformance	The Entity has established procedures for LCA as part of the products design process, the LCA shall consider various environmental impacts including energy consumption, water, air emissions and waste. At present, the design phase for all

CRITERION	RATING	COMMENT
		environmental factors of the LCA has been identified, and listed in the final design reports and quantifiable data for each factor is determined. However, no continuous improvement objectives have been incorporated into the designing process for LCA.
4.3a Aluminium Process Scrap (targets)	Conformance	The Entity has developed targets and improvement programs for each process to reduce process scrap during production. 100% of scrap is recycled and sold to a recycling vendor. The scrap generated rate is reviewed monthly to ensure the targets are met.
4.3b Aluminium Process Scrap (alloy separation)	Conformance	The Entity has implemented procedures including an Aluminium Scrap Management Program to classify and manage the different kinds of Aluminium scrap. At present, only one Aluminium alloy is used by the Entity and no segregation is currently required in the collection process.
4.4a Collection and recycling of products at end-of-life (strategy)	Conformance	The Entity has implemented a policy for the collection and recycling of products at end-of-life and has established a recycling strategy for products at end-of-life, including specific timelines, activities, and targets. The activities include the purchasing of Recycled Aluminium ingots and by 2028 at least 30% of products will contain Recycled Aluminium and the progress will be reviewed annually.
4.4b Collection and recycling of products at end-of-life (engagement)	Conformance	There are no local, regional, or national collection and recycling systems where the Entity is located. The Entity has issued a policy to increase recycling rates in their respective markets for their products containing Aluminium and has developed plans to cooperate with customers and recycling companies to ensure 50% of final product are recycled by 2033. These plans are reviewed annually.
PRINCIPLE 5 GREENHOUSE GAS EMISSIONS		
5.1 Disclosure of GHG emissions and energy use	Conformance	The Entity has published Greenhouse Gas (GHG) emissions data in the 2022 Annual Sustainable Report, pages 21-22: http://www.tuopu.com/Public/upload/2023-04-28/644b3a428e8ec.pdf The Entity's internal experts have calculated the GHG emissions and provided the GHG source inventory and raw data for verification. In 2022, internal activities resulted in a discharge of 104603.42 tons of CO ₂ .

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5.2 GHG emissions reductions	Conformance	The Entity plans to reduce 0.5% CO ₂ emissions in 2023 against data from 2022 and has made improvement programs to achieve this target. At present major GHG generation sources are material transportation, electricity and natural gas and electricity is 100% coal fired. The management team annually reviews the progress. All the related data are tracked and reviewed monthly. The reduction plan and targets are published in the 2022 Annual Sustainable Development Report, page 20: http://www.tuopu.com/Public/upload/2023-04-28/644b3a428e8ec.pdf
5.3a Aluminium Smelting (management system)	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
5.3b Aluminium Smelting (up to and including 2020)	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
5.3c Aluminium Smelting (after 2020)	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
PRINCIPLE 6 EMISSIONS, EFFLUENTS AND WASTE		
6.1 Emissions to Air	Minor Non-Conformance	The Entity has implemented a process to control air emissions according to Environmental Impact Assessment (EIA) report and Pollution Discharge Registration (PDR) requirements. Monitoring is conducted annually by a qualified third party and it was observed that the Entity does not exceed threshold limit values. The Entity has set annual continual improvement objectives and programs to reduce waste air emissions and the objectives are reviewed monthly. Air emissions data is included in the 2022 Annual Sustainability Development Report, page 18: http://www.tuopu.com/Public/upload/2023-04-28/644b3a428e8ec.pdf For September 2022, it was identified the air emissions monitoring did not include some elements that were required by the legally mandated EIA.
6.2 Discharges to Water	Minor Non-Conformance	The Entity has implemented a process to control wastewater according to the EIA report and PDR requirements, monthly monitoring is performed by a qualified third party and has not exceeded the threshold limit. The Entity has established annual continual improvement objectives for wastewater which are reviewed monthly. Further information on wastewater management is disclosed in the 2022

