
ASI CERTIFICATION PERFORMANCE STANDARD



PRESENTED TO

SHANGHAI HUAFON ALUMINIUM CORPORATION

CERTIFICATE
NUMBER

310

ASI
STANDARD

PERFORMANCE
STANDARD
(V2 2017)

CERTIFICATION
LEVEL

FULL
CERTIFICATION

ASI ACCREDITED
AUDITOR

SHANGHAI KYLIN
CERTIFICATION
SERVICE CO.,
LTD.

DATE OF ISSUE

23 OCTOBER 2023

DATE OF EXPIRY

22 OCTOBER 2026

CERTIFIED SINCE

23 OCTOBER 2023

AUTHORISED BY

A stylized, 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

Shanghai Huafon Aluminium Corporation in Jinshan District Shanghai, China. Major products include aluminium alloy strip, foil, sheet and stamping parts. The main manufacturing processes include casting, hot-rolling, cold-rolling, slitting and stamping.

SUMMARY AUDIT REPORT

PERFORMANCE STANDARD

OVERVIEW

MEMBER NAME	Shanghai Huafon Aluminium Corporation
ENTITY NAME	Shanghai Huafon Aluminium Corporation
CERTIFICATION SCOPE	Shanghai Huafon Aluminium Corporation in Jinshan District Shanghai, China. Major products include aluminium alloy strip, foil, sheet and stamping parts. The main manufacturing processes include casting, hot-rolling, cold-rolling, slitting and stamping.
SUPPLY CHAIN ACTIVITIES	<ul style="list-style-type: none">• Casthouses• Semi-Fabrication
ASI STANDARD	<ul style="list-style-type: none">• Performance Standard V2
AUDIT TYPE	<ul style="list-style-type: none">• Initial Certification Audit
AUDIT FIRM	Shanghai Kylin Certification Service Co., Ltd.
AUDIT DATE	<ul style="list-style-type: none">• 15 – 17 May 2023
AUDIT REPORT SUBMISSION	<ul style="list-style-type: none">• 14 July 2023
AUDIT SCOPE	<p>The audit scope included the Shanghai Huafon Aluminium Corporation in Jinshan District Shanghai, China with the major products including various series of aluminium alloy strip, foil, sheet and stamping parts and the main manufacturing processes of casting, hot-rolling, cold-rolling, slitting and stamping.</p> <p>Supply chain activities included in the audit scope:</p> <ul style="list-style-type: none">• Casthouses• Semi-Fabrication <p>All applicable 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

The Auditors confirm that:

