

# ASI CERTIFICATION PERFORMANCE STANDARD



PRESENTED TO

# Huanghe Xinye Co., Ltd.

CERTIFICATE NUMBER  
**349**

ASI STANDARD  
**PERFORMANCE  
STANDARD  
(V3 2022)**

CERTIFICATION LEVEL  
**FULL  
CERTIFICATION**

ASI ACCREDITED  
AUDITING FIRM  
**CHINA QUALITY MARK  
CERTIFICATION GROUP**

DATE OF ISSUE  
**18 JANUARY 2024**

DATE OF EXPIRY  
**17 JANUARY 2027**

CERTIFIED SINCE  
**18 JANUARY 2024**

## AUTHORISED BY

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

Aluminium Stewardship Initiative Ltd  
ACN 606 661 125, Australia  
[info@Aluminium-stewardship.org](mailto: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](http://www.aluminium-stewardship.org)*

## CERTIFICATION SCOPE

Huanghe Xinye Co., Ltd. located in  
Xining City, Qinghai Province  
(China) with Liquid Aluminium and  
Aluminium ingot production.

# AUDIT REPORT PERFORMANCE STANDARD

## OVERVIEW

MEMBER NAME	Huanghe Xinye Co., Ltd.
ENTITY NAME	Huanghe Xinye Co., Ltd.
CERTIFICATION SCOPE	Huanghe Xinye Co., Ltd. located in Xining City, Qinghai Province (China) with Liquid Aluminium and Aluminium ingot production.
SUPPLY CHAIN ACTIVITIES	<ul style="list-style-type: none"><li>Aluminium Smelting</li><li>Casthouses</li></ul>
ASI STANDARD	<ul style="list-style-type: none"><li>Performance Standard V3</li></ul>
AUDIT TYPE	<ul style="list-style-type: none"><li>Initial Certification Audit</li></ul>
AUDIT FIRM	<ul style="list-style-type: none"><li>China Quality Mark Certification Group</li></ul>
AUDIT DATE	<ul style="list-style-type: none"><li>13 -16 November 2023</li></ul>
AUDIT REPORT SUBMISSION	<ul style="list-style-type: none"><li>7 December 2023</li></ul>
AUDIT SCOPE	<p>The audit scope covers the production process of liquid aluminium and aluminium ingot production, sales and after-sales service of Huanghe Xinye Co., Ltd. located in Xining City, Qinghai Province (China).</p> <p>Supply chain activities included in the audit scope:</p> <ul style="list-style-type: none"><li>Aluminium Smelting</li><li>Casthouses</li></ul> <p>All applicable criteria in the ASI Performance Standard were included in the audit scope.</p>
AUDIT OUTCOME	<ul style="list-style-type: none"><li>Certification</li></ul>
AUDIT METHODOLOGY DECLARATION	<p>The Auditors confirm that:</p> <ul style="list-style-type: none"><li><input checked="" type="checkbox"/> The information provided by the Entity is true and accurate to the best knowledge of the Auditor(s) preparing this report.</li><li><input checked="" type="checkbox"/> The findings are based on verified Objective Evidence relevant to the time period for the Audit, traceable and unambiguous.</li><li><input checked="" type="checkbox"/> The Audit Scope and audit methodology are sufficient to establish confidence that the findings are indicative of the performance of the Entity's defined Certification Scope.</li><li><input checked="" type="checkbox"/> The Auditor(s) have acted in a manner deemed ethical, truthful, accurate professional, independent and objective.</li></ul>
CERTIFICATION PERIOD	18 January 2024 – 17 January 2027

---

NEXT AUDIT TYPE                      Surveillance Audit

---

NEXT AUDIT DATE                      18 July 2025

---

CERTIFICATE NUMBER                      349

---



If you have an inquiry or complaint about this Certification, go to the third-party EthicsPoint portal at: <https://aluminium-stewardship.ethicspoint.com/>

EthicsPoint is a comprehensive and confidential reporting tool that enables complaints to be securely raised, managed and responded to. This enables anonymity to be maintained where desired by complainants, or as relevant to whistleblowing situations.

Information is available in five languages – English, French, Chinese, German and Portuguese (Brazil). Translation services provided by EthicsPoint enable complaints and correspondence to be managed in multiple languages.

---

## ENTITY OVERVIEW

Huanghe Xinye Co., Ltd. established on September 6, 2007, is a wholly-owned subsidiary of Huanghe Hydropower Development Co., Ltd., which oversees the construction and operation of the joint hydropower and Aluminium project. Construction commenced in March 2008, and the primary operational phases took place between 2009 and 2010. The Entity involved a total investment of RMB 7.5 billion, covering an area of 2,000 mu.

The Entity has a production capacity of 600 kilo tonnes for Primary Aluminium and 300 kilo tonnes for carbon. It comprises nine functional departments, four production branches, and four functional centres, with a total number of 2,422 employees.

## MATURITY RATINGS

A rating of maturity (low, medium or high) determined by the Auditor that provides a general assessment in terms of systems, Residual Risk and performance assigned to a Sustainability Component.

Maturity ratings are not a direct assessment of conformance to the Standard.