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		<p>Sustainability Development Report, page 18: http://www.tuopu.com/Public/upload/2023-04-28/644b3a428e8ec.pdf</p> <p>For September 2022, it was identified the wastewater monitoring did not include some elements that were required by the legally mandated EIA.</p>
6.3a Assessment and Management of Spills and Leakage (assessment)	Conformance	The Entity conducts annual leakage assessments with the latest assessment completed in January 2023. No Material risks were identified.
6.3b Assessment and Management of Spills and Leakage (management)	Conformance	The Entity has implemented preventive actions and improvement programs for all identified potential risks. Emergency response programs for Spills and Leakages are established and are registered with the local environment bureau.
6.4a Reporting of Spills (immediate disclosure)	Conformance	The Entity has established an Emergency Response Control Process that defines how to dispose of and report Spills. If there is a spill, the Emergency Response Team (ERT) would follow the response process to deal with it accordingly and a spill drill has been conducted annually to ensure the process is up to date. The process includes the immediate notification to all affected parties including neighbours, Local Communities, and government authorities.
6.4b Reporting of Spills (regular reporting)	Conformance	No Spills were reported in recent years. When, and if they occur spill information is disclosed in the in the Sustainability Development Report, page 30: http://www.tuopu.com/Public/upload/2023-04-28/644b3a428e8ec.pdf
6.5a Waste management and reporting (strategy)	Minor Non-Conformance	The Entity has identified all the waste generated by its processes. A Solid waste inventory and a Hazardous Waste inventory have been established to track the sources and disposal of each kind of waste. All the waste is disposed by qualified vendors and the Entity regularly monitors compliance. The Entity has set continual improvement programs to reduce waste generation and the programs and targets are reviewed monthly to ensure they are met. However, Hazardous Waste management does not fully meet legal requirements and for example some Hazardous Waste is temporarily stored in the open air and without appropriate labelling.

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6.5b Waste management and reporting (disclosure)	Conformance	The Entity's waste management information is included in the 2022 Sustainability Development Report, page 19: http://www.tuopu.com/Public/upload/2023-04-28/644b3a428e8ec.pdf
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.
6.7e Spent Pot Lining (SPL) (marine and aquatic environments)	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
6.8a Dross (recovery)	Conformance	The Entity has implemented a Scrap Management Procedure that defines the process to collect and recycle Aluminium Dross. At present, 100% Dross is transferred to a vendor to extract the Aluminium.
6.8b Dross (recycling)	Conformance	The Dross generated by the Entity is transferred to a vendor to extract the Aluminium. According to monitoring records by the Quality Assurance (QA) Department, the vendor extracts Aluminium from the Dross and is then sold to their customers. The Entity reviews the management of Dross recycling monthly and seeks improvement to reduce the generation of Dross.

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6.8c Dross (review of alternatives)	Conformance	The Entity does not landfill Dross. 100% Dross is transferred to a vendor to extract the Aluminium.
PRINCIPLE 7 WATER STEWARDSHIP		
7.1a Water assessment (mapping)	Conformance	A qualified third party assessed the Entity's water consumption when the factory was established via Environmental Impact Assessment reports. These reports confirmed that the water source meets legal requirements and is approved by the local Environment Protection Bureau. In 2022, a total of 416,592 tonnes of water was used. The water source is a local municipal water plant, no water from underground, river or lake is used. The Entity regularly updates and reviews its water mapping.
7.1b Water assessment (risk assessment)	Conformance	The Entity has conducted its annual water risk assessment which includes the Area of Influence. The latest assessment was conducted in July 2022 and did not identify any Material risks.
7.2a Water management (management plans)	Conformance	The Entity has implemented annual targets to continually reduce water consumption and has established programs to achieve them.
7.2b Water management (monitoring)	Conformance	The Entity has implemented annual targets to continually reduce water consumption and has established programs to achieve them. The targets and progress are reviewed monthly.
7.3 Disclosure of water usage and risks	Conformance	The Entity has disclosed its water usage and risks in the 2022 Sustainable Development Report, pages 23-25: http://www.tuopu.com/Public/upload/2023-04-28/644b3a428e8ec.pdf
PRINCIPLE 8 BIODIVERSITY		
8.1 Biodiversity assessment	Conformance	The Entity's biodiversity assessment has been addressed by EIA reports which are conducted by a qualified third party and approved by the Government. No Material negative impacts have been identified. The Entity is located in a Government-managed industrial zone.
8.2a Biodiversity management (biodiversity action plans)	Not Applicable	The Entity has not developed a Biodiversity Action Plan because there have been no Material negative impacts identified according to the biodiversity assessment.