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

CERTIFICATION
PERIOD

23 October 2023 – 22 October 2026

NEXT AUDIT
TYPE

Surveillance Audit

NEXT AUDIT
DUE DATE

22 April 2025

CERTIFICATE
NUMBER

310

SUMMARY OF FINDINGS

CRITERION	RATING	COMMENT
PRINCIPLE 1 BUSINESS INTEGRITY		
1.1 Legal Compliance	Conformance	The Entity has established a Compliance Management Procedure and the Planning Department is responsible for annual compliance evaluations.
1.2 Anti-Corruption	Conformance	The Entity has established the Anti-Corruption and Bribery Control Procedure, Advertising and Fair-Trading Procedure, and Business Ethics Control Procedure. An anti-Corruption organisational structure, led by the General Manager, has been established that includes the Environment, Health and Safety (EHS), Quality, and Comprehensive Management Departments.
1.3 Code of Conduct	Conformance	The Entity has established a Code of Conduct, which includes guidelines related to corporate governance, social responsibility, and the environment: http://www.huafonal.com/upload/asi/%E8%A1%8C%E4%B8%BA%E5%87%86%E5%88%99.pdf
PRINCIPLE 2 POLICY & MANAGEMENT		
2.1a Environmental, Social, and Governance Policy (implement and maintain)	Conformance	The Entity has established Environmental, Health and Safety (EHS) Policies and Policies on social responsibility, governance, and responsible procurement. The Entity has ISO 14001 and ISO 45001 certifications.
2.1b Environmental, Social, and Governance Policy (senior management)	Conformance	The General Manager has approved the various Environmental, Social and Governance (ESG) Policies. The management review concluded that the various Policies are currently appropriate.
2.1c Environmental, Social, and Governance Policy (communication)	Conformance	The Policy is on the Entity's website and it internally conveyed through a scrolling screen in the cafeteria: http://www.huafonal.com/upload/asi/ASI%20%E6%96%B9%E9%92%88.pdf
2.2 Leadership	Conformance	The General Manager acts as the Management Representative, and the Quality Department Head acts as the deputy Management Representative.
2.3a Environmental and Social Management Systems (environmental)	Conformance	The Entity has implemented an ISO 14001 certified Management System (valid until July 2023).
2.3b Environmental and Social Management Systems (social)	Conformance	The Entity has established a social Management System that is ISO 45001 certified (valid until July 2023). The Entity has also established a number of management procedures for social management to

CRITERION	RATING	COMMENT
		address protection of women and pregnant workers, young workers, human rights and labour rights.
2.4 Responsible Sourcing	Minor Non-Conformance	The Entity has established a responsible procurement Policy that addresses environment, social and governance issues. However, only part of the suppliers' responsible procurement policy commitments could be evidenced.
2.5 Impact Assessments	Conformance	There have been no New Projects or Major Changes at the Entity in the past year. However, if a New Project is approved, the Entity would implement the Impact Control Procedure for New Projects, which requires the Entity conduct environmental, Human Rights, cultural, and social Impact assessments.
2.6 Emergency Response Plan	Conformance	The Entity has established processes such as the Environmental Emergency Plan, Production Safety Accident Emergency Plan, and Leakage Risk Assessment. The Safety Emergency Plan addresses incidents of fire, chemical leakage, disastrous weather, handling of special equipment accidents, limited space, electric shock, vehicle accidents, burns, mechanical injuries, heatstroke, pressure vessel explosions. Each workshop undertakes a fire drill annually.
2.7 Mergers and Acquisitions	Conformance	The Entity has established the 'Regulations on Mergers and Acquisitions Management', and Due Diligence is required in the management of mergers and acquisitions. There are currently no cases of mergers or acquisitions.
2.8 Closure, Decommissioning and Divestment	Conformance	The Entity has established the 'Regulations on Management of Closure, Retirement, and Divestment', which require the consideration of environmental, social, economic, and governance factors during the process. There have been no plans in the past year for closure, decommissioning or divestment.
PRINCIPLE 3 TRANSPARENCY		
3.1 Sustainability Reporting	Conformance	The Entity has disclosed the 2022 Sustainable Development Report, which addresses corporate governance, environmental and social aspects such as compliance, government payments, greenhouse gas emissions, waste emissions, water resource use, employee wages and benefits, and occupational health and safety: http://www.huafonal.com/upload/asi/2022%E5%B9%B4%E6%8C%81%E7%BB%AD%E5%8F%91%E5%B1%95%E6%8A%A5%E5%91%8A.pdf