	GOVERNANCE	ENVIRONMENT	SOCIAL	COMBINED RATING
<b>SYSTEMS</b>	Medium	Medium	Medium	Medium
<b>RISKS</b>	Medium	Medium	Medium	Medium
<b>PERFORMANCE</b>	Medium	Medium	Medium	Medium
<b>OVERALL</b>	Medium			

## FINDINGS

CRITERION	RATING	COMMENT
<b>1. BUSINESS INTEGRITY</b>		
1.1 Legal Compliance	Conformance	The Entity has established the Compliance Obligation Acquisition & Confirmation Control Procedure and the Compliance Evaluation Control Procedure, and assessed the applicability and compliance of the Procedures in October 2023. The evaluation confirmed that the Entity is in Compliance with the relevant requirements of the laws and regulations.
1.2 Anti-Corruption	Conformance	Based on the requirements of the Anti-Bribery Management Procedure, the Entity has developed associated Anti-Bribery Policies and formed an Anti-Bribery management team and an Anti-Bribery risk assessment team to organise an annual review and evaluation of the implementation of Anti-Bribery measures.
1.3a-e Code of Conduct	Minor Non-Conformance	<p>The Entity has developed a Code of Conduct, encompassing environmental, social and governance standards. The Code of Conduct is publicly disclosed at:  <a href="http://www.hhsd.com.cn/upload/files/2023-08-03/file_1691047633.pdf">http://www.hhsd.com.cn/upload/files/2023-08-03/file_1691047633.pdf</a></p> <p>The Entity conducts internal audits and management reviews annually to regularly assess compliance with the Code of Conduct.</p> <p>However, there is no provision for a review of the Code of Conduct at least every five years. The Entity must conduct a periodic review of the Code of Conduct annually, as mandated, and revise it when indications of control gaps are identified.</p>
<b>2. POLICY AND MANAGEMENT</b>		
2.1a-f Environmental, Social, and Governance Policy	Conformance	<p>The Entity has defined their environmental, social and governance Policies in the ASI Management Manual and maintains documented information related to environmental protection, Occupational Health and Safety (OH&amp;S) and social governance. The Entity's General Manager has approved and issued the Environmental, Social and Governance guidelines. The Entity conducts annual management reviews, with the General Manager organising the review of the appropriateness of the Policies.</p> <p>The Entity's Management Manual includes a guideline to review the Policies in the event of a control gap, despite there have been no such gaps within the Entity.</p> <p>The Environmental, Social and Governance Policies are communicated through internal training, site slogans, billboards and distribution of relevant materials, ensuring that internal employees and external Stakeholders can access them. The Policies are also disclosed on the Entity's website:  <a href="http://www.hhsd.com.cn/upload/files/2023-08-03/file_1691047686.pdf">http://www.hhsd.com.cn/upload/files/2023-08-03/file_1691047686.pdf</a></p>
2.2a-c Leadership	Conformance	The Entity has appointed a Senior Executive as the ASI Management Representative, with his responsibilities outlined in an appointment letter. He is responsible for leading and implementing the Policies and standards set by the Entity to ensure comprehensive communication of the Entity's Policies through internal and external channels. The Management Representative has the authority to control and mobilise the Entity's human, social and environmental resources, which

CRITERION	RATING	COMMENT
		supports to establishing, implementing, maintaining and improving the Management System to align with the ASI Performance Standard.
2.3a Environmental and Social Management Systems – Environmental	Conformance	<p>The Entity has obtained an Environmental Management System Certification of Compliance with ASI Performance Standard.</p> <p>The Entity had received recognitions and awards regarding their practices to reduce its environmental impacts and increase its operating efficiency. The 'Proof of Consumption of Clean Energy in 2022' was issued by Qinghai Power Trading Centre Co., Ltd., indicating that clean energy of the Entity accounted for around 94%.</p>
2.3b Environmental and Social Management Systems – Social	Conformance	The Entity has incorporated the requirements of the Social Management System including Human Rights, labour rights, into the ASI Management Manual, which also guides the operation of the Social Management System.
2.4a-e Responsible Sourcing	Minor Non-Conformance	<p>The Entity's Procurement Control Procedures remain effective, and implemented in Compliance with the Entity's ASI Policy, encompassing environmental, social and governance aspects. The Responsible Procurement Policy is available on the Entity's website: <a href="http://www.hhsd.com.cn/upload/files/2023-08-03/file_1691047660.pdf">http://www.hhsd.com.cn/upload/files/2023-08-03/file_1691047660.pdf</a></p> <p>The Entity conducts an annual re-evaluation of suppliers, ensuring that the assessment of environmental, social and governance risks complies with the Entity's ASI Policy. Provisions in the Management Manual stipulate the review of Emergency Response Plans (ERPs) in the event of changes, though there have been no signification changes to environmental, social and governance risks. Additionally, the Management Manual includes provisions for reviewing the Policy when indications of control gaps arise, and there have been no control gaps identified within the Entity.</p> <p>However, a review of current and associated agreements and contracts demonstrated the Entity has not incorporated requirements related to suppliers' social responsibility, Human Rights, sustainable development, Due Diligence, and the promotion and implementation of the Responsible Sourcing Policy. Also, there is no requirements to review of the Responsible Procurement Policy at least once every five years.</p>
2.5a-g Environmental and Social Impact Assessments	Not Applicable	This Criterion is not applicable to the Entity, as there are no New Projects or significant changes to existing Facilities.
2.6a-h Human Rights Impact Assessment	Not Applicable	This Criterion is not applicable to the Entity, as there are no New Projects or significant changes to existing Facilities.
2.7a-f Emergency Response Plan	Conformance	While the Entity's Environmental Management System and OH&S Management System certificates remain valid, the ASI Management Manual specifies the relevant requirements for Emergency Response Plans (ERPs). The Entity has developed the 'Emergency Preparedness and Response Control Procedures' and established ERPs for various environmental, social and security emergencies. The Entity regularly conducts test activities, internal audits and annual management reviews on emergency procedures to assess the adequacy and effectiveness of emergency plans.

