

ASI CERTIFICATION PERFORMANCE STANDARD



PRESENTED TO

SHANDONG HONTRON ALUMINUM INDUSTRY HOLDING CO.,LTD.

CERTIFICATE
NUMBER

240

ASI
STANDARD

PERFORMANCE
STANDARD
(V2 2017)

CERTIFICATION
LEVEL

FULL
CERTIFICATION

ASI ACCREDITED
AUDITOR

DNV BUSINESS
ASSURANCE
SERVICES UK
LTD.

DATE OF ISSUE

8 DECEMBER 2022

DATE OF EXPIRY

7 DECEMBER 2025

CERTIFIED SINCE

8 DECEMBER 2022

AUTHORISED BY

A handwritten signature in black ink, appearing to be 'J. Ho', written over a horizontal line.

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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

All activities of Shandong Hontron Aluminum Industry Holding Co.,Ltd. (Boxing, Shandong, China) and its wholly owned subsidiaries Binzhou Hongbo Aluminum Foil Technology Co., Ltd. (Boxing, Shandong, China), Zouping Hongcheng Aluminum Technology Co., Ltd. (Zouping, Shandong, China), and Zouping Hongzhuo Aluminum Co., Ltd. (Zouping, Shandong, China). The facilities are mainly engaged in R&D, production and sales of aluminium sheets, strips, and foils. The main processes include remelting, casting and rolling, cold rolling, foil rolling, finishing (slitting) and annealing.

SUMMARY AUDIT REPORT

PERFORMANCE STANDARD

OVERVIEW

MEMBER NAME	China Hongqiao Group Co., Ltd.
ENTITY NAME	Shandong Hontron Aluminum Industry Holding Co.,Ltd.
CERTIFICATION SCOPE	All activities of Shandong Hontron Aluminum Industry Holding Co.,Ltd. (Boxing, Shandong, China) and its wholly owned subsidiaries Binzhou Hongbo Aluminum Foil Technology Co., Ltd. (Boxing, Shandong, China), Zouping Hongcheng Aluminum Technology Co., Ltd. (Zouping, Shandong, China), and Zouping Hongzhuo Aluminum Co., Ltd. (Zouping, Shandong, China). The facilities are mainly engaged in R&D, production and sales of aluminium sheets, strips, and foils. The main processes include remelting, casting and rolling, cold rolling, foil rolling, finishing (slitting) and annealing.
SUPPLY CHAIN ACTIVITIES	<ul style="list-style-type: none">Aluminium Re-melting/RefiningCasthousesSemi-Fabrication
ASI STANDARD	Performance Standard V2
AUDIT TYPE	<ul style="list-style-type: none">Initial Certification Audit (17 – 21 October 2022)Surveillance Audit (18 – 19 April 2024)
AUDIT FIRM	DNV Business Assurance Services UK Ltd.
AUDIT DATE	<ul style="list-style-type: none">17 – 21 October 2022 (Initial Certification Audit)18 – 19 April 2024 (Surveillance Audit)
AUDIT REPORT SUBMISSION	<ul style="list-style-type: none">8 November 2022 (Initial Certification Audit)14 May 2024 (Surveillance Audit)
AUDIT SCOPE	<p><u>Initial Certification Audit (17 – 22 October 2022)</u></p> <p>The Audit Scope covers all activities of Shandong Hontron Aluminum Industry Holding Co.,Ltd. and its wholly owned subsidiaries Binzhou Hongbo Aluminum Foil Technology Co., Ltd., Zouping Hongcheng Aluminum Technology Co., Ltd., and Zouping Hongzhuo Aluminum Co., Ltd.</p> <p>Supply chain activities included in the audit scope:</p> <ul style="list-style-type: none">Aluminium Re-melting/Refining

- Casthouses
- Semi-Fabrication

All relevant criteria in the ASI Performance Standard are included in the Audit Scope.

Surveillance Audit (18 – 19 April 2024)

The Audit Scope covers all activities of Shandong Hontron Aluminum Industry Holding Co.,Ltd. and its wholly owned subsidiaries Binzhou Hongbo Aluminum Foil Technology Co., Ltd., Zouping Hongcheng Aluminum Technology Co., Ltd., and Zouping Hongzhuo Aluminum Co., Ltd.