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8.2b Biodiversity management (consultation and mitigation hierarchy)	Not Applicable	The Entity has not developed a Biodiversity Action Plan because there have been no negative Material impacts identified according to the biodiversity assessment.
8.2c Biodiversity management (reporting)	Not Applicable	The Entity has no Biodiversity Action Plan because no material negative impacts have been identified during the biodiversity assessment. Further information on the assessment is available in the 2022 Sustainable Development Report, pages 27 and 28: http://www.tuopu.com/Public/upload/2023-04-28/644b3a428e8ec.pdf
8.3 Alien Species	Conformance	The Entity annually assesses risks related to Alien Species and no Material risks have been identified.
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 a Policy with respect to Human Rights. The Policy is included in the 2022 Annual Sustainable Development Report, page 6: http://www.tuopu.com/Public/upload/2023-04-28/644b3a428e8ec.pdf
9.1b Human Rights Due Diligence (process)	Conformance	The Entity has established a Due Diligence Management Procedure that requires that Human Rights Due Diligence is to be conducted annually. The latest Human Rights Due Diligence was conducted in April 2022 and considered the Entity, suppliers, communities, and other Stakeholders. The equated to approximately 95% of the Entity’s key Stakeholders.
9.1c Human Rights Due Diligence (remediation)	Conformance	The Entity has established its Due Diligence Management Procedure to manage any identified adverse Human Rights impacts. A hotline (0574-56582888) and email (tuopu@tuopu.com) are available for Stakeholders to raise concerns. No

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		adverse impacts have ever been reported as a result remediation is not required. If any remedial action is required, the Entity will develop remediation and corrective actions according to the Procedure.
9.2 Women's Rights	Conformance	The Entity has established a Code of Conduct regarding Discrimination and harassment. The Entity respects the rights and interests of women and develops activities to support work-life balance. All female Workers in the Entity do not work in hazardous positions which are prohibited by law. Women are paid the same as men for their work. The Entity also provides adequate protection for pregnant Workers and facilities for nursing mothers.
9.3 Indigenous Peoples	Not Applicable	This Criterion does not apply, as there are no Indigenous Peoples in the areas where the Entity operates. The Entity is located in a Government-managed industrial zone.
9.4 Free, Prior, and Informed Consent (FPIC)	Not Applicable	This Criterion does not apply, as there are no Indigenous Peoples in the areas where the Entity operates. The Entity is located in a Government-managed industrial zone.
9.5 Cultural and sacred heritage	Conformance	Through on-site observation and confirmation via the Environmental Impact Assessment report, it has been determined that the Entity is situated in an industrial zone and does not have any impact on cultural or sacred heritage sites.
9.6a Resettlements (avoid or minimise)	Conformance	The Entity has established a resettlement management procedure that requires them to consider feasible alternatives to avoid or minimise physical and/or economic displacement, whilst also considering environmental, social, and financial costs and benefits, paying particular attention to impacts on the poor and vulnerable, including women during the project design process. The EIA report confirms that no resettlements are/were required. The Entity has confirmed that there are no resettlements expected to occur in future.
9.6b Resettlements (where unavoidable)	Conformance	Where physical displacement is unavoidable, the resettlement management procedure requires the Entity to establish a detailed resettlement plan with affected parties consistent with IFC Performance Standard 5 - Land Acquisition and Involuntary Resettlement. However, the Entity has confirmed

CRITERION	RATING	COMMENT
		that there are no resettlements expected to occur in future.
9.7a Local Communities (rights and interests)	Conformance	The Entity has established an ASI PS Management Manual and Local Communities Management Procedure. The Entity have also implemented communication channels for Local Communities and have not received any complaints from them.
9.7b Local Communities (impacts)	Conformance	The Entity is located in an industrial zone, the nearest community is located approximately one kilometre from the Entity. Some employees (approximately five percent) are from this local area. The EIA report indicates that the Entity has installed environmental protection devices, including air emission treatment facilities to reduce the impact on the surrounding communities. The Entity also has established an Emergency Response Plan, where Local Communities are engaged in the Response Plan.
9.7c Local Communities (livelihoods)	Conformance	Approximately five percent of the Entity's employees are from the Local Community. The Entity has established a plan to support surrounding Communities, such as providing employment opportunities and supporting public events.
9.8 Conflict-Affected and High-Risk Areas	Conformance	The Entity has established ASI PS Management Manual, which includes a Procedure that outlines its commitment to not contribute to armed conflict or Human Rights abuses in Conflict-Affected and High-Risk Areas (CAHRAs). Both the Due Diligence investigation reports and signed supplier commitments confirm that no materials are sourced from these areas.
9.9 Security practice	Conformance	The Entity has established a Security Management Regulation with respect to Human Rights. All security staff receive training on the Human Rights Policy and procedure with annual refreshers also provided. This training includes anti-harassment, anti-abuse and anti-Forced Labour. All security practices on site are undertaken in accordance to the Entity's Human Rights commitments.
PRINCIPLE 10 LABOUR RIGHTS		
10.1a Freedom of Association and Right to Collective Bargaining (freedom of association)	Not Applicable	This Criterion is not applicable to the Entity, due to restrictions on Freedom of Association and Collective Bargaining in China.