CRITERION	RATING	COMMENT
		<p>For the occurrence of an emergency event, the Entity will conduct a review of the implementation of the emergency plan and adjust and modify the plan if necessary. According to the provisions in the Management Manual, an ERPs review is required in the event of control gaps. There have been no identified gaps within the Entity.</p> <p>The Entity also maintains 'Emergency Plan Training Records' for an annual review of the emergency plan. This process allows for timely identification and resolution of existing issues and ensures the plan's compliance.</p> <p>The Entity has released the 'Emergency Environmental Incident Risk Assessment Report' on the website, available at: <a href="http://www.hhsd.com.cn/upload/files/2023-08-03/file_1691029034.pdf">http://www.hhsd.com.cn/upload/files/2023-08-03/file_1691029034.pdf</a> The Entity could also provide ERPs upon the request of Stakeholders.</p>
2.8a-d Suspended Operations	Conformance	<p>The Entity has developed a Management Procedure for Closure and Resumption of Work to address shutdowns and production conversions resulting from uncontrollable factors, taking into consideration significant adverse environmental, social and governance impacts.</p> <p>The Department of Production and Technology is responsible for reviewing the procedures for shutdowns and resumptions every five years. Additionally, a review of the shutdown management process is required following any changes that lead to alterations in the nature and scale of environmental, social and governance risks, or when there are indications of control gaps. There have been no such changes.</p>
2.9a-b Mergers and Acquisitions	Conformance	<p>The Entity has developed a Merger and Acquisition Procedure, encompassing requirements for pre-implementation preparation, identification of potential risks and strategies for risk mitigation during transactions. Despite there has been no merger or acquisition since the Entity joined ASI, environmental, social and governance factors will become crucial considerations when executing merger and acquisition projects.</p> <p>The Entity operates as a wholly-owned subsidiary of Huanghe Hydropower Development Co., Ltd, and mainly takes on the responsibility of operation and management. Further merger and acquisition projects will primarily be deferred to the Enterprise Group's decision.</p>
2.10a-b Closure, Decommissioning and Divestment	Conformance	<p>The Entity outlines the requirements for closure, decommissioning and divestment in the ASI Management Manual. The Closure, Decommissioning and Divestment Control Procedures have been developed to clarify working procedures. In the event of closure, decommissioning or divestment, the Department of Production and Technology Department will assess methods to minimise or avoid resulting negative environmental and social impacts.</p> <p>The Entity uses leased land in the Industrial Park, in the event of closure, decommissioning or divestment, specific plans to address environmental and social issues will require a joint group decision. There has been no closure, decommissioning or divestment activities to date.</p>

### 3. TRANSPARENCY

CRITERION	RATING	COMMENT
3.1a-b Sustainability Reporting	Minor Non-Conformance	<p>The Entity outlines the requirements for Sustainability Reporting in the ASI Management Manual, and develops and implements Policies, systems and procedures that align with Sustainability Reporting requirements. The 2022 Sustainability Report, published on 1 January 2023, comprises sections of the company profile, corporate governance, Human Rights management practices, environmental and OH&amp;S management principles, Anti-Corruption principles, and product performance indicators. The Sustainability Report is publicly available at: <a href="http://www.hhsd.com.cn/upload/files/2023-08-03/file_1691047513.pdf">http://www.hhsd.com.cn/upload/files/2023-08-03/file_1691047513.pdf</a></p> <p>However, it was identified there is a lack of content addressing sustainable carbon emissions reduction, social responsibility, social impact, future planning and other relevant topics.</p>
3.2 Non-compliance and Liabilities	Conformance	<p>The Entity outlines the requirements for Non-Conformance and Liabilities in the ASI Management Manual. There have been no Material fines, judgments, penalties and non-monetary sanctions for failure to comply with Applicable Laws during the review year.</p>
3.3a-c Payments to Governments	Minor Non-Conformance	<p>The Entity outlines the relevant requirements for payments (legal and contractual) to the government in the ASI Management Manual. The Entity has also developed and implemented Policies, systems, procedures and processes that meet these Anti-Corruption requirements.</p> <p>Any payments made by the Entity to the Government, as required by the Anti-Corruption Policy, are subject to Applicable Law and the terms of the tendering. Financial records need to be maintained for each payment, and regular financial audits are conducted to ensure the legality of payments and amounts.</p> <p>However, the Entity did not publicly disclose the value and beneficiaries of financial and in-kind political contributions made directly or through an intermediary during the review period.</p>
3.4a-f Stakeholder Complaints, Grievances and Requests for Information	Conformance	<p>The ASI Management Manual outlines specific requirements for Stakeholder complaints, appeals and information requests. The Entity has developed the 'Consultation, Communication and Information Exchange Control Procedures', and within the Entity's Human Resources Department, a position (Labour and Personnel Supervisor) has been established to track Stakeholder requests and complaints, along with an appropriate resolution mechanism.</p> <p>The Entity has set up an external service hotline to receive information inquiries, complaints and appeals from all parties. The Entity conducts annual reviews of the complaint resolution mechanism documents for internal audits and management reviews. Provisions in the ASI Management Manual stipulate the timely review of the complaint resolution mechanism in the event of changes. As of now, no Material change or control gaps have occurred within the Entity.</p> <p>The Entity publicly discloses the latest version of the complaint settlement system at: <a href="http://www.hhsd.com.cn/upload/files/2023-08-03/file_1691047765.pdf">http://www.hhsd.com.cn/upload/files/2023-08-03/file_1691047765.pdf</a></p>
<b>4. MATERIAL STEWARDSHIP</b>		
4.1a Environmental Life Cycle Assessment	Minor Non-Conformance	<p>The Entity has developed the 'Environmental Factor Identification and Evaluation Control Procedure' for the identification of environmental</p>