CRITERION	RATING	COMMENT
3.2 Non-compliance and liabilities	Conformance	The Entity has no record of violation on the government's national enterprise credit information publicity system website. According to the 'Violations and Responsibilities' section in the Sustainable Development Report, the Entity has not been punished in recent years.
3.3a Payments to governments (legal and contractual)	Conformance	The Entity is a listed company and its finances are audited. Payments are listed in Sustainability Development Report: http://www.huafonal.com/upload/asi/2022%E5%B9%B4%E6%8C%81%E7%BB%AD%E5%8F%91%E5%B1%95%E6%8A%A5%E5%91%8A.pdf
3.3b Payments to governments (disclosure – bauxite mining)	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
3.4 Stakeholder complaints, grievances and requests for information	Conformance	The Entity has established the Employee Appeal and Complaint Handling Control Procedure, which provides for employee complaints and appeals. The cafeteria has an anonymous reporting mailbox, which is regularly opened and inspected by the Comprehensive Management Department. In addition, contact details are provided in the employee handbook. In 2023, 392 recommendations were adopted, including eight for the humanities area (team building, women's restroom capacity, and optimising meal exchange procedures) and 84 for safety and fire protection. The Procedure for Handling Stakeholder Complaints and Grievances stipulates that the HSE Department is responsible for receiving appeals and complaints.
PRINCIPLE 4 MATERIAL STEWARDSHIP		
4.1a Environmental Life Cycle Assessment (life cycle impacts)	Conformance	The Entity has established the Product Life Cycle Assessment (LCA) report for fin, tube and sheet Products.
4.1b Environmental Life Cycle Assessment (cradle to gate)	Conformance	The LCA information on fin, tube and sheet Products covers the cradle to gate.
4.1c Environmental Life Cycle Assessment (public communication)	Minor Non-Conformance	The Entity's LCA is available on the Entity's website. http://www.huafonal.com/upload/asi/%E4%BA%A7%E5%93%81%E7%8E%AF%E5%A2%83%E7%94%9F%E5%91%BD%E5%91%A8%E6%9C%9F%E8%AF%84%E4%BC%B0%E6%8A%A5%E5%91%8A.pdf However, the calculation method and data related to Aluminium raw materials in the LCA report are not accurate, with emission factors not based on the actual source and the report lacks indicators for atmospheric

CRITERION	RATING	COMMENT
		environment, soil and water toxicity. There is also a lack of sensitivity analysis.
4.2 Product design	Conformance	The Entity has an Impact of Product Design work instruction that requires the Technical Department and quality process personnel to consider material conservation, energy consumption, environmental and cultural considerations in Product design. The Entity has established a project team in the past to reduce energy consumption by improving the furnace. The stamping workshop selects suitable specifications during material selection to reduce waste generation.
4.3a Aluminium Process Scrap (targets)	Conformance	The Entity's Management Measures for Waste Recycling Process establishes a target for reducing Aluminium material scrap. The Entity has implemented a dedicated project called 'Improving Waste Utilization Rate', which addresses: 1. Improvement in the refined management of waste materials and increase categories; 2. Development of new alloy products based on the content of waste alloy; 3. Optimisation of product structure and enhancement of the future treatability of waste materials.
4.3b Aluminium Process Scrap (alloy separation)	Conformance	The Aluminium Process Scrap generated during the production process is recorded in proportion to its composition and stored in the warehouse. The warehouse selects waste and raw Aluminium that match the alloy ratio of the production task, and then produces them out of the warehouse.
4.4a Collection and recycling of products at end-of-life (strategy)	Conformance	The Entity purchases Aluminium scrap from customers and has established a goal to gradually increasing the use of waste from waste intermediaries and other Aluminium processing plants as raw materials. It is expected that in 2023, factories in Shanghai and Chongqing will have also established targets to recycle scrap from existing customers and purchase scrap from external sources.
4.4b Collection and recycling of products at end-of-life (engagement)	Conformance	There is currently no nationwide organisation for recycling. The Entity is improving the utilisation rate of Aluminium scrap in its raw materials.
PRINCIPLE 5 GREENHOUSE GAS EMISSIONS		
5.1 Disclosure of GHG emissions and energy use	Conformance	The Entity has an energy Management System certified to ISO 50001 and established an annual energy target. The 2022 energy target for a 3% reduction has been achieved and a 3% reduction target has been established for 2023

