

ASI CERTIFICATION PERFORMANCE STANDARD



PRESENTED TO

Daiki Aluminium Industry Co., Ltd. Shiga Plant

CERTIFICATE NUMBER
389

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

CERTIFICATION LEVEL
**FULL
CERTIFICATION**

ASI ACCREDITED
AUDITING FIRM
**DNV BUSINESS
ASSURANCE
SERVICES UK LTD.**

DATE OF ISSUE
21 OCTOBER 2024

DATE OF EXPIRY
20 OCTOBER 2027

CERTIFIED SINCE
21 OCTOBER 2024

AUTHORISED BY

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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

The manufacture of molten and
ingot secondary Aluminium alloys
at the Daiki Aluminium Industry Co.,
Ltd. Shiga Plant, Japan.

AUDIT REPORT PERFORMANCE STANDARD

OVERVIEW

MEMBER NAME	Daiki Aluminium Industry Co., Ltd.
ENTITY NAME	Daiki Aluminium Industry Co., Ltd. Shiga Plant
CERTIFICATION SCOPE	The manufacture of molten and ingot secondary Aluminium alloys at the Daiki Aluminium Industry Co., Ltd. Shiga Plant, Japan.
SUPPLY CHAIN ACTIVITIES	<ul style="list-style-type: none">Aluminium Re-melting/RefiningCasthouses
ASI STANDARD	<ul style="list-style-type: none">Performance Standard V3
AUDIT TYPE	<ul style="list-style-type: none">Initial Certification Audit
AUDIT FIRM	DNV Business Assurance Services UK Ltd.
AUDIT DATE	<ul style="list-style-type: none">24 – 26 July 2024
AUDIT REPORT SUBMISSION	<ul style="list-style-type: none">9 August 2024
AUDIT SCOPE	<p>The Audit Scope includes all activities at the Daiki Aluminium Industry Co., Ltd. Shiga Plant for the production of Recycled Scrap Ingots and Liquid (Molten) Aluminium.</p> <p>Supply chain activities included in the Audit Scope:</p> <ul style="list-style-type: none">Aluminium Re-melting/RefiningCasthouses <p>All relevant Criteria in the ASI Performance Standard were included in the Audit Scope.</p>
AUDIT OUTCOME	<ul style="list-style-type: none">Certification
AUDIT METHODOLOGY DECLARATION	<p>The Auditors confirm that:</p> <ul style="list-style-type: none"><input checked="" type="checkbox"/> The information provided by the Entity is true and accurate to the best knowledge of the Auditor(s) preparing this report.<input checked="" type="checkbox"/> The findings are based on verified Objective Evidence relevant to the time period for the Audit, traceable and unambiguous.<input checked="" type="checkbox"/> The Audit Scope and Audit methodology are sufficient to establish confidence that the findings are indicative of the performance of the Entity's defined Certification Scope.<input checked="" type="checkbox"/> The Auditor(s) have acted in a manner deemed ethical, truthful, accurate professional, independent and objective.
CERTIFICATION PERIOD	21 October 2024 – 20 October 2027

NEXT AUDIT TYPE Surveillance Audit

NEXT AUDIT DATE 20 April 2026

CERTIFICATE NUMBER 389



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

Daiki Aluminium Industry Co., Ltd. Shiga Plant (the 'Entity'), located in Higashiomi, Shiga, Japan, commenced its operations in 2006. The Entity produces Recycled Scrap Ingots or Recycled Liquid Metal using Aluminium Scraps as the main raw materials. The Entity's annual production is approximately 38,500 metric tonnes and the plant is equipped with three melting furnaces, two rotary furnaces, casting equipment, molten metal transport equipment, and raw material pre-treatment equipment.

The key external Stakeholders are the public administration offices, the sewage treatment plant, and two neighbouring companies. There are no sensitive receptors nor neighbouring residential areas nearby to the Entity, as it is located in an industrial area on the city's outskirts.