CRITERION	RATING	COMMENT
		<p>factors and assess the environmental impact of Aluminium products throughout their entire life cycle. As part of this process, the Aluminium Life Cycle Environmental Impact Assessment Report was developed.</p> <p>However, the Entity is unable to demonstrate adequate cradle-to-gate Life Cycle Assessment (LCA) information.</p>
4.1b-c Environmental Life Cycle Assessment - Disclosure	Minor Non-Conformance	The Entity has developed the Aluminium Life Cycle Environmental Impact Assessment Report to provide customers with LCA information. However, the Entity is unable to demonstrate adequate cradle-to-gate Life Cycle Assessment (LCA) information.
4.2 Product Design	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
4.3a-b Aluminium Process Scrap	Conformance	The Entity has established a clear Process Scrap target, which has been distributed to each process area and assessed monthly. The Entity has procedures for sorting and disposing of different types of Aluminium Scraps. The Entity's ASI Management Manual specifies 100% of the Process Scrap is recycled.
4.4a-c Collection and Recycling of Products at End of Life - Material Conversion and other Manufacturing	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
4.4d Collection and Recycling of Products at End of Life	Conformance	The Entity works with local, regional or national collection and recycling systems to support accurate measurement and efforts to improve the recycling rate of their Aluminium-containing products.
<b>5. GREENHOUSE GAS EMISSIONS</b>		
5.1a-b Disclosure of GHG Emissions and Energy Use	Minor Non-Conformance	<p>The Entity has developed a third-party Greenhouse Gases (GHG) Emissions Review Report, a Carbon Footprint Report and relevant energy use documents and have presented these during the audit.</p> <p>However, the Entity has not published the third-party verified Carbon Emission Report on its disclosure website during the review period.</p>
5.2a Aluminium Smelter GHG Emissions Intensity - Started production after 2020	Not Applicable	This Criterion is not applicable to the Entity, as it commenced operations prior to 2020.
5.2b Aluminium Smelter GHG Emissions Intensity - In production up to and including 2020	Conformance	By referring to and further calculation of the carbon footprint from the third-party Greenhouse Gas Verification and Review Report, it has been determined that the GHG Emission intensity is less than 11.0 t CO <sub>2e</sub> /t Al.
5.3a-e GHG Emissions Reduction Plans	Minor Non-Conformance	<p>The Entity has announced medium and long-term emissions reduction targets in the 'Carbon Peak Carbon Neutrality Implementation Plan' and the '2023 Energy Conservation Plan', to reduce 5,000 tonnes of standard coal and 4,000 tonnes of carbon dioxide in 2023.</p> <p>The annual emission reduction plans and measures are available at: <a href="http://www.hhsd.com.cn/open/catalogue/sgdw/30/44559.html">http://www.hhsd.com.cn/open/catalogue/sgdw/30/44559.html</a></p>