CRITERION	RATING	COMMENT
		<p>GHG emissions have been subject to government quotas since 2018. The Entity has disclosed its Scope 1 and Scope 2 GHG emissions:</p> <p>http://www.huafonal.com/upload/asi/2023%E5%B9%B4%E6%B8%A9%E5%AE%A4%E6%B0%94%E4%BD%93%E6%8E%92%E6%94%BE%E7%9B%AE%E6%A0%87%E5%8F%8A%E5%AE%9E%E6%96%BD%E8%AE%A1%E5%88%92.pdf</p> <p>The report has not been third party verified.</p>
5.2 GHG emissions reductions	Conformance	<p>The Entity has reduced its GHG emissions by sourcing hydropower, establishing rooftop solar power generation equipment and efficiency improvements. The first and second phases of the rooftop solar power project was completed in July 2022 and November 2022 respectively. In 2023 the main technical transformation will be to five large air compressors, reducing electricity consumption by 1 million kWh (approximately 20% reduction in air compressor electricity consumption). The Entity also has implemented projects to reduce reliance on standard coal.</p>
5.3a Aluminium Smelting (management system)	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
5.3b Aluminium Smelting (up to and including 2020)	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
5.3c Aluminium Smelting (after 2020)	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
PRINCIPLE 6 EMISSIONS, EFFLUENTS AND WASTE		
6.1 Emissions to Air	Conformance	<p>The Entity has identified and quantified air pollutants in the 2022 Air Pollutants and Water Pollutants Publicity Report, and established a 20% emission reduction target for 2023 in the Water and Gas Pollution Reduction Plan.</p>
6.2 Discharges to Water	Conformance	<p>The Entity has a valid Sewage Discharge Permit. The Entity has a circulating water system and is equipped with a wastewater degreasing device. The Entity has met its discharge reduction goal through raised personnel awareness and improved inspection of emission equipment.</p>
6.3a Assessment and Management of Spills and Leakage (assessment)	Conformance	<p>The Entity has developed an Environmental Emergency Risk Assessment Report, which assessed the potential for Spills and Leakages.</p>

CRITERION	RATING	COMMENT
6.3b Assessment and Management of Spills and Leakage (management)	Minor Non-Conformance	The Entity's Risk Assessment Report on Environmental Emergencies has identified risk prevention and control measures and emergency measures for the identified Spills and Leakages. Control measures are also established for the impact of environmental emergencies on soil and groundwater. However, the audit identified a workshop location with incorrect chemical storage, with no measures to prevent leakage.
6.4a Reporting of Spills (immediate disclosure)	Conformance	The Entity has established a Leakage Risk Assessment Report that requires regular disclosure and improvement of emergency response capabilities. There have been no Spills or Leakages at the Entity in recent years.
6.4b Reporting of Spills (regular reporting)	Conformance	The Entity has disclosed a statement on its website confirming there have been no Spills or Leakages: http://www.huafonal.com/upload/asi/%E6%97%A0%E6%B3%84%E6%BC%8F%E5%A3%B0%E6%98%8E.pdf
6.5a Waste management and reporting (strategy)	Conformance	The Entity has established operational instructions for the treatment of Non-Hazardous Waste (solid) and Hazardous Waste (solid) and developed appropriate disposal measures according to the type of waste. The collection, classification, utilisation or sale of various wastes, such as cutting waste and aluminium slag are defined and the recycling and disposal of Hazardous Wastes are clarified.
6.5b Waste management and reporting (disclosure)	Minor Non-Conformance	The Entity has disclosed the quantity of Hazardous Waste and its treatment methods. However, the Entity has not disclosed the quantity of Non-Hazardous Waste.
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.