Supply chain activities included in the audit scope:

- Aluminium Re-melting/Refining
- Casthouses
- Semi-Fabrication

All relevant criteria in the ASI Performance Standard are 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

8 December 2022 – 7 December 2025

NEXT AUDIT
TYPE

Re-Certification Audit

NEXT AUDIT
DATE

7 December 2025

CERTIFICATION
NUMBER

240

SUMMARY OF FINDINGS

CRITERION	RATING	COMMENT
PRINCIPLE 1 BUSINESS INTEGRITY		
1.1 Legal Compliance	Conformance	The Entity collects and identifies the applicable legal requirements and other requirements, and conducts a compliance evaluation on an annual basis.
1.2 Anti-Corruption	Conformance	The Entity has implemented Policies, processes, and training to identify and prevent Corruption. The Entity works against Corruption in all its forms, including Extortion and Bribery, consistent with Applicable Law and prevailing international standards. Training is provided to all employees.
1.3 Code of Conduct	Conformance	The Entity has implemented a Code of Conduct including principles related to environmental, social and governance performance. The Entity implemented adequate measures, including training, and communication to raise awareness of the Code among business partners and suppliers. The Entity's Code of Conduct can be accessed at: http://www.hontron.com/newsinfo.aspx?CatId=23&ParentId=3&NewsId=376&BaselInfoCatId=23
PRINCIPLE 2 POLICY & MANAGEMENT		
2.1a Environmental, Social, and Governance Policy (implement and maintain)	Conformance	The Entity has systems, procedures and processes that conform to the environmental, social, and governance Policies requirements and are well implemented. For further information, including its ESG related Policies, refer to: http://www.hontron.com/newsinfo.aspx?CatId=23&ParentId=3&NewsId=378&BaselInfoCatId=23
2.1b Environmental, Social, and Governance Policy (senior management)	Conformance	The Entity has nominated two senior Management Representatives to be responsible for the approved Policies and to provide the necessary resources to establish, implement, maintain, and continually improve the Management System.
2.1c Environmental, Social, and Governance Policy (communication)	Conformance	The Entity has communicated its Environmental, Social and Governance Management Policy to internal Stakeholders through training and to external Stakeholders via the website: http://www.hongchuangholding.com/newsinfo.aspx?CatId=23&ParentId=3&NewsId=378&BaselInfoCatId=23
2.2 Leadership	Conformance	The Entity has nominated a senior Management Representative with the responsibility for

CRITERION	RATING	COMMENT
		conformance with the ASI Performance Standard. The responsibilities of each department and key roles are defined.
2.3a Environmental and Social Management Systems (environmental)	Conformance	The Entity has implemented and documented an Environmental Management System. Three of the sites hold a valid ISO 14001:2015 certification.
2.3b Environmental and Social Management Systems (social)	Conformance	The Entity has established and implemented a Social Management System. Social and Occupational Health and Safety (OH&S) impacts are identified and assessed, and the associated management provisions for preventing and/or mitigating these impacts are established and implemented.
2.4 Responsible Sourcing	Conformance	The Entity has implemented a Purchasing Policy that addresses the material environmental, social and governance aspects relevant to suppliers. The Policy is communicated to all suppliers and Contractors.
2.5 Impact Assessments	Conformance	The Entity has established and implemented procedures to address the requirement for risk assessments and management measures. The Entity has conducted environmental, social, cultural, and Human Rights Impact Assessments, including gender analysis, for New Projects or Major Changes to existing Facilities.
2.6 Emergency Response Plan	Conformance	The Entity has established Emergency Response Plans developed in collaboration with Stakeholder groups to address fire, hazardous chemical leaks, extreme weather, and key equipment breakdown including a resumption plan. The Emergency Response Plans on social, OH&S and environmental incidents have been implemented and personnel trained on these plans.
2.7 Mergers and Acquisitions	Conformance	The Entity has established a procedure for mergers and acquisitions. No such activity has occurred since the Entity commenced operations in 2012.
2.8 Closure, Decommissioning and Divestment	Conformance	The Entity has established a procedure for closure, decommissioning and divestment. No such case has occurred since the Entity commenced operations in 2012.
PRINCIPLE 3 TRANSPARENCY		
3.1 Sustainability Reporting	Conformance	The Annual Report 2023 of Shandong Hongchuang Aluminum Industry Holding Company Limited is