CRITERION	RATING	COMMENT
		However, the content in the report is confined to the total emissions reduction target and the situation of the current year. Specific emissions reduction plans aligned with the requirement of the 1.5°C Warming Scenario is absent. The relevant documents do not have a scientific approach and concrete mathematical pathway to achieving the stated targets, and without an Intermediate Target of no more than five years. Additionally, there is no public disclosure regarding the strategies to accomplish these targets.
5.4 GHG Emissions Management	Conformance	The Entity has developed an Environmental Management Program Control Procedure to oversee the GHG reduction plan. Additionally, the Entity conducts annual audits of GHG Emissions to assess its emissions reduction performance.
<b>6. EMISSIONS, EFFLUENTS AND WASTE</b>		
6.1a-f Emissions to Air	Minor Non-Conformance	<p>The Entity has obtained a pollutant discharge permit issued by the Government Environmental Protection Department, which specifies the emission limits for particulate matter, SO<sub>2</sub>, NO<sub>x</sub> and fluoride. The Entity monitors its atmospheric pollution emissions based on the specified frequency. The monitoring results are disclosed on the National Emission Permit Management Information Platform, accessible through the website: <a href="https://permit.mee.gov.cn">https://permit.mee.gov.cn</a></p> <p>However, it was identified the Entity's air pollutant emission reduction plan is incomplete and has not been publicly disclosed.</p>
6.2a-g Discharges to Water	Minor Non-Conformance	<p>Water pollutants are quantified in discharge permits. The Entity regularly monitors the discharge status of water pollutants each year to ensure Compliance with local legal discharge limits. The Entity's Sustainability Report outlines the 'water pollutant discharge limit' and commission a Third Party to conduct annual tests.</p> <p>However, it was identified the Entity's water pollutant reduction plan is incomplete and has not been publicly disclosed.</p>
6.3a-g Assessment and Management of Spills and Leakages	Minor Non-Conformance	The Entity has conducted an environmental factors identification and Environmental Impact Assessment in accordance with their 'Environmental Factors Identification and Evaluation Control Procedures'. They evaluate the risk of air, water and soil pollution caused by Spills and Leakages in the production process and identifies possible emergency situations. The discharge permit mandates annual soil testing with qualified results. The Entity formulates an annual emergency drill plan following the emergency plan for environmental emergencies and implements it as planned. The Entity has not experienced any Leakage incidents. However, there is no disclosure of Spills and Leakage Manager Plan.
6.4a-b Public Disclosure of Spills and Leakages	Not Applicable	This Criterion is not applicable as no Spills or Leakages have occurred since the Entity joined ASI.
6.5a-c Waste Management and Reporting	Conformance	The Entity evaluates its annual Hazardous Waste management plan each year through the 'Qinghai Province Industrial Solid Waste Big Data System' at <a href="http://139.170.149.181:8888/sysweb/portal/index2.vm">http://139.170.149.181:8888/sysweb/portal/index2.vm</a> . The Entity declares transfers and disposals within the system.
6.6a-g Bauxite Residue	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.

CRITERION	RATING	COMMENT
6.7a-f Spent Pot Lining (SPL)	Conformance	The Entity's Spent Pot Lining (SPL) is managed and disposed of through the 'Qinghai Province Industrial Solid Waste Big Data System'. Since the establishment of the Entity, it has not discharged SPL to landfills, freshwater or marine environments.
6.8a-d Dross	Conformance	<p>The Entity's has a goal to recycle 100% of waste. Through process and production management, all the waste produced during the production of Aluminium ingots is recycled. The Aluminium ash generated from the Aluminium ingot production process is treated, and the part containing Aluminium is sent back to the electrolysis plant for remelting, with the remainder sent as hazardous waste for treatment.</p> <p>The Entity applies for transfer and disposal through the "Qinghai Province Industrial Solid Waste Internet of Things Big Data System" (website <a href="http://139.170.149.181:8888/sysweb/portal/index2.vm">http://139.170.149.181:8888/sysweb/portal/index2.vm</a>).</p>
<b>7. WATER STEWARDSHIP</b>		
7.1a-b Water Assessment and Disclosure	Minor Non-Conformance	Water for physical production and domestic use is supplied by Ganhe Industrial Park Water Company, and the waster assessment determined the risk to water resources is as low. However, the Entity has not publicly disclosed its water withdrawal and use details, as well as the results of its water risk assessment.
7.2a-e Water Management	Not Applicable	This Criterion is not applicable to the Entity, as the result of the risk assessment is low.
<b>8. BIODIVERSITY AND ECOSYSTEM SERVICES</b>		
8.1a Biodiversity and Ecosystem Services Risk and Impact Assessment	Conformance	The Entity has provided an analysis of the ecological impact factors in a third-party Environmental Impact Assessment Report. The Entity is not located in any Protected Area, posing no significant risks and impacts on biodiversity. The risk has been assessed as low.
8.1b Biodiversity and Ecosystem Services Risk and Impact Assessment - Priority	Not Applicable	The Criterion is not applicable to the Entity, as the risk and potential impacts to Biodiversity and Ecosystem Services are identified as low.
8.2a-g Biodiversity Management	Not Applicable	The Criterion is not applicable to the Entity, as the risk and potential impacts to Biodiversity are identified are low.
8.3a-c Management of Priority Ecosystem Services	Not Applicable	This Criterion is not applicable to the Entity, as no Priority Ecosystem Services are identified.
8.4 Alien Species	Conformance	The Entity conducts annual assessments of Alien Species and has implemented control measures where there is a high risk of introducing Alien Species. No Alien Species have been introduced.
8.5a-b Commitment to "No Go" in World Heritage Properties	Conformance	The Entity is located in an Industrial Park without any World Heritage sites and has committed not to explore or develop New Projects in World Heritage Properties.