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
SYSTEMS	Medium	Medium	Medium	MEDIUM
RISKS	Medium	Medium	Medium	MEDIUM
PERFORMANCE	Medium	Medium	Medium	MEDIUM
OVERALL	MEDIUM			

FINDINGS

CRITERION	RATING	COMMENT
1. BUSINESS INTEGRITY		
1.1 Legal Compliance	Conformance	The Entity has developed and implemented Policies, procedures, and processes to maintain awareness and ensure Compliance with customary and Applicable Laws. The legal compliance registers of social, labour, ethics, environment, and Health and Safety are established to identify and maintain relevant legal regulations. Compliance audits are conducted annually, and audit results are reviewed and reported during the Board of Directors' meetings.
1.2 Anti-Corruption	Conformance	The Entity has established a Code of Ethics and a Basic Policy for Responsible Procurement for suppliers, which address anti-Corruption. Communication on the Code of Ethics and Basic Policy for Responsible Procurement is made internally through a newsletter and externally via the Entity's website: Code of Ethics: https://www.dik-net.com/csr/code_of_ethics/ Basic Policy for Responsible Procurement: https://www.dik-net.com/csr/social/procurement_policy/
1.3a-e Code of Conduct	Conformance	The Entity has established and implemented its Code of Ethics. A periodic review of the Code of Ethics is stated in the Entity's Internal Document Management Procedure. Workers are provided training on the Code of Ethics and sign an agreement to follow the Code. The Code of Ethics is available at: https://www.dik-net.com/csr/code_of_ethics/
2. POLICY AND MANAGEMENT		
2.1a-f Environmental, Social, and Governance Policy	Conformance	The Entity has established Policies, systems, procedures and processes on Environment, Social and Governance (ESG) principles, which are reviewed periodically. The Entity has the endorsement and support from senior management to provide sufficient resources for regular review of the Policies. The Entity's ESG Policies are accessible internally through the newsletter and notice board and externally via the Entity's website and in the Sustainability Report (English), available at: https://www.dik-net.com/wp-content/uploads/2024/01/DIK_SR2023_0116.pdf
2.2a-c Leadership	Conformance	The Entity has appointed senior Management Representatives with responsibilities defined to ensure conformance with the ASI Performance Standard and to ensure communication of relevant Environmental, Social, and Governance (ESG) Policies internally and externally. The Entity has identified and provided resources to establish, implement, maintain and improve its ESG Management Systems.
2.3a Environmental and Social Management Systems - Environmental	Conformance	The Entity has established and implemented its own Environmental Management System and holds a valid ISO 14001:2015 Environmental Management System certification.
2.3b Environmental and Social Management Systems - Social	Conformance	The Entity has established and maintained a Health and Safety Management System, including a Health and Safety Policy, manual and procedures. The Entity has established a Human Rights Policy, and relevant employment regulations have been established and

CRITERION	RATING	COMMENT
		maintained. The Entity's Policies and other social and employee information are accessible at: https://www.dik-net.com/csr/social/employee/
2.4a-e Responsible Sourcing	Minor Non-Conformance	<p>The Entity has developed and implemented a Policy, system, and process establishing its responsible sourcing requirements, which is reviewed periodically. Major suppliers are required to comply with the Responsible Procurement Policy, accessible at: https://www.dik-net.com/csr/social/procurement_policy/</p> <p>The Entity has identified its major next-tier suppliers, including in-house Contractors, conducts Due Diligence audits, and implements follow-up improvement actions as required.</p> <p>However, supplier audits of in-house Contractors have not yet been conducted.</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 Major Changes to the existing Facility. Regardless, the Entity has developed a procedure to implement and periodically review environmental and social impacts in case of New Projects or Major Changes, available at: https://www.dik-net.com/wp-content/themes/thema2021/pdf/asi.pdf?20240719
2.6a-h Human Rights Impact Assessment	Not Applicable	This Criterion is not applicable to the Entity, as there are no New Projects or Major Changes to the existing facility. Regardless, the Entity has developed a procedure to implement and periodically review Human Rights impacts for New Projects or Major Changes, available at https://www.dik-net.com/wp-content/themes/thema2021/pdf/asi.pdf?20240719
2.7a-f Emergency Response Plan	Conformance	The Entity has established and maintained Emergency Response Plans, which involved collaboration with potentially affected Stakeholder groups such as Workers, neighbouring companies, and governmental offices. The Entity's Internal Document Procedure addresses periodic review of these emergency plans. Workers, including in-house subcontractors, are provided with relevant emergency evacuation training, and emergency drills are conducted periodically. The latest version of the Emergency Response Plans is disclosed in the Entity's Information Disclosure (Page 4): https://www.dik-net.com/wp-content/themes/thema2021/pdf/asi.pdf?20240719
2.8a-d Suspended Operations	Conformance	The Entity has established a Business Continuity Management System Manual where Business recovery/continuity programs are established against situations that may lead to suspending or significantly altering operations, and its annual review of the Emergency Response Plans and Business continuity programs is established.
2.9a-b Mergers and Acquisitions	Conformance	The Entity has established a management Procedure for mergers and acquisitions. No such activities have occurred since the Entity became an ASI Member.
2.10a-b Closure, Decommissioning and Divestment	Conformance	No closures, decommissioning, or divestments are planned for the Entity in the near future. Should an event occur, the Entity will conduct a formal review of the environmental, social, and governance consequences of activities around closure, decommissioning, or divestment and consult, where possible, with the participation of Affected Populations and Organisations.