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		available at: http://www.cninfo.com.cn/new/disclosure/detail?orgId=9900011448&announcementId=1219373308&announcementTime=2024-03-22
3.2 Non-compliance and liabilities	Conformance	The Entity has not received any significant fines or penalties from relevant government authorities in the past two years.
3.3a Payments to governments (legal and contractual)	Conformance	Payments made to Government are listed in the Entity's Finance Report which is audited by a third party. The annual accounting report is publicly disclosed at: http://www.cninfo.com.cn/new/disclosure/detail?orgId=9900011448&announcementId=1219373267&announcementTime=2024-03-22
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 an internal and external whistleblowing/complaints/Grievance Mechanism that includes a 'whistleblower' hotline, mailing address and suggestion box.
PRINCIPLE 4 MATERIAL STEWARDSHIP		
4.1a Environmental Life Cycle Assessment (life cycle impacts)	Conformance	The Entity has conducted and documented environmental Life Cycle Assessment (LCA) for its Aluminium products. LCA Report, pages 23-34: http://www.hontron.com/Upload/投资者关系/山东宏创铝业控股股份有限公司ASI信息披露（2024）docx-14212045030.pdf
4.1b Environmental Life Cycle Assessment (cradle to gate)	Conformance	The Entity has publicly communicated cradle-to-gate LCA information and its underlying assumptions, including system boundaries.
4.1c Environmental Life Cycle Assessment (public communication)	Conformance	The Entity has publicly communicated its LCA reports: LCA Report of Aluminium sheet, pages 23-34: www.hontron.com/Upload/投资者关系/山东宏创铝业控股股份有限公司ASI信息披露（2024）docx-14212045030.pdf
4.2 Product design	Conformance	The Entity has integrated relevant objectives in the design and development process for Products to enhance sustainability, including the environmental life cycle impacts of the End Product. For each product development process, energy consumption,

CRITERION	RATING	COMMENT
		the use of clean energy, waste reduction and recycling are taken into consideration.
4.3a Aluminium Process Scrap (targets)	Conformance	The Entity has minimised the generation of Aluminium Process Scrap within its operations and the generated target of scrap for collection, recycling and/or re-use, is 100%. Process Scrap is collected and sent to a smelter for recycling.
4.3b Aluminium Process Scrap (alloy separation)	Conformance	The Entity has implemented processes to separate Aluminium alloys and grades for recycling.
4.4a Collection and recycling of products at end-of-life (strategy)	Conformance	The Entity has developed a recycling strategy, including specific timelines, activities, and targets. The Entity works with customers on how to improve the recycling rate of Products at end-of-life such as the return of non-conforming Products for re-work or cutting into size for re-use.
4.4b Collection and recycling of products at end-of-life (engagement)	Conformance	There are no local, regional, or national collection and recycling systems for Aluminium scrap in China. The Entity works with the customer to decide how to improve the recycling rate of Products at end-of-life, such as returning non-conforming Products for re-work or cutting into size for re-use.
PRINCIPLE 5 GREENHOUSE GAS EMISSIONS		
5.1 Disclosure of GHG emissions and energy use	Conformance	The Entity has calculated its major Scope 1 and 2 Greenhouse Gases (GHG) Emissions and energy use by source and disclosed the data in the 2023 GHG Emissions Report, pages 3-19: www.hontron.com/Upload/投资者关系/山东宏创铝业控股股份有限公司ASI信息披露（2024）docx-14212045030.pdf GHG Emissions are currently not verified by a Third Party.
5.2 GHG emissions reductions	Conformance	The Entity has established an overall strategy on GHG emissions in alignment with the China National Strategy: Carbon peak in 2030, and carbon neutralisation in 2060. Based on GHG emissions in 2021, the Entity has set up a reduction target: which is to decrease emissions by on epercent by 2025, from a 2021 baseline. The main strategy is to reduce unnecessary electricity consumption and increase the scrap recycling rate. The GHG emissions reduction target is published at: www.hontron.com/Upload/投资者关系/山东宏创