CRITERION	RATING	COMMENT
10.1b Freedom of Association and Right to Collective Bargaining (collective bargaining)	Not Applicable	This Criterion is not applicable to the Entity, due to restrictions on Freedom of Association
10.1c Freedom of Association and Right to Collective Bargaining (alternative means)	Conformance	There are laws that restrict Freedom of Association and the Right to Collective Bargaining in China. The Entity respects the rights of Workers according to its policy and procedure and expects the same of its suppliers. The Entity has one Labour Union that Workers can join voluntarily. Worker representatives are elected democratically and are treated the same as other Workers. Interviews with Workers confirm that the Entity does not interfere with the Union's activities. Workers' representatives are elected democratically by all Workers, whom address the Workers' concerns with management on behalf of Workers. The Worker representatives deal with management on behalf of Workers, and they negotiate all employment conditions with the Entity. The employee manual is approved by the worker representatives.
10.2a Child Labour (minimum age)	Conformance	The Entity has implemented processes to prevent the hiring of Child Labour and has established a remediation plan if such a case occurs. There is no Child Labour on site.
10.2b Child Labour (hazardous)	Conformance	The Entity has implemented processes to prevent the hiring of Child Labour and has established a remediation plan. Document review and interviews with Workers confirm no Child Labour is employed by the Entity. The Entity expects its suppliers to comply with the prohibition of Child Labour.
10.2c Child Labour (worst forms)	Conformance	The Entity has implemented processes to prevent the hiring of Child Labour and has established a remediation plan. Document review and interviews with Workers confirm no Child Labour is employed by the Entity. The Entity expects its suppliers to comply with the prohibition of Child Labour.
10.3a Forced Labour (human trafficking)	Conformance	The Entity has established an ASI PS Management Manual and Prohibition of Forced Labour Procedure to prevent Forced Labour. The Entity expects its suppliers to comply with the prohibition of Forced Labour including slavery and Human Trafficking. A review of personnel files, and interviews with Workers and management, confirmed all employees entered employment voluntarily, and there were no incidents of slavery or Human Trafficking.

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10.3b Forced Labour (deposits, fees, advances)	Conformance	The Entity has implemented a Policy and established a Procedure to prevent Forced Labour. All employees are employed directly, no deposits, fees or advances are required from employees, as confirmed by Worker interviews.
10.3c Forced Labour (migrant workers)	Conformance	The Entity has implemented a policy and established a procedure to prevent Forced Labour. No foreign Migrant Workers are employed by the Entity. All Workers are Chinese. A document review and interviews with Workers confirm all local and domestic Migrant Workers are not required to lodge deposits or security payments at any time.
10.3d Forced Labour (debt bondage)	Conformance	The Entity has implemented a Policy and established a Procedure to prevent Forced Labour. There is no presence of Debt Bondage labour case identified during the audit.
10.3e Forced Labour (freedom of movement)	Conformance	The Entity has established an ASI PS Management Manual and Prohibition of Forced Labour Procedure to prevent Forced Labour. There is no restriction on employees' movement at the sites, all employees can access basic liberties freely during work hours and are also free to leave both the working and dormitory areas.
10.3f Forced Labour (retention of identity papers, permits, certificates)	Conformance	The Entity has established an ASI PS Management Manual and Prohibition of Forced Labour Procedure to prevent Forced Labour. The Entity does not retain any original documents, passports, or permits, only keep copies of identification which are required for verifying the age of Workers during the recruitment process, these are kept in the personnel files.
10.3g Forced Labour (freedom to terminate employment)	Conformance	The Entity has established an Employee Manual which outlines employees are free to terminate their employment with advance notice according to legal requirements and no penalty would be applied. The time for the announcement of termination of the working contract is regulated in the labour contract. Workers in the probation period can end their employment with written notice three days in advance. After the probation period, Workers can end their employment by providing written notice 30 days in advance, without penalty as required by law.
10.4 Non-Discrimination	Conformance	The Entity has implemented policies and procedures to prevent Discrimination during the