CRITERION	RATING	COMMENT
3. TRANSPARENCY		
3.1a-b Sustainability Reporting	Conformance	<p>The Entity has disclosed an annual Sustainability Report (available in English and Japanese) based on local reporting guidelines, and is accessible at: https://www.dik-net.com/wp-content/uploads/2024/01/DIK_SR2023_0116.pdf</p> <p>Key performance indicators and the Material environmental, social, governance, and economic impacts and activities are disclosed in the Sustainability Report, which addresses its performance, interactions with the Local Communities, and legal compliance information.</p> <p>Additional information, not included in the Sustainability Report, is available in the ASI Information Disclosure: https://www.dik-net.com/wp-content/themes/thema2021/pdf/asi.pdf?20240719</p>
3.2 Non-compliance and Liabilities	Conformance	<p>The Entity publicly discloses information on significant fines, judgments, penalties, and non-monetary sanctions for failure to comply with Applicable Laws and regulations. The Entity's ASI Information Disclosure (Page 3), is accessible at: https://www.dik-net.com/wp-content/themes/thema2021/pdf/asi.pdf?20240719.</p> <p>No significant fines or penalties have been imposed since the Entity commenced operation in 2006.</p>
3.3a-c Payments to Governments	Conformance	<p>The Entity's Annual Financial Report is verified by an independent accounting firm, and financial results are disclosed at: https://disclosure2.edinet-fsa.go.jp/WZEK0040.aspx?SI00TP31</p> <p>The summary statement of payments to governments and information on direct or indirect value and beneficiaries of financial and in-kind political contributions are publicly disclosed in the Entity's ASI Information Disclosure (Page 5 item 3.3): https://www.dik-net.com/wp-content/themes/thema2021/pdf/asi.pdf?20240719</p>
3.4a-f Stakeholder Complaints, Grievances and Requests for Information	Conformance	<p>The Entity's internal grievance and external whistleblowing/complaints mechanisms are established and reviewed periodically. The Entity maintains a grievance and complain register. The internal Grievance Mechanism is accessible via a hotline, email, and anonymous grievance boxes, and is communicated to Workers. External complaints, whistleblowing or any request for information can be made anonymously via the Entity's website: https://www.dik-net.com/contact/contact_form6/</p>
4. MATERIAL STEWARDSHIP		
4.1a Environmental Life Cycle Assessment	Conformance	<p>The Entity has conducted an environmental Life Cycle Assessment (LCA) for its main Products (Recycled Scrap Ingots) and maintains a relevant LCA Report. The Entity's LCA Report is based on a 'cradle-to-gate' approach, referring to ISO 14040:2006 and the local JIS Q 14040:2010 Environmental Management—Life Cycle Assessment, Principles and Framework Standard.</p>
4.1b-c Environmental Life Cycle Assessment - Disclosure	Conformance	<p>The Entity's LCA Report can be provided to external Stakeholders upon request. There have been no requests for LCA information to date. The Entity's summarised LCA Report is included in the ASI Information</p>

