

ASI CERTIFICATION CHAIN OF CUSTODY STANDARD



PRESENTED TO

SHANGQIU YANGGUANG ALUMINIUM PRODUCT CO., LTD.

CERTIFICATE
NUMBER

144

ASI
STANDARD

CHAIN OF CUSTODY
(V1 2017)

CERTIFICATION
LEVEL

FULL
CERTIFICATION

ASI ACCREDITED
AUDITOR

DNV BUSINESS
ASSURANCE
SERVICES UK
LTD.

DATE OF ISSUE

6 AUGUST 2021

DATE OF EXPIRY

5 AUGUST 2024

CERTIFIED SINCE

6 AUGUST 2021

AUTHORISED BY

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

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

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

CERTIFICATION SCOPE

Production and Sales Service of Aluminium and
Aluminium Alloy Plate, Sheet, Strip and Related
Management Activities.

SUMMARY AUDIT REPORT

CHAIN OF CUSTODY STANDARD

OVERVIEW

MEMBER NAME	Shangqiu Yangguang Aluminium Product Co., Ltd.
ENTITY NAME	Shangqiu Yangguang Aluminium Product Co., Ltd.
CERTIFICATION SCOPE	Production and Sales Service of Aluminium and Aluminium Alloy Plate, Sheet, Strip and Related Management Activities.
SUPPLY CHAIN ACTIVITIES	<ul style="list-style-type: none">• Casthouses• Post-Casthouse
ASI STANDARD	<ul style="list-style-type: none">• Chain of Custody Standard V1
AUDIT TYPE	<ul style="list-style-type: none">• Initial Certification Audit (15-16 June 2021)• Surveillance Audit (11 October 2023)
AUDIT FIRM	DNV Business Assurance Services UK Ltd.
AUDIT DATE	<ul style="list-style-type: none">• 15-16 June 2021 (Initial Certification Audit)• 11 October 2023 (Surveillance Audit)
AUDIT REPORT SUBMISSION	<ul style="list-style-type: none">• 2 July 2021 (Initial Certification Audit)• 7 November 2023 (Surveillance Audit)
AUDIT SCOPE	<p><u>Initial Certification Audit (15-16 June 2021)</u></p> <p>The audit scope covers Shangqiu Yangguang Aluminium Product Co., Ltd, Henan Province (China). The main products include Aluminium and Aluminium Alloy Plate, Sheet and Strip. Main production processes include casting, cold rolling, annealing and packing.</p> <p>Supply chain activities included in the audit scope:</p> <ul style="list-style-type: none">• Casthouses• Post-Casthouse <p>At the time of the Audit (June 2021), access to the site was not possible, due to COVID-19 related travel restrictions. The Audit has been undertaken as a 'desktop' exercise, in accordance with ASI Interim Policy regarding Audits, Audit-Related Travel and Coronavirus (v4), and included a remote review of relevant documentation.</p>

Surveillance Audit (7 November 2023)

The audit scope covers Shangqiu Yangguang Aluminium Product Co., Ltd, Henan Province (China). The main products include Aluminium and Aluminium Alloy Plate, Sheet and Strip. Main production processes include casting, cold rolling, annealing and packing.

Supply chain activities included in the audit scope:

- Casthouses
- Post-Casthouse

All applicable criteria in the ASI Chain of Custody Standard were included in the audit scope.

AUDIT
OUTCOME

- Certification

AUDIT
METHODOLOGY
DECLARATION

The Auditors confirm that:

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

CERTIFICATION
PERIOD

6 August 2021 – 5 August 2024

NEXT AUDIT
TYPE

Re-Certification Audit

NEXT AUDIT
DUE DATE

5 August 2024

CERTIFICATION
NUMBER

144

SUMMARY OF FINDINGS

CRITERION	RATING	COMMENT
1 MANAGEMENT SYSTEM AND RESPONSIBILITIES		
1.1 ASI membership	Conformance	The Entity is an active ASI Member committed to complying with ASI's membership obligations and the ASI Complaints Mechanism. The Entity is in the Production and Transformation category. https://aluminium-stewardship.org/about-asi/asi-members/shangqiu-yangguang-aluminium-product-co-ltd/
1.2 Management system	Conformance	The Entity has established policies, systems, procedures and processes that comply with ASI Chain of Custody (CoC) Criteria regarding a Management System. The Management System has the capacity to handle ASI CoC Material. The Entity has an integrated Management System underpinned by ISO 9001. The Entity's ISO 9001 certificate was issued by the China Quality Certification Centre and is valid until January 2024.
1.3 Management system reviews	Conformance	The Entity has established a process to review and assess the effectiveness of their ASI CoC Management System at least once every 12 months to address potential areas of Non-Conformance and improvement. This was evidenced in the ASI CoC Management Manual and will be managed as part of the Entity's ISO 9001 Quality Management System.
1.4 Management representative	Conformance	The Director of Production and Manufacturing and Vice Chief Engineer, a senior management member has been nominated as the ASI Management Representative to have overall responsibility for the implementation and conformance to all applicable requirements of the ASI Chain of Custody Standard.
1.5 Training	Conformance	The Entity has established and implemented communications and training measures that make relevant personnel aware of and competent in their responsibilities under the ASI Chain of Custody Standard.
1.6 Record keeping	Conformance	The Entity has established a record management procedure based on the ISO 9001 Management System to maintain records covering all applicable requirements of the ASI Chain of Custody Standard including the retention requirement of ASI records.
1.7a Reporting to ASI (Inputs and Outputs)	Conformance	The Entity reported the Inputs and Outputs of ASI Aluminium to the ASI Secretariat in March 2023. No

CRITERION	RATING	COMMENT
		ASI CoC Materials were available in the Entity's supply chain, the Input and Output quantity for 2022 is zero.
1.7b Reporting to ASI (Input Percentage)	Conformance	The Entity has developed and implemented their annual reporting processes. The Entity reported the Inputs and Outputs of ASI Aluminium to the ASI Secretariat in March 2023. As no ASI CoC Materials were available in the Entity's supply chain, the Input Percentage for 2022 is zero.
1.7c Reporting to ASI (Positive Balance)	Not Applicable	This Criterion is not applicable as the Entity does not carry over a Positive Balance.
1.7d Reporting to ASI (Internal Overdraw)	Not Applicable	This Criterion is not applicable as the Entity does not carry over an Internal Overdraw.
1.7e Reporting to ASI (Eligible Scrap)	Not Applicable	This Criterion is not applicable as the Entity is not producing Recycled Aluminium.
1.7f Reporting to ASI (ASI Credits from Casthouses)	Not Applicable	This Criterion is not applicable as the Entity does not intend to utilise the ASI Market Credits System.
1.7g Reporting to ASI (ASI Credits purchased)	Not Applicable	This Criterion is not applicable as the Entity does not intend to utilise the ASI Market Credits System.
2 OUTSOURCING CONTRACTORS		
2.1 Outsourcing Contractors in CoC Certification Scope	Not Applicable	The Entity does not use Outsourcing Contractors for further processing, treatment or manufacturing.
2.2a Control of CoC Material	Not Applicable	The Entity does not use Outsourcing Contractors for further processing, treatment or manufacturing
2.2b No further outsourcing	Not Applicable	The Entity does not use Outsourcing Contractors for further processing, treatment or manufacturing
2.2c Risk assessment	Not Applicable	The Entity does not use Outsourcing Contractors for further processing, treatment or manufacturing
2.3 Output Quantity	Not Applicable	The Entity does not use Outsourcing Contractors for further processing, treatment or manufacturing
2.4 Verification and record-keeping	Not Applicable	The Entity does not use Outsourcing Contractors for further processing, treatment or manufacturing
2.5 Error management	Not Applicable	The Entity does not use Outsourcing Contractors for further processing, treatment or manufacturing
3 PRIMARY ALUMINIUM: CRITERIA FOR ASI BAUXITE, ASI ALUMINA AND ASI LIQUID METAL		
3.1a CoC Certification Scope - Bauxite Mining	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.

CRITERION	RATING	COMMENT
3.1b ASI Performance Standard - Bauxite Mining	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
3.2a CoC Certification Scope - Alumina Refining	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
3.2b ASI Performance Standard - Alumina Refining	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
3.3a CoC Certification Scope - Aluminium Smelting	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
3.3b ASI Performance Standard - Aluminium Smelting	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
4 RECYCLED ALUMINIUM: CRITERIA FOR ELIGIBLE SCRAP AND ASI LIQUID METAL		
4.1a CoC Certification Scope - Aluminium Re-Melting/Refining	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
4.1b ASI Performance Standard - Aluminium Re-Melting/Refining	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
4.2a Pre-Consumer Scrap and Dross	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
4.2b Post-Consumer Scrap	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
4.3a Supplier records	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
4.3b Cash payments	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
5 CASTHOUSES: CRITERIA FOR ASI ALUMINIUM		
5.1a CoC Certification Scope - Casthouses	Conformance	The observed system ensures the production of ASI Aluminium only from the Casthouse is within the Entity's CoC Certification Scope.
5.1b ASI Performance Standard - Casthouses	Conformance	The observed system ensures the production of ASI Aluminium only from the Casthouse Certified against the ASI Performance Standard.
5.2 Casthouse Products	Conformance	The Entity has implemented systems to ensure that each ASI Aluminium product or their packaging is labelled with a unique identification barcode number, either physically stamped or printed on and can be linked to their Material Accounting System. The Material Accounting System at the Casthouse site of the Entity is ready and has been tested. However, at the time of the audit, the Entity had not yet sourced or transferred any CoC Material.