CRITERION	RATING	COMMENT
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	Aluminium Dross generated by the Entity is recycled by two qualified suppliers.
6.8b Dross (recycling)	Conformance	At present, the Entity does not have a process for recycling Aluminium Dross internally. A technical transformation project is currently being planned by the Entity that includes the Aluminium Dross recovery process.
6.8c Dross (review of alternatives)	Conformance	The Entity has reviewed the supplier's qualification and specifies in the contract the requirement for the transportation and disposal of Aluminium Dross to meet environmental laws and regulations. There is no direct landfilling of Dross.
PRINCIPLE 7 WATER STEWARDSHIP		
7.1a Water assessment (mapping)	Conformance	The Entity consumes potable (tap) water only and do not obtain water from natural water bodies and prohibits the use of groundwater. The Entity records water use data in an annual water inventory table.
7.1b Water assessment (risk assessment)	Conformance	The Entity has developed a Water Resources Risk Assessment Report based on its water use, which considered the ratio of the average daily consumption to local water supply capacity and water-related risks were considered low.
7.2a Water management (management plans)	Conformance	Although water-related risks are considered low, the Entity has established a Water Use Plan, and has identified management actions to address the aging infrastructure (pipes) and leakage of underground reservoirs.

CRITERION	RATING	COMMENT
7.2b Water management (monitoring)	Conformance	The Entity has developed a construction schedule for pipe replacement project, which was currently in construction.
7.3 Disclosure of water usage and risks	Conformance	The Entity has disclosed its Water Risk Assessment Report: http://www.huafonal.com/upload/asi/%E6%B0%B4%E8%B5%84%E6%BA%90%E9%A3%8E%E9%99%A9%E8%AF%84%E4%BC%B0%E6%8A%A5%E5%91%8A.pdf
PRINCIPLE 8 BIODIVERSITY		
8.1 Biodiversity assessment	Conformance	The Entity has assessed the potential impacts of its operations on Biodiversity in the Biodiversity Risk Assessment Report and determined the risk as low.
8.2a Biodiversity management (biodiversity action plans)	Conformance	The Entity has developed Biodiversity risk prevention and control measures and recorded the measures and investigations in their Biodiversity Risk Assessment Report.
8.2b Biodiversity management (consultation and mitigation hierarchy)	Conformance	The Entity has developed improvement plans that address the management of Biodiversity with actions related to supplementary planting, plant protection and insect control.
8.2c Biodiversity management (reporting)	Conformance	The Entity has developed and disclosed its Biodiversity Risk Assessment Report: http://www.huafonal.com/upload/asi/%E7%94%9F%E7%89%A9%E5%A4%9A%E6%A0%B7%E6%80%A7%E6%8A%A5%E5%91%8A.pdf
8.3 Alien Species	Conformance	The Entity has identified the risk of the introduction of Alien Species and developed control methods to manage the risks. There are no overseas materials using wooden boxes or wooden pallets within the physical factory area and the plants are native varieties.
8.4a Commitment to “No Go” in World Heritage properties (exploration and new mines)	Not Applicable	This Criterion is not applicable to the Entity’s Certification Scope.
8.4b Commitment to “No Go” in World Heritage properties (existing operations)	Not Applicable	This Criterion is not applicable to the Entity’s Certification Scope.
8.5a Mine rehabilitation (best available techniques)	Not Applicable	This Criterion is not applicable to the Entity’s Certification Scope.
8.5b Mine rehabilitation (financial provisions)	Not Applicable	This Criterion is not applicable to the Entity’s Certification Scope.