CRITERION	RATING	COMMENT
		铝业控股股份有限公司ASI信息披露（2024）docx-14212045030.pdf (page 22)
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	The Entity has conducted an Environmental Impact Assessment to identify and quantify the Emissions to Air that have adverse effects on humans or the environment. The Entity has established the emissions treatment facilities required and the operational requirements to treat the emissions prior to release and has monitored air emissions at the required intervals periodically. The monitoring results in 2023 and 2024 indicate emissions are lower than the legal emission limit.
6.2 Discharges to Water	Conformance	The Entity has implemented an Environmental Management System to manage Discharges to Water. The Entity has established water reduction targets and implemented a related plan to minimise adverse impacts. The wastewater monitoring reports indicated the major pollutants are monitored and results indicate pollutants meet the local legal discharge limit.
6.3a Assessment and Management of Spills and Leakage (assessment)	Conformance	An assessment of risk areas of operations where Spills and Leakages may contaminate air, water and soil has been undertaken by following the risk assessment process for the Environmental Management System.
6.3b Assessment and Management of Spills and Leakage (management)	Conformance	The Entity has implemented the Emergency Response Plan for environmental incidents in which the control methods for identified Spills or Leakages are defined. The required Spill management facilities are in good order. The Entity has provided training on the plan to the relevant Workers and has conducted emergency drills.
6.4a Reporting of Spills (immediate disclosure)	Conformance	The Entity has defined the requirement to report Spills and Leakages in the Emergency Response Plan, which also addresses responsibilities and the

CRITERION	RATING	COMMENT
		reporting process. No Spills occurred in 2023 or 2024.
6.4b Reporting of Spills (regular reporting)	Conformance	The Entity has a process to ensure Impact Assessments associated with Spills and Leakages and the remedial actions taken are disclosed. No Spills or Leakages occurred in 2023 and 2024. The Entity has published the annual Environmental Performance Report 2023, pages 35-43: www.hontron.com/Upload/投资者关系/山东宏创铝业控股股份有限公司ASI信息披露（2024）docx-14212045030.pdf
6.5a Waste management and reporting (strategy)	Conformance	Waste management is covered by the Environmental Management System. The Entity has implemented a waste management strategy according to the Waste Mitigation Hierarchy. The inventory of wastes generated in the operation is established and control methods for the different types of waste are defined. The main Hazardous Wastes are diatomite with oil and waste oil such as rolling oil and mineral oil. The disposal of Hazardous Waste complies with legal requirements and are transferred to qualified suppliers for disposal. Each transfer is registered with the Environment Protection Ministry. The transfers in 2023 and 2024 were audited and no non-compliance was found.
6.5b Waste management and reporting (disclosure)	Conformance	The quantity of Hazardous and Non-Hazardous Waste generated by the Entity, and the associated waste disposal methods are disclosed in the annual Environmental Performance Report, pages 35-43: www.hontron.com/Upload/投资者关系/山东宏创铝业控股股份有限公司ASI信息披露（2024）docx-14212045030.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.

CRITERION	RATING	COMMENT
6.6e Bauxite Residue (start 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 Aluminium recovered from the Dross pressing is recycled in the melting furnaces of the Zouping County Hongcheng Aluminum Foil Technology Co and Zouping Hongzhuo Aluminum Industry Co sites.
6.8b Dross (recycling)	Conformance	The Aluminium recovered from the Dross pressing is recycled in the Entity's melting furnaces. The remaining is sold to external processors for recycling the Dross residue.
6.8c Dross (review of alternatives)	Conformance	The Entity does not send Dross residue to landfill.
PRINCIPLE 7 WATER STEWARDSHIP		
7.1a Water assessment (mapping)	Conformance	The Entity has identified and mapped its water withdrawal and use. The Entity only sources water from the municipal water supply and identifies the discharge and consumption by source. The water balance analysis has been conducted.
7.1b Water assessment (risk assessment)	Conformance	The Entity has conducted a water risk assessment which considered the Entity's Area of Influence: http://www.hongchuangholding.com/newsinfo.aspx?CatelId=23&ParentId=3&NewsId=387&BaselInfoCatelId=23 Due to the nature of the product and production processes in the local water environment, the level of water-related risk was identified as low.