CRITERION	RATING	COMMENT
6 POST-CASTHOUSE: CRITERIA FOR ASI ALUMINIUM		
6.1a CoC Certification Scope - Post-Casthouse	Conformance	The observed system ensures the production of ASI Aluminium only from the Facilities within the Entity's CoC Certification Scope.
6.1b ASI Performance Standard - Post-Casthouse	Conformance	The Entity has implemented systems to ensure that it produces ASI Aluminium only from an Entity or Facility Certified against the ASI Performance Standard.
6.1c Sourcing ASI Aluminium	Conformance	The Entity has implemented systems to ensure that ASI Aluminium is purchased only from the eligible Entities/Facilities directly or indirectly via a metals Trader and warehouse. However, at the time of the audit, the Entity had not yet sourced or transferred any CoC Material.
7 DUE DILIGENCE FOR NON-COC INPUTS AND RECYCLABLE SCRAP MATERIAL		
7.1a Responsible sourcing policy (anti-corruption)	Conformance	The Entity's Responsible Sourcing Policy covers anti-Corruption. All identified major next-tier suppliers are informed of the Policy and have signed the Commitment Letter of Business Ethics. The Responsible Sourcing Policy is available at: http://www.shalfoil.com/NewsDetail.aspx?ID=3307
7.1b Responsible sourcing policy (responsible sourcing)	Conformance	The Entity has implemented a Responsible Purchasing Policy, covering responsible sourcing. All major next-tier suppliers are informed of the Policy and have signed the Commitment Letter of Responsible Purchasing. The Responsible Purchasing Policy is available at: http://www.shalfoil.com/NewsDetail.aspx?ID=3307
7.1c Responsible sourcing policy (human rights due diligence)	Conformance	The Entity has implemented a Responsible Purchasing Policy, covering Human Rights Due Diligence. All identified major next-tier suppliers are informed of the Policy and have signed the Commitment Letter of Responsible Purchasing. The Responsible Purchasing Policy is published at: http://www.shalfoil.com/NewsDetail.aspx?ID=3307
7.1d Responsible sourcing policy (conflict affected and high risk areas)	Conformance	The Entity has implemented a Responsible Sourcing Policy, covering Conflict-Affected and High-Risk Areas. All identified major next-tier suppliers are informed of the Policy and have signed the Commitment Letters of Non-Conflict-Minerals. The relevant training courses are provided to employees. The Responsible Purchasing Policy is available at: http://www.shalfoil.com/NewsDetail.aspx?ID=3307

CRITERION	RATING	COMMENT
7.2 Risk assessment	Minor Non-Conformance	The Entity conducts risk assessments of its suppliers and implements risk mitigation efforts where relevant. The Entity also conducts second-party audits on its major next-tier suppliers. However, it was identified that the Entity has not assessed the risk of non-compliance with its Responsible Sourcing Policy for certain suppliers of Non-CoC materials.
7.3 Complaints mechanism	Conformance	The Entity has established a complaints mechanism and has implemented a Whistleblower/ Complaint channel to enable employees and external Stakeholders to anonymously report potential misconduct. The channels include a hotline (+86-370-3155162) and an email address (yqlcjlw@163.com), which are provided to all Stakeholders. The information is publicly available at: http://www.shalfoil.com/NewsDetail.aspx?ID=3307

8 MASS BALANCE SYSTEM: COC MATERIAL AND ASI ALUMINIUM

8.1 Material Accounting System	Conformance	The Entity has established a Material Accounting System that can record the Input and Output Quantity of CoC Material and Non-CoC Material by mass. However, at the time of the audit, the Entity had not yet sourced or transferred any CoC Material.
8.2a Post-Consumer Scrap	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
8.2b Pre-Consumer Scrap (total)	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
8.2c Pre-Consumer Scrap (Eligible Scrap)	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
8.3 Material Accounting Period	Conformance	The Entity has defined the Material Accounting Period as 12 months in the ASI CoC Management Manual. The Entity's financial year is the calendar year, aligning it with all other reporting processes.
8.4 Input Percentage	Conformance	The Entity has defined in the ASI Chain of Custody Management Manual how to calculate and record the percentage of the CoC Material in the Material Accounting System.
8.5 Input Percentage (Aluminium Re-Melting/Refining)	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
8.6 Output Quantity determination	Conformance	The Entity has defined in the ASI Chain of Custody Management Manual, the Output Quantity