CRITERION	RATING	COMMENT
8.6a-d Protected Areas	Conformance	The Entity is located in Ganhe Industrial Park, Xining Economic and Technological Development Zone, Qinghai Province, which is not on the list of Protected Areas in China. The Entity's construction projects are subject to Environmental Impact Assessments in accordance with Chinese Applicable Laws. As the physical address is in a non-Protected Area, there are no relevant management plan and public disclosures.
8.6e Protected Areas - Bauxite Mining	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
8.7a-i Mine Rehabilitation	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
<b>9. HUMAN RIGHTS</b>		
9.1a-d Human Rights Due Diligence	Conformance	<p>The Entity has implemented a Human Rights Due Diligence Process as part of its Management System. It includes Human Rights Due Diligence questionnaire and identifying and assessing Human Rights risks. The Entity reviews the Human Rights Due Diligence procedures annually and updates them in the event of any changes or control gaps. There have been no such situations within the Entity.</p> <p>The Entity has established channels for the resolution of complaints and suggestions, especially in cases of potential Human Rights impacts. There have been no instances of Human Rights disputes.</p> <p>The Entity has released the 'Letter of Commitment on ASI Performance Standard Management System' which includes Human Rights commitments, available at:  <a href="http://www.hhsd.com.cn/upload/files/2023-08-03/file_1691047607.pdf">http://www.hhsd.com.cn/upload/files/2023-08-03/file_1691047607.pdf</a></p>
9.2a-e Gender Equity and Women's Empowerment	Conformance	<p>The Entity commits to protecting the legitimate rights and interests of women and has formalised this commitment in the Letter of Commitment. The Entity has developed the 'Management Procedures for the Protection of Female Employees' to ensure women's rights and interests are respected.</p> <p>The Entity reviews the gender equality and women's rights project every five years. In the event of any changes or control gaps, a review of the management procedures and Policies will be conducted. However, there has been no such instances within the Entity.</p> <p>The Entity publicly discloses their projects and activities on the website:  <a href="http://www.hhsd.com.cn/upload/files/2023-08-03/file_1691048048.pdf">http://www.hhsd.com.cn/upload/files/2023-08-03/file_1691048048.pdf</a></p>
9.3a-i Indigenous Peoples	Not Applicable	This Criterion is not applicable as there are no Indigenous Peoples within the Entity's Area of Influence.
9.4a Free, Prior, and Informed Consent (FPIC) - New Projects or Major Changes	Not Applicable	This Criterion is not applicable as there are no Indigenous Peoples within the Entity's Area of Influence and there have been no new expansion projects since the Entity joined ASI.
9.4b Free, Prior, and Informed Consent (FPIC) - Bauxite Mining	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.

CRITERION	RATING	COMMENT
9.4c Free, Prior, and Informed Consent (FPIC) - Demonstrate support	Not Applicable	This Criterion is not applicable as there are no Indigenous Peoples within the Entity's Area of Influence and there have been no new expansion projects since the Entity joined ASI.
9.5a Cultural and Sacred Heritage - Identification	Conformance	The Entity has implemented the 'Cultural Sites and Religious Sites Disposal Procedures' to identify and understand local and religious sites and take timely and appropriate protective measures. The Entity is located in an Industrial Park where no cultural or religious sites exists.
9.5b Cultural and Sacred Heritage - Impacts	Not Applicable	This Criterion is not applicable as the Entity is located in an industrial park with no Indigenous Peoples.
9.6a-i Displacement	Not Applicable	This Criterion is not applicable as there have been no new expansions or Major Changes since the Entity joined ASI.
9.7a-h Affected Populations and Organisations	Conformance	<p>The Entity implemented Stakeholder Management Procedures that respect the legal and traditional rights of Local Communities to their land, livelihoods and the use of natural resources. These procedures are reviewed every five years. In the event of any changes or control gaps, a further review of the procedures will be conducted. There have been no such instances within the Entity.</p> <p>There are no conflicts around land use, customs or other issues between the Entity and the surrounding villages. Control measures have been developed and implemented in response to identified impacts on Local Communities, and no complaints have been received.</p> <p>The Entity maintains close ties to Local Communities, with nearly 50% of its employees are local. Additionally, the Entity has developed a plan to support the surrounding communities and has made donations to Local Communities.</p>
9.8a Conflict-Affected and High-Risk Areas - Strong Management Systems	Conformance	<p>The Entity commits to not participate in the Affected and High-Risk Areas (CAHRAs) directly or indirectly through its business relationships. Additionally, it commits to conducting Due Diligence and risk assessments if the Entity sources its raw materials from regions that are relevant.</p> <p>The Entity has established a Responsible Procurement Policy and relevant information is disclosed at:  <a href="http://www.hhsd.com.cn/upload/files/2023-08-03/file_1691047660.pdf">http://www.hhsd.com.cn/upload/files/2023-08-03/file_1691047660.pdf</a></p>
9.8b Conflict-Affected and High-Risk Areas - Identify and assess risks	Conformance	The Entity conducts an annual re-evaluation of its suppliers, which includes an assessment of their compliance with the Responsible Sourcing Policy such as their social responsibility, Human Rights, sustainable development and Due Diligence. No evidence has been identified indicating the Entity's involvement in CAHRAs.
9.8c Conflict-Affected and High-Risk Areas - Strategy to respond to risks	Not Applicable	This Criterion is not applicable as the Entity's Supplier ASI Performance Questionnaire does not identify businesses engaged in or minerals sourced from Conflict-Affected and High-Risk Areas.
9.8d Conflict-Affected and High-Risk Areas - Audit of due diligence	Conformance	The Entity reviews the procurement control procedures as part of annual certification audits for ISO9001:2015, ISO14001:2015 and ISO45001:2018 Management Systems to evaluate their suitability and