CRITERION	RATING	COMMENT
7.2a Water management (management plans)	Not Applicable	This Criterion is not applicable as there were no identified significant water-related risks in the Entity's Area of Influence.
7.2b Water management (monitoring)	Not Applicable	This Criterion is not applicable as there were no identified significant water-related risks in the Entity's Area of Influence.
7.3 Disclosure of water usage and risks	Conformance	The Entity has disclosed its Water Resources Risk Assessment report, available at: http://www.hongchuangholding.com/newsinfo.aspx?CatId=23&ParentId=3&NewsId=387&BaseInfoCatId=23
PRINCIPLE 8 BIODIVERSITY		
8.1 Biodiversity assessment	Conformance	The Entity has conducted a Biodiversity Assessment as part of its Environmental Management System. The assessment involved qualified Third Parties and the report was approved by the local Environmental Protection Bureau. The risk or impact was assessed as low. Further information can be found in the Biodiversity Risk Assessment Report, available at: http://www.hongchuangholding.com/newsinfo.aspx?CatId=23&ParentId=3&NewsId=384&BaseInfoCatId=23
8.2a Biodiversity management (biodiversity action plans)	Not Applicable	This Criterion is not applicable, as the outcome of the Biodiversity Risk Assessment did not identify significant biodiversity impacts.
8.2b Biodiversity management (consultation and mitigation hierarchy)	Not Applicable	This Criterion is not applicable, as the outcome of the Biodiversity Risk Assessment did not identify significant biodiversity impacts.
8.2c Biodiversity management (reporting)	Not Applicable	This Criterion is not applicable, as the outcome of the Biodiversity Risk Assessment did not identify significant biodiversity impacts.
8.3 Alien Species	Conformance	The Entity has identified the risk of introducing Alien Species within its Biodiversity Risk Assessment Report. It is limited to the use of wooden pallets, and they are processed in a way to avoid the introduction of Alien Species.
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.

CRITERION	RATING	COMMENT
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.
PRINCIPLE 9 HUMAN RIGHTS		
9.1a Human Rights Due Diligence (policy)	Conformance	The Entity has an ASI Policy that addresses their commitment to respect Human Rights according to the UN Guiding Principles on Business and Human Rights.
9.1b Human Rights Due Diligence (process)	Conformance	The Entity has established a Due Diligence process to identify and assess the risks and impacts on Human Rights. The requirements of the ASI Performance Standard are communicated to suppliers and major suppliers are audited to verify conformance with the requirements.
9.1c Human Rights Due Diligence (remediation)	Conformance	The Entity has established and published the complaints/grievance channels available for Stakeholders. A remediation process for any adverse Human Rights impact has been established. No major impact has been reported.
9.2 Women’s Rights	Conformance	Women’s legal rights and interests are respected by the Entity. The Entity has implemented Policies and processes to ensure respect for the rights and interests of women, consistent with international standards, including the UN Convention on the Elimination of all Forms of Discrimination Against Women (CEDAW). An Equal Employment Opportunity Policy has been implemented and is communicated to all employees.
9.3 Indigenous Peoples	Not Applicable	This Criterion is not applicable, as there are no Indigenous Peoples within the Entity’s Area of Influence. However, Policies and processes to ensure respect for the rights and interests of Indigenous Peoples have been established.
9.4 Free, Prior, and Informed Consent (FPIC)	Not Applicable	This Criterion is not applicable, as there are no Indigenous Peoples within the Entity’s Area of Influence. However, Policies and processes to ensure respect for the rights and interests of Indigenous Peoples have been established.