CRITERION	RATING	COMMENT
		Disclosure, Pages 15-16, Shiga Plant Life Cycle Assessment (in Japanese): https://www.dik-net.com/wp-content/themes/thema2021/pdf/asi.pdf?20240719
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 targeted 100% of Scrap to be collected, recycled and reused, and the actual input and output are monitored and controlled. In accordance with its Non-conforming Material Management Regulation and Dross Processing Procedure, the Entity has implemented targets to minimise the generation of Aluminium Process Scrap within its operations and recover Aluminium from the Process Scrap. Scrap not recovered is sold externally for further reuse. Due to the nature of the Entity's Products, alloy separation for Aluminium Process Scrap is not required.
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 has established its recycling plans to support accurate measurement and efforts to increase its recycling rates, such as plans to reduce Primary Aluminium use and increase its use of Recyclable Scrap. The Entity's Recycling Strategy is included in the Sustainability Report, pages 26 and 29: https://www.dik-net.com/wp-content/uploads/2024/01/DIK_SR2023_0116.pdf
5. GREENHOUSE GAS EMISSIONS		
5.1a-b Disclosure of GHG Emissions and Energy Use	Minor Non-Conformance	The Entity manages its Greenhouse Gas (GHG) Emissions and energy use by monitoring, calculating and reporting. The Entity has disclosed its independently verified GHG Emissions (Scope 1, 2, and 3) in the ASI Information Disclosure, page 6, section 5.1: https://www.dik-net.com/wp-content/themes/thema2021/pdf/asi.pdf?20240719 However, the Entity did not disclose its energy use or GHG Emissions by source.
5.2a Aluminium Smelter GHG Emissions Intensity – Started production after 2020	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
5.2b Aluminium Smelter GHG Emissions Intensity – In production up to and including 2020	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
5.3a-e GHG Emissions Reduction Plans	Minor Non-Conformance	The Entity has developed a GHG Emission Reduction Plan, which is disclosed in the Mid Term Plan, page 21 and the ASI Information Disclosure, pages 6 and 16:

CRITERION	RATING	COMMENT
		<p>https://contents.xj-storage.jp/xcontents/AS03525/fa89699f/c9e2/4af2/be3f/678d0dac6e6a/140120240510589432.pdf and https://www.dik-net.com/wp-content/themes/thema2021/pdf/asi.pdf?20240719</p> <p>The Entity has used the ASI Entity-Level GHG Pathways Method, including the Calculation Tool, using a 2019 baseline year to set initial Intermediate Targets for the process (Scope 1 and 2) Pathway and procurement (Scope 3 cat 1) Pathway. The Entity's GHG Emissions Scope 1 and 2 Pathway is disclosed in the ASI Information Disclosures report.</p> <p>However, the Entity has not disclosed its procurement (Scope 3 cat 1) Pathway or Intermediate Targets, as required by the ASI method.</p> <p>Progress against the annual GHG Emissions reduction targets, Plan, and has been monitored. Results for fiscal 2023 were a 10.0% reduction compared to the Entity's 2019 emissions, and we were 39% towards the 2030 reduction target of 25.6%. The 2023 target was also achieved (achievement rate: 107%). The Entity's progress against the GHG Emissions Reduction Plan is disclosed in the Sustainability Report, pages 30-32 and 44:</p> <p>https://www.dik-net.com/wp-content/uploads/2024/01/DIK_SR2023_0116.pdf</p>
5.4 GHG Emissions Management	Conformance	<p>The Entity has developed and maintained its GHG Calculation Guidance associated with GHG Emissions and energy use, its controls, monthly monitoring, monthly internal compliance review, and annual third-party review. Periodic internal audits against the Entity's GHG Management System are conducted, and relevant improvement actions are made if applicable.</p>
6. EMISSIONS, EFFLUENTS AND WASTE		
6.1a-f Emissions to Air	Conformance	<p>The Entity's Emissions to Air are identified and assessed in its Environmental Impact Assessment. The waste air generated in the operation is collected and treated before being released into the atmosphere to mitigate adverse impacts. The dust from the remelting process and dust collectors are used to mitigate air pollutants. The daily Emissions to Air are recorded by qualified personnel. Emission Reduction Plans are reviewed annually according to ISO 14001, and the Entity's Material emissions are quantified and disclosed in the ASI Information Disclosure, page 7:</p> <p>https://www.dik-net.com/wp-content/themes/thema2021/pdf/asi.pdf?20240719/</p>
6.2a-g Discharges to Water	Conformance	<p>The Entity operates a wastewater treatment facility, and the discharge of production process water is 100% circulated and reused in its operations on the premises. The Entity has established targets to minimise adverse impacts to the environment from Discharges to Water and its Material water discharges, and the latest plans are disclosed in the ASI Information Disclosure, page 7:</p> <p>https://www.dik-net.com/wp-content/themes/thema2021/pdf/asi.pdf?20240719/</p>
6.3a-g Assessment and Management of Spills and Leakages	Conformance	<p>The Entity has conducted an Environmental Impact Assessment where Spills and Leakages may contaminate air, water, or soil and has established control plans to prevent and manage Spills and Leakages. Relevant training is provided to Workers. The Emergency Response</p>