CRITERION	RATING	COMMENT
		determination in the Material Account System procedures and processes.
8.7 Output Quantity designation	Conformance	The Entity's Output Quantity can be designated as 100% CoC Material as per Material Accounting System procedures.
8.8 Output Quantity - Pre-Consumer Scrap	Conformance	The ASI Chain of Custody Management Manual defines the process for transferring eligible Pre-Consumer Scrap from the Entity will be accompanied with a CoC Document and the calculation of the percentage shall follow the formula defined in the ASI Chain of Custody Standard.
8.9 Outputs not exceed Inputs	Conformance	The ASI Chain of Custody Management Manual defines that the Output of CoC Material must be calculated using the Input Percentage and must not proportionally exceed the Inputs of CoC Material. The Production Department is responsible for ensuring the requirement is met.
8.10a Internal Overdraws (not exceed 20%)	Conformance	The ASI Chain of Custody Management Manual defines the Internal Overdraw shall not exceed 20% of the total Input Quantity of CoC Material for the Material Accounting Period.
8.10b Internal Overdraws (not exceed affected amount)	Conformance	The Entity has established a process in the Material Accounting System to control Internal Overdraw under a Force Majeure situation in conformance with ASI Chain of Custody Standard requirements.
8.10c Internal Overdraws (period to make up)	Conformance	The Entity has established a process in the Material Accounting System to control Internal Overdraw under a Force Majeure situation in conformance with ASI Chain of Custody Standard requirements.
8.11a Positive Balance (carry over)	Conformance	The Entity has established a process in the Material Accounting System to control Positive Balance (carry over) in conformance with ASI Chain of Custody Standard requirements.
8.11b Positive Balance (expiry)	Conformance	The Entity has established a process in the Material Accounting System to control Positive Balance (carry over) in compliance with ASI Chain of Custody Standard requirements.
9 ISSUING COC DOCUMENTS		
9.1 Shipments and transfers	Conformance	The Entity has implemented a system that can produce CoC Documents for shipment and transfer of CoC Material, ensuring that these are controlled, issued and stored as per ASI Chain of Custody Standard requirements.

CRITERION	RATING	COMMENT
		However, at the time of the audit, the Entity had not yet sourced or transferred any CoC Material.
9.2a Date of issue	Conformance	The Entity has defined in the ASI Chain of Custody Management Manual to issue a CoC Document for each lot of material/product using the template document which includes the date of issue.
9.2b Reference number	Conformance	The Entity will issue a CoC Document for each lot of material/product using the template document which includes a reference number: YG + CoC + year + month + day + serial number.
9.2c Issuing Entity	Conformance	The Entity will issue a CoC Document for each lot of material/product using the template document which includes the issuing entity.
9.2d Receiving customer	Conformance	The Entity will issue a CoC Document for each lot of material/product using the template document which includes the receiving customer.
9.2e Responsible employee	Conformance	The Entity will issue a CoC Document for each lot of material/product using the template document which includes the responsible employee who can verify information in the CoC Document.
9.2f Conformance statement	Conformance	The Entity will issue a CoC Document for each lot of material/product using the template document which includes a conformance statement.
9.2g Type of CoC Material	Conformance	The Entity will issue a CoC Document for each lot of material/product using the template document which includes the type of CoC Material.
9.2h Mass of CoC Material	Conformance	The Entity will issue a CoC Document for each lot of material/product using the template document which includes the mass of CoC Material.
9.2i Mass of total material	Conformance	The Entity will issue a CoC Document for each lot of material/product using the template document which includes the mass of total material.
9.3a Sustainability Data (optional)	Conformance	The Entity will issue a CoC Document for each lot of material/product using the template document which include Sustainability Data. The data is based on the Greenhouse Gases (GHG) emissions calculation report which is published on the Entity's official website.
9.3b Sustainability Data (passing on)	Conformance	The Entity will issue a CoC Document for each lot of material/product using the template document which include Sustainability Data. The data is