CRITERION	RATING	COMMENT
		effectiveness. This ASI Audit is also part of the review of Due Diligence practices.
9.8e Conflict-Affected and High-Risk Areas - Report annually	Minor Non-Conformance	<p>The Entity has established a Responsible Procurement Policy, committing from abstaining direct engagement or involvement through its business relationships in Conflict-Affected and High-Risk Areas. Relevant information is disclosed at: <a href="http://www.hhsd.com.cn/upload/files/2023-08-03/file_1691047660.pdf">http://www.hhsd.com.cn/upload/files/2023-08-03/file_1691047660.pdf</a></p> <p>Neither the document review nor the communication with relevant employees has uncovered any information about the Entity's engagement in businesses in Conflict-Affected and High-Risk Areas. However, there is no disclosure of supply chain Due Diligence.</p>
9.9 Security practice	Minor Non-Conformance	<p>The Entity has developed and implemented the Security Management Regulations, outlining the management responsibilities of security guards and providing training to ensure that all security personnel understand their tasks and respect Human Rights. There were no complaints regarding security practices.</p> <p>However, the Entity's Internal Public Security Management Rules and the security service contract signed between the Entity and Qinghai Hancheng Security Service Co., Ltd. do not include statements of respecting the rights of privacy, prevention of violent conflicts, intimidation and other Human Rights violations.</p>
<b>10. LABOUR RIGHTS</b>		
10.1a-c Freedom of Association and Right to Collective Bargaining	Not Applicable	This Criterion is not applicable to the Entity, as the right to Freedom of Association and Collective Bargaining is addressed in accordance with Chinese Applicable Law.
10.1d Freedom of Association and Right to Collective Bargaining - Alternative means in context of Applicable Law	Conformance	<p>The Entity has developed the "Management Procedure for Free Association and Collective Bargaining", which stipulates that all personnel have the right to freely form, join and organise Labour Unions as well as engage in Collective Bargaining. The Entity is committed to respecting this right and ensuring that employees are informed of their freedom to join unions of their choice.</p> <p>The Entity upholds the rights of Workers, including the election of Labour Unions through Member Representative meetings at all levels, in Compliance with national laws and regulations. The Entity engages in negotiations and signs collective contracts with Labour Unions, representing employees on crucial matters such as labour Remuneration, working hours, rest and vacation, labour safety and health, vocational training, insurance, and benefits.</p> <p>Collective Bargaining agreements have been established between the Entity and the Labour Union, with all provisions crafted to comply with local legal requirements. The Labour Union has been established in accordance with Chinese Applicable Laws. Elected employee representatives participate in Collective Bargaining processes, demonstrating the preservation of Freedom of Association and the Right to Collective Bargaining.</p>
10.2a Child Labour	Conformance	The Entity has established and implemented the Administrative Procedures for the Relief of Child Labour and the Protection of Underage Workers. The Entity prohibits the use of child.

CRITERION	RATING	COMMENT
		<p>Labour and underage Workers, ensuring that all Workers are above 18 years old. Within the Entity, there are no child or underage Workers, and the Entity ensures that young workers (under 18 years old) are not involved in hazardous work or Overtime.</p> <p>Child Labour is prohibited in China, and young Workers (aged 16 to 18) receive special legal protections, preventing them from engaging in hazardous working conditions. The Entity conforms to these regulations.</p>
10.3a-c Forced Labour	Conformance	<p>The Entity has established and implemented the procedures for the management of Forced Labour in order to eliminate it and conform with relevant labour laws. The Forced Labour Management Procedures prohibit Human Trafficking, do not require any form of security deposit or financial guarantee from employees, and ensure Workers have freedom of movement within the workplace. The procedures also ensure that there are no limitations on the freedom of employees.</p> <p>The Entity supports and respects the principles proclaimed in the Universal Declaration of Human Rights and does not engage in any Human Rights violations. Additionally, the Entity conforms with the Chinese Labour Law. Modern Slavery Statement of the Entity is available at:  <a href="http://www.hhsd.com.cn/upload/files/2023-08-03/file_1691029632.pdf">http://www.hhsd.com.cn/upload/files/2023-08-03/file_1691029632.pdf</a></p>
10.4a-c Non-Discrimination	Conformance	<p>The Entity has developed and implemented the Discrimination Management Procedure to ensure the implementation of non-Discrimination principles in businesses activities. This includes establishing a monitoring mechanism and adopting a Human Rights Due Diligence process. Also, the Entity has also instituted a fair performance appraisal system that evaluates employees' performance, without Discrimination based on age, gender or job type. The Human Resources Department is responsible for conducting employee performance appraisals.</p> <p>To promote a culture of Non-Discrimination, the Entity conducts organised training and publicity efforts, alongside providing accessible complaint channels. In instances where employees face Discrimination, they have the option to submit a letter to the suggestion box, provide a verbal or written response or complaint to the ASI Management Representative following the 'Consultation, Communication, and Information Exchange Control Procedures'.</p>
10.5 Communication and engagement	Conformance	<p>The Entity has established and implemented the 'Consultation, Communication and Information Exchange Management Procedures' to encourage employees to participate in the ASI Management System. In the event of any issues, employees can directly contact their representatives within the Production Safety Management Committee.</p>
10.6a-g Violence and Harassment	Conformance	<p>The Entity has established a Punitive Measures Management Procedure, prohibiting any form of corporal punishment, mental or physical coercion, harassment, gender-based violence (including sexual harassment), and verbal abuse. Employees are encouraged to file complaints and provide feedback regarding any unfair treatment related to disciplinary measures by following the Consultation, Communication, and Information Exchange Control Procedures.</p>