CRITERION	RATING	COMMENT
PRINCIPLE 9 HUMAN RIGHTS		
9.1a Human Rights Due Diligence (policy)	Conformance	The Entity has implemented a social responsibility Policy that includes a commitment to respect Human Rights, and with strict adherence to regulations and international conventions. The Entity's Code of Conduct addresses and requires the respect of Human Rights.
9.1b Human Rights Due Diligence (process)	Conformance	The Entity has established the 'Human Rights Investigation Control Procedure', which stipulates the process of Human Rights Due Diligence. The report on the investigation is available on the Entity's website: http://www.huafonal.com/upload/asi/2022%E5%B9%B4%E5%BA%A6%E4%BA%BA%E6%9D%83%E5%B0%BD%E8%81%8C%E8%B0%83%E6%9F%A5%E6%8A%A5%E5%91%8A.pdf
9.1c Human Rights Due Diligence (remediation)	Conformance	The Entity has conducted Human Rights Due Diligence and did not find any adverse effects on Human Rights. No remedial action is currently required.
9.2 Women's Rights	Conformance	The Entity has implemented the 'Women's Labor Protection Policy' that addresses the rights and interests of female employees. More than one third of the management team are women.
9.3 Indigenous Peoples	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
9.4 Free, Prior, and Informed Consent (FPIC)	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
9.5 Cultural and sacred heritage	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
9.6a Resettlements (avoid or minimise)	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
9.6b Resettlements (where unavoidable)	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
9.7a Local Communities (rights and interests)	Conformance	The Entity is located in an industrial area, with the nearest communities located a approximately 6 kilometres from the site. There is no record of complaint with the industrial area management authority.
9.7b Local Communities (impacts)	Conformance	The Entity addresses potential environmental issues, including emissions and water use, through implementation of an EHS Management System.
9.7c Local Communities (livelihoods)	Conformance	There are more than 60% of local employees in the Entity and the Entity supports local employment.

CRITERION	RATING	COMMENT
9.8 Conflict-Affected and High-Risk Areas	Conformance	The Entity has established the 'Management Regulations for Investigating Conflict Minerals', and does not purchase metal raw materials from Conflict-Affected or High-Risk Areas. Suppliers also need to sign the responsible procurement policy commitment letter.
9.9 Security practice	Conformance	The Entity has formulated a security management system. Security personnel are mainly responsible for goods entry and exit inspection and employee attendance and are prohibited from violating Human Rights, restricting personal freedom, seizing personal documents and finances, threatening violence, and violating employee privacy.
PRINCIPLE 10 LABOUR RIGHTS		
10.1a Freedom of Association and Right to Collective Bargaining (freedom of association)	Conformance	The Entity has established a procedural document that clearly stipulates that all employees have the right to form and join Trade Unions and participate in Collective Bargaining in accordance with the law.
10.1b Freedom of Association and Right to Collective Bargaining (collective bargaining)	Conformance	The Entity has established a procedural document that clearly stipulates that all employees have the right to form and join Trade Unions and participate in Collective Bargaining in accordance with the law.
10.1c Freedom of Association and Right to Collective Bargaining (alternative means)	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
10.2a Child Labour (minimum age)	Conformance	The Entity's youngest employee is 22 years of age and no evidence or circumstances of Child Labour was identified during the audit.
10.2b Child Labour (hazardous)	Conformance	The Entity prohibits the use of Child Labour and commits not to use or support Hazardous Child Labour.
10.2c Child Labour (worst forms)	Conformance	The Entity prohibits the use of Child Labour and commits not to use or support the Worst Forms of Child Labour.
10.3a Forced Labour (human trafficking)	Conformance	The Entity's employees are mainly and primarily employed through standard recruitment processes, with others via employee suggestion. The Entity commits to not participating in or supporting Human Trafficking in the ASI Manual. Employee confirmed during interviews that there is no Human Trafficking .
10.3b Forced Labour (deposits, fees, advances)	Conformance	During employee onboarding, the Entity distributes uniforms and personal protective equipment including shoes, earplugs and other materials, free of charge and no expenses are incurred by employees.