CRITERION	RATING	COMMENT
9.5 Cultural and sacred heritage	Not Applicable	This Criterion is not applicable as there are no cultural or sacred heritage sites. However, Polices and a procedure to protect cultural and sacred heritage have been established.
9.6a Resettlements (avoid or minimise)	Not Applicable	This Criterion is not applicable as there has been no resettlement. All land was purchased from the local government, and there are no expansion plans. However, the Entity has established a management procedure for resettlements.
9.6b Resettlements (where unavoidable)	Not Applicable	This Criterion is not applicable as there has been no resettlement. All land was purchased from the local government, and there are no expansion plans. However, the Entity has established a management procedure for resettlements.
9.7a Local Communities (rights and interests)	Conformance	Control measures for the identified impact on Local Communities are established and implemented. No complaints from the Local Communities are received. The Entity is active in community engagement and provides a positive impact on communities.
9.7b Local Communities (impacts)	Conformance	The Entity identifies and assesses the impact on the Local Communities. The control measures for the identified impact on Local Communities are established and implemented. No complaints from the Local Communities are received. The Entity has a sound relationship with Local Communities and is active in community engagement.
9.7c Local Communities (livelihoods)	Conformance	The Entity has a proactive approach to working with Local Communities and neighbourhood organisations to improve and support mutual interests. The Entity has a sound relationship with Local Communities, they are active in community engagement and provide charitable to support the development of the Local Community.
9.8 Conflict-Affected and High-Risk Areas	Conformance	The Entity conducts regular risk assessments to identify and evaluate potential risks within its supply chain, which has determined that no conflict minerals are used, and no materials are sourced from Conflict-Affected and High-Risk-Areas (CAHRAs). All supplies are sourced from domestic producers.
9.9 Security practice	Conformance	The Entity commits in its involvement with public and private security providers, to respect Human Rights in line with ASI Standards and good

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		practices. The management procedure for on the job duties of security Workers clearly defines their primary role is to protect people, property and or assets and to respect Human Rights.
PRINCIPLE 10 LABOUR RIGHTS		
10.1a Freedom of Association and Right to Collective Bargaining (freedom of association)	Not Applicable	This Criterion is not applicable as there are laws that restrict Freedom of Association in China.
10.1b Freedom of Association and Right to Collective Bargaining (collective bargaining)	Not Applicable	This Criterion is not applicable as there are laws that restrict Collective Bargaining in China.
10.1c Freedom of Association and Right to Collective Bargaining (alternative means)	Conformance	Whilst there are laws that restrict Freedom of Association and Collective Bargaining in China, the Entity has demonstrated they respect Freedom of Association and Collective Bargaining and have freely elected Worker representatives that deal with the Workers' concerns with management on behalf of the Workers. Workers can also report their concerns and complaints via email, the hotline or by directly communicating with management.
10.2a Child Labour (minimum age)	Conformance	The Entity has implemented a Policy prohibiting the use of Child Labour. The Entity has demonstrated there is no presence of Child Labour or young Workers.
10.2b Child Labour (hazardous)	Conformance	Child Labour is prohibited in China. Young Workers (16 to 18 years) are under special protection by law and are not allowed to work in hazardous working conditions. The Entity has demonstrated there is no presence of Child Labour or young Workers.
10.2c Child Labour (worst forms)	Conformance	The Entity has implemented a Policy prohibiting the use of Child Labour. The Entity commits itself and expects its suppliers to comply with the prohibition of Child Labour.
10.3a Forced Labour (human trafficking)	Conformance	The Entity has implemented a Policy of prohibition against Forced Labour including Human Trafficking. The Policy is communicated internally and to suppliers. The Entity commits itself, and expects its suppliers to comply with the prohibition of Forced Labour, slavery and Human Trafficking.
10.3b Forced Labour (deposits, fees, advances)	Conformance	The Entity has implemented a Policy of prohibition against Forced Labour. Workers are not required to provide any form of deposit, pay Recruitment Fees or equipment advance.