CRITERION	RATING	COMMENT
		based on the GHG emissions calculation report which is published on the Entity's official website.
9.3c Post-Casthouse ASI Certification status	Conformance	The Entity will issue a CoC Document for each lot of material/product using the template document which includes the ASI Certification status.
9.4 Supplementary Information (optional)	Conformance	The Entity will issue a CoC Document for each lot of material/product using the template document. The Supplementary Information will be based on the Output of the Entity's ASI Performance Standard Management System.
9.5 Response to verification requests	Conformance	The Entity defines the responsibility and the process to respond to requests for verification of information in CoC Documents issued by the Entity.
9.6 Error management	Conformance	The Entity has established a process that is integrated with the ISO 9001 Quality Management System, to record the errors, analyse the root cause and take associated corrective action to prevent reoccurrence.
10 RECEIVING COC DOCUMENTS		
10.1 Verify required information included	Conformance	The Entity has implemented a process to verify the required information in the received CoC Documents, However, at the time of the audit, the Entity had not yet sourced or transferred any CoC Material.
10.2 Verify consistency with shipments	Conformance	The Entity has implemented a process to verify the required information in the received CoC Documents.
10.3 Verify supplier CoC Certification status	Conformance	The Entity has implemented a process to verify the supplier's CoC Certification status.
10.4 Error management	Conformance	The Entity has implemented a process that is integrated with the ISO 9001 Quality Management System, to record the errors, analyse the root cause, and take associated corrective action to prevent the reoccurrence with suppliers.
11 MARKET CREDITS SYSTEM: ASI CREDITS		
11.1a Material Accounting System – allocation	Not Applicable	This Criterion is not applicable, as the Entity does not intend to utilise the ASI Market Credits System.
11.1b Link to Casthouse Products	Not Applicable	This Criterion is not applicable, as the Entity does not intend to utilise the ASI Market Credits System.
11.1c No double counting	Not Applicable	This Criterion is not applicable, as the Entity does not intend to utilise the ASI Market Credits System.

CRITERION	RATING	COMMENT
11.1d No Positive Balance for ASI Credits	Not Applicable	This Criterion is not applicable, as the Entity does not intend to utilise the ASI Market Credits System.
11.2a Date of issue	Not Applicable	This Criterion is not applicable, as the Entity does not intend to utilise the ASI Market Credits System.
11.2b Reference number	Not Applicable	This Criterion is not applicable, as the Entity does not intend to utilise the ASI Market Credits System.
11.2c Issuing Entity	Not Applicable	This Criterion is not applicable, as the Entity does not intend to utilise the ASI Market Credits System.
11.2d Receiving Entity	Not Applicable	This Criterion is not applicable, as the Entity does not intend to utilise the ASI Market Credits System.
11.2e Conformance statement	Not Applicable	This Criterion is not applicable, as the Entity does not intend to utilise the ASI Market Credits System.
11.2f ASI Credits statement	Not Applicable	This Criterion is not applicable, as the Entity does not intend to utilise the ASI Market Credits System.
11.2g Quantity	Not Applicable	This Criterion is not applicable, as the Entity does not intend to utilise the ASI Market Credits System.
11.3a CoC Certification Scope – purchasing ASI Credits	Not Applicable	This Criterion is not applicable, as the Entity does not intend to utilise the ASI Market Credits System.
11.3b Material Accounting System – purchasing	Not Applicable	This Criterion is not applicable, as the Entity does not intend to utilise the ASI Market Credits System.
11.3c Expiry	Not Applicable	This Criterion is not applicable, as the Entity does not intend to utilise the ASI Market Credits System.
11.3d No re-trading	Not Applicable	This Criterion is not applicable, as the Entity does not intend to utilise the ASI Market Credits System.
11.3e No allocation to physical products	Not Applicable	This Criterion is not applicable, as the Entity does not intend to utilise the ASI Market Credits System.
11.3f Verify supplier CoC Certification status	Not Applicable	This Criterion is not applicable, as the Entity does not intend to utilise the ASI Market Credits System.
11.3g Five years maximum for ASI Credits purchasing	Not Applicable	This Criterion is not applicable, as the Entity does not intend to utilise the ASI Market Credits System.
12 CLAIMS AND COMMUNICATIONS		
12.1a ASI Claims Guide	Conformance	The Entity has defined in the ASI CoC Management Manual that all claims and communications will follow the ASI Claims Guide including communication with the ASI Secretariat, and the relevant roles and responsibilities are defined.

CRITERION	RATING	COMMENT
12.1b Verifiable evidence	Conformance	The Entity has defined in the ASI CoC Management Manual that all claims and communications will follow the ASI Claims Guide including communication with the ASI Secretariat, and the relevant roles and responsibilities are defined.
12.1c Employee training	Conformance	The Entity provides training courses on claims and communication to relevant employees.

Document Control and Version History

Revision	Date	Notes
0	6 August 2021	Initial Certification Audit – Full Certification
1	19 December 2023	Surveillance Audit