CRITERION	RATING	COMMENT
10.3c Forced Labour (migrant workers)	Conformance	The Entity currently has no Migrant Workers.
10.3d Forced Labour (debt bondage)	Conformance	The Entity does not provide any form of Debt Bondage and pays Workers in full and on a regular monthly basis. There is no debt relationship between employees and the Entity.
10.3e Forced Labour (freedom of movement)	Conformance	Workers have unlimited freedom during non-working hours. During working hours, Workers may leave the site if required and follow a process of reporting the situation to their team leader.
10.3f Forced Labour (retention of identity papers, permits, certificates)	Conformance	The Entity retains a copy only of the employee's identification card, there is no seizure of original personal documents.
10.3g Forced Labour (freedom to terminate employment)	Conformance	The Entity's employees are free to terminate their employment with notice in accordance with the statutory requirements and after the completion of the handover of work. There is no blocking or imposing additional conditions.
10.4 Non-Discrimination	Conformance	The Entity has established the Anti-Discrimination Control Procedure which establishes specific requirements for processes such as recruitment, hiring, salary, promotion, dismissal, and religious beliefs. Interviews during the audit confirmed that the Entity's work environment is suitable and there are no evidences of Discrimination.
10.5 Communication and engagement	Conformance	The Entity has developed a Communication Management Control Procedure and has established methods to receive complaints, including a suggestion box in the canteen and a dedicated reporting hotline.
10.6 Disciplinary practices	Conformance	The Entity does not support unreasonable disciplinary behaviour and does not tolerate corporal punishment and harassment. The Entity has established the Procedure for Prohibiting Corporal Punishment and Harassment Control which sets specific requirements for process control.
10.7a Remuneration (living wage)	Minor Non-Conformance	The Entity pays wages higher than the minimum wage. However, in the three months' sample of payroll records viewed, there are individual employees that did not meet the statutory minimum wage requirements due to wage deductions. The Entity's employee handbook contains descriptions of punitive measures.
10.7b Remuneration (method of payment)	Conformance	Workers' remuneration is paid by bank transfer on the 15th of each month. Contract labour employees are

CRITERION	RATING	COMMENT
		paid by the labour outsourcing company on the 25th of each month. No arrears or delays in payment are found.
10.8 Working Time	Conformance	The Entity's employees work Overtime voluntarily and Overtime hours are not worked in excess of Applicable Laws and industry standards. Review of employee's working time records and statistical records, at random over a three-month period, confirmed that the maximum calculated Overtime was 31 hours.
PRINCIPLE 11 OCCUPATIONAL HEALTH AND SAFETY		
11.1a Occupational Health and Safety (OH&S) Policy (policy)	Conformance	The Entity has implemented a Management System, and under the Environmental Safety Manual has developed a Safety Policy. The Entity reviews the appropriateness, adequacy and effectiveness of the Policy through the annual management review meeting.
11.1b Occupational Health and Safety (OH&S) Policy (workers and visitors)	Conformance	The Entity communicates its Safety Policy to all employees through the heads of each department and disseminated through circulars, bulletins, announcements, and training.
11.1c Occupational Health and Safety (OH&S) Policy (applicable law and standards)	Conformance	S, The Entity has made clear commitments in its Safety Policy to comply with international standards and relevant conventions on Occupational Health and Safety.
11.1d Occupational Health and Safety (OH&S) Policy (right to stop unsafe work)	Conformance	The Entity has clarified the right of employees to be informed of the hazards and safety measures of their work and the right to refuse or stop unsafe work.
11.2 OH&S Management System	Conformance	The Entity has established a Management System certified with the requirements of GB/T 45001-2020 (ISO 45001:2018).
11.3 Employee engagement on health and safety	Minor Non-Conformance	Employees propose health and safety-related suggestions through morning meetings and safety monthly meetings, and the Entity maintains records and statistics. A reward system provided for reasonable suggestions or proposals that are adopted. However, the audit identified situations where the emergency instructions are unclear in the workshop and the emergency escape facilities were obstructed.
11.4 OH&S performance	Conformance	In accordance with the requirements of the Management System, the Entity has established target indicators and a management plan to evaluate Occupational Health and Safety performance. The

CRITERION	RATING	COMMENT
		results of the Entity's 2022 target indicators and management plan were all achieved.

Document Control and Version History

Revision	Date	Notes
0	23 October 2023	Initial Certification Audit – Full Certification