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		hiring, promotion, and training processes. No cases of Discrimination have been identified.
10.5 Communication and engagement	Conformance	<p>The Entity encourages Workers to participate in the ASI Management System, with direct and frequent communication with Workers and their representatives during Workers' Council meetings established. Workers have mentioned a positive working climate and direct communication. Additionally, the Entity has conducted an annual satisfaction survey to collect Workers' feedback. Workers can report their concerns through various channels, such as suggestion boxes, email and hotline. The Entity has provided feedback to relevant Workers or external parties regarding corrective actions and status relevant to their concerns.</p>
10.6 Disciplinary practices	Conformance	<p>The Entity has established ASI PS Management Manual and Disciplinary Management Regulation regarding disciplinary practices. Disciplinary measures are regulated by law and require written evidence and the involvement of worker representation. All the disciplinary records must be confirmed by both Workers and management. There have been no cases of corporal punishment, mental or physical coercion, harassment, and gender-based violence including sexual harassment, or verbal abuse in the previous year.</p>
10.7a Remuneration (living wage)	Major Non-Conformance	<p>The basic wage for Workers complies with the legal standard. Meal allowances, night shift allowances, high-temperature allowances, senior management bonuses and performance bonuses are also paid to Workers. All employees are enrolled in the social insurance and housing provident fund according to legal requirements. However, it was identified the Entity does not pay appropriate rates for Workers' holiday wages in accordance with statutory requirements. In July 2022, over ten percent of part-time Workers did not receive adequate Overtime compensation. The Entity does not have a mechanism to detect similar shortages should they occur in future. Additionally, the contribution base for social insurance and housing provident fund for Workers is set at a local lower limit rather than the legally required average monthly incomes of the previous year for Workers.</p>

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10.7b Remuneration (method of payment)	Conformance	The Entity has provided payroll records from the previous twelve months for review. Payments are made on the 10 th of each month via bank transfer according to labour contracts. Workers who have resigned are paid in compliance with the legal requirements. There have been no delayed payments in the past twelve months according to bank transfer receipts.
10.8 Working Time	Major Non-Conformance	The Entity has implemented policies and procedures to provide paid annual leave, sick leave, marriage leave and maternity leave to Workers. A process is in place to record and track attendance. Overtime is arranged with Workers' co-operation. However, it was identified the consolidated working hours, weekly Overtime, and the provision for one day off per seven days and annual leave do not meet both legal and ILO standards.
PRINCIPLE 11 OCCUPATIONAL HEALTH AND SAFETY		
11.1a Occupational Health and Safety (OH&S) Policy (policy)	Conformance	The Entity has established an OH&S Management System and implemented an OH&S Policy with a commitment to comply with laws and applicable international conventions. The Entity holds a valid ISO 45001:2018 certificate for its entire Certification Scope.
11.1b Occupational Health and Safety (OH&S) Policy (workers and visitors)	Conformance	The OH&S Policy is posted on the Entity's office and workshop bulletin boards. Visitors are briefed on the OH&S management process through videos and site visit requirements.
11.1c Occupational Health and Safety (OH&S) Policy (applicable law and standards)	Conformance	The Entity has established an OH&S Management System and implemented an OH&S Policy with a commitment to comply with laws and applicable international conventions.
11.1d Occupational Health and Safety (OH&S) Policy (right to stop unsafe work)	Conformance	The Entity has established an OH&S Policy which indicates the right of employees to refuse to work in an unsafe environment. This policy has been communicated to employees in the orientation training and annual refresher training.
11.2 OH&S Management System	Conformance	The Entity holds a valid ISO 45001:2018 certificate which addresses the entire certification scope.
11.3 Employee engagement on health and safety	Conformance	The Entity meets regularly with employee representatives to discuss matters related to OH&S. Records are kept of these meetings and any communication about OH&S. Additionally, the

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		Entity has implemented a policy to reward employees who report health and safety issues.
11.4 OH&S performance	Minor Non-Conformance	The Entity has established objectives and targets to control OH&S performance. Improvement programs have been implemented to achieve the objectives and targets. The Entity conducts monthly management reviews to check the progress to ensure they remain on track. However, it was identified the performance in some areas such as occupational disease management and machine safety does not achieve an appropriate level of OH&S performance.

Document Control and Version History

Revision	Date	Notes
0	3 August 2023	Initial Certification Audit - Provisional Certification