CRITERION	RATING	COMMENT
		<p>Procedure defines the scope and responsibilities for external communications (government agencies, communities, other factories nearby) on Spills and/or Leakages. The Entity's control plans related to Spills and/or Leakages are reviewed annually and disclosed in the ASI Information Disclosure, page 9: https://www.dik-net.com/wp-content/themes/thema2021/pdf/asi.pdf?20240719/</p>
6.4a-b Public Disclosure of Spills and Leakages	Conformance	<p>The reporting of Spills and/or Leakages is defined in the Entity's Emergency Response Procedure. No Spills and/or Leakages cases were reported in the last three years. The impact assessments of Spills and/or Leakages are disclosed in the ASI Information Disclosure, page 9: https://www.dik-net.com/wp-content/themes/thema2021/pdf/asi.pdf?20240719/</p>
6.5a-c Waste Management and Reporting	Conformance	<p>The Entity has implemented a Waste reduction goal and strategy according to the Waste Mitigation Hierarchy. The Entity's Wastes (Hazardous and Non-Hazardous) are transferred and disposed of by qualified contractors and audited annually. The Entity discloses its annual quantities of Wastes by disposal method (Recycling/Disposal) in the ASI Information Disclosure, page 10: https://www.dik-net.com/wp-content/themes/thema2021/pdf/asi.pdf?20240719/</p>
6.6a-g Bauxite Residue	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
6.7a-f Spent Pot Lining (SPL)	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
6.8a-d Dross	Conformance	<p>The Dross generated from the Entity's operations is treated on the premise to recover as much Aluminium as possible. The remaining Dross residuals are sold to steel manufacturers as raw materials for additives, such as heating agents to reduce energy consumption or as deoxidisers to remove impurities. The Entity discloses its Dross Management Strategy and results in the ASI Information Disclosure, page 10: https://www.dik-net.com/wp-content/themes/thema2021/pdf/asi.pdf?20240719/</p>
7. WATER STEWARDSHIP		
7.1a-b Water Assessment and Disclosure	Conformance	<p>The Entity's water sources are municipal water and rainwater. A water flow diagram, including withdrawal and use by source, is in place. The Water Risk Assessment considers the Entity's operational, internal, and external risks in their area of influence. Due to the nature of the production processes and the existing Water Management Systems, the water-related risk has been determined as low in the local water environment, and it is disclosed in the ASI Information Disclosure, page 11: https://www.dik-net.com/wp-content/themes/thema2021/pdf/asi.pdf?20240719/</p>
7.2a-e Water Management	Not Applicable	This Criterion is not applicable to the Entity, as the Water Risk Assessment determined the risk as low.
8. BIODIVERSITY AND ECOSYSTEM SERVICES		

CRITERION	RATING	COMMENT
8.1a Biodiversity and Ecosystem Services Risk and Impact Assessment	Conformance	The Entity has conducted a Biodiversity and Ecosystem risk assessment to identify potential impacts on Biodiversity and Ecosystem Services from the land use and activities within its Area of Influence. The risk assessment determined the potential impact as low, with a summary published in the ASI Information Disclosure, page 12: https://www.dik-net.com/wp-content/themes/thema2021/pdf/asi.pdf?20240719/
8.1b Biodiversity and Ecosystem Services Risk and Impact Assessment - Priority	Not Applicable