CRITERION	RATING	COMMENT
		<p>The Entity reviews the Policy annually and when changes occur. The latest relevant Policy is disclosed on the Entity's website: <a href="http://www.hhsd.com.cn/upload/files/2023-08-03/file_1691048147.pdf">http://www.hhsd.com.cn/upload/files/2023-08-03/file_1691048147.pdf</a></p> <p>The Human Resources and Administration Department is responsible for investigating and addressing employee feedback and complaints and providing appropriate feedback to the concerned parties.</p>
10.7a-c Remuneration	Conformance	<p>The Entity has developed and implemented the Wage Management Procedure that ensures that its employees receive a standard wage meeting the minimum standard set by the local government. The Entity also guarantees that wages and benefits fully comply with all Applicable Laws and are paid in a convenient form for employees.</p> <p>For Overtime work, the Entity compensates its employees with Overtime allowances in accordance with the Labour Law and wages are not unreasonably deducted for disciplinary purposes. To maintain transparency, the Entity ensures that the structure of wages and benefits is clearly and regularly communicated in writing to employees during each pay period.</p>
10.8a-c Working Time	Conformance	<p>The Entity has developed and implemented Working Time Management Procedures that conform to Applicable Laws and industry standards regarding working hours and public holidays.</p> <p>The standard working week (excluding Overtime) must not exceed 40 hours, as required by law. The Entity follows statutory holidays and pays annual leave as stipulated by Chinese Labour Law.</p> <p>The Entity's front-line employees operate on a non-overtime schedule (three shifts with four groups), while management staff work from 9 am to 5 PM, with minimal overtime. In cases of overtime, it does not exceed two hours per week, and such overtime is voluntary.</p>
10.9a-b Informing Workers of Rights	Conformance	<p>The Entity informs employees of their rights through various forms of documentation. The Entity also fulfils their obligation to inform employees of their rights through the activities of Workers' Congresses and Labour Unions. Additionally, employees can receive information about their rights and obligations through alternative means, including letters, emails, phone calls, and interviews.</p>

## 11. OCCUPATIONAL HEALTH AND SAFETY

11.1a Occupational Health and Safety (OH&S) Management System	Minor Non-Conformance	<p>The Entity has established an ISO45001:2018 certified Occupational Health and Safety (OH&amp;S) Management System.</p> <p>During the observation of the Casting workshop's operational site, it was noticed that operators were not wearing earplugs as required. This observation was made despite the availability of relevant labour protection supplies, record releases, and posted signs indicating the requirement to wear earplugs.</p> <p>In January 2023, the occupational health examination report for a male employee in the electrolysis workshop identified a case of high-temperature occupational disease. Despite the identification of the disease in the medical examination reports for 2019 and 2020, subsequent reviews in March 2023 still reported the same occupational contraindications. Through further investigation by the Human Resources Department, it was found that the employee continues to work in the original position without any transfer. The</p>
---	-----------------------	--



CRITERION	RATING	COMMENT
		Entity is committed to addressing and rectifying the situation by implementing appropriate corrective measures.
11.1b-e Occupational Health and Safety (OH&S) Management System - Reviews and disclosure	Minor Non-Conformance	<p>The Entity has developed management manuals and procedures to facilitate employees and related parties to understand OH&amp;S rules through training. The Entity also conducts annual audits and management reviews of the OH&amp;S Management System when there are indications of control gaps. The Entity publicly discloses the performance of the OH&amp;S system at: <a href="http://www.hhsd.com.cn/upload/files/2023-08-03/file_1691048174.pdf">http://www.hhsd.com.cn/upload/files/2023-08-03/file_1691048174.pdf</a></p> <p>However, the disclosure document lacks leading and lagging indicators of performance, as well as comparative analyses of performance with peer Businesses.</p>
11.2 Employee engagement on Health and Safety	Conformance	The Entity has implemented a mechanism for collecting feedback from employees on OH&S, utilising suggestion boxes, employee representative meetings and irregular worker interviews. Relevant records have been preserved since the mechanism was established.

#### ASI LIMITATION OF LIABILITY DISCLAIMER

Organisations that make ASI-related claims are each responsible for their own compliance with Applicable Law, including laws and regulations related to labelling, advertisement, and consumer protection, and competition or antitrust laws, at all times. ASI does not accept liability for any violations of Applicable Law or any infringement of third-party rights (each a Breach) by other organisations, even where such Breach arises in relation to, or in reliance upon, any ASI Standard, document or other material, recommendation or directive issued by or on behalf of ASI. ASI gives no undertaking, representation or warranty that compliance with an ASI Standard, document or other material, recommendation or directive issued by or on behalf of ASI will result in compliance with any Applicable Law, or will avoid any Breach from occurring.

#### DOCUMENT CONTROL AND VERSION HISTORY

REVISION	DATE	NOTES
0	18 January 2024	Initial Certification Audit – Full Certification
	21 August 2024	Update to include findings associated with Criteria 4.4d and 6.8 that are additionally applicable with the Supply Chain Activity of ‘Casthouses’