CRITERION	RATING	COMMENT
10.3c Forced Labour (migrant workers)	Conformance	There are no Migrant Workers at the Entity. The Entity has implemented a Policy and procedure that states that the Entity does not require Migrant Workers to lodge deposits or security payments at any time.
10.3d Forced Labour (debt bondage)	Conformance	The Entity is not involved in Forced Labour and does not provide loans to Workers. Labour contracts signed between the Facilities and Workers do not include terms related to Debt Bondage, and payslips indicate there are no illegal deductions. This was verified through interviews with Workers.
10.3e Forced Labour (freedom of movement)	Conformance	The Entity has established an Employee Manual that defines there is no restriction on Workers' movement at the Entity. This was verified through interviews with Workers.
10.3f Forced Labour (retention of identity papers, permits, certificates)	Conformance	The Entity is not involved in Forced Labour. There is no retention of original documents, only copies of original documents are kept in Workers' personal files.
10.3g Forced Labour (freedom to terminate employment)	Conformance	The Entity has defined within the management procedure on Forced Labour and the Employee Manual, that Workers are free to terminate their employment at any time without penalty, provided they give thirty days' notice in advance or three days' notice during the probation period, in accordance with the Labour Contract Law.
10.4 Non-Discrimination	Conformance	The Entity has defined within its management procedure and Employee Manual that any form of Discrimination is prohibited. This was verified through Worker interviews.
10.5 Communication and engagement	Conformance	The Entity has regular meetings between Worker representatives and senior management, a grievance, and complaints hotline, and has implemented operating procedures to ensure communication and direct engagement with Workers regarding working conditions and resolution of workplace and compensation issues.
10.6 Disciplinary practices	Conformance	The Entity respects its employees, disciplinary measures are in compliance with legal requirements and require the confirmation of the involved Worker. The Entity does not engage in nor tolerate the use of corporal punishment, mental or physical coercion, Harassment, and gender-based

CRITERION	RATING	COMMENT
		Violence including sexual Harassment, or verbal abuse of Workers.
10.7a Remuneration (living wage)	Conformance	The Entity has a wage structure that is clearly defined. The basic wage meets the legal minimum wage, and the total payment meets Workers' basic needs.
10.7b Remuneration (method of payment)	Conformance	The Entity documents all payments and payments are made to all Workers via bank transfer between the 1 st and 5 th of the following month, which is between seven and eleven days after the end of each wage cycle.
10.8 Working Time	Minor Non-Conformance	Working hours are recorded by a face scanning attendance system. Working hours are monitored, however, there was one isolated example where monthly Overtime hours exceeded the legal limit and two cases were identified where the benefits of paternity and parental leave were insufficient.
PRINCIPLE 11 OCCUPATIONAL HEALTH AND SAFETY		
11.1a Occupational Health and Safety (OH&S) Policy (policy)	Conformance	The Entity has implemented an Occupational Health and Safety (OH&S) Policy, which is reviewed periodically and communicated with Stakeholders. The Entity holds a valid ISO 45001:2018 certification.
11.1b Occupational Health and Safety (OH&S) Policy (workers and visitors)	Conformance	Workers are provided with the associated training courses on the hazards and know how to protect themselves from injury. For Visitors, the hazards are informed to them before they enter the workshops through an OH&S training course and accompanied or monitored by the safety staff.
11.1c Occupational Health and Safety (OH&S) Policy (applicable law and standards)	Conformance	The Entity has implemented systems to identify all applicable legal and related requirements and evaluate legal compliance at least annually.
11.1d Occupational Health and Safety (OH&S) Policy (right to stop unsafe work)	Conformance	The OH&S Policy includes a commitment to prevent Workers from injury and risks to health at the workplace. Workers participate in training courses to understand the hazards, OH&S risks and actions determined as relevant for them and their right to refuse unsafe work.
11.2 OH&S Management System	Minor Non-Conformance	The Entity has a documented and implemented OH&S Management System and holds a valid ISO 45001:2018 certification. However, it was noted that no eyewash facility was installed at the rolling workshop where Aluminium-foil rolling oil is used.

CRITERION	RATING	COMMENT
		Secondly, the Entity did not declare its occupational hazardous agents to the local administration authority in 2023.
11.3 Employee engagement on health and safety	Conformance	The Entity has established a system of Workers' consultation and participation in health and safety. Workers are encouraged to report their concerns or advice on OH&S issues independently, or to a Worker representative. The management responds to the concerns and advice from Workers on OH&S issues.
11.4 OH&S performance	Conformance	The Entity has established and documented six OH&S targets in the OH&S Program. The achievement status of the targets is monitored periodically. Currently, the implementation of the management programs for the OH&S targets is on track.

Document Control and Version History

Revision	Date	Notes
0	8 December 2022	Initial Certification Audit – Full Certification
1	12 June 2024	Surveillance Audit. Change of Entity Name from Shandong Hongchuang Aluminum Industry Holding Co., Ltd. to Shandong Hontron Aluminum Industry Holding Co.,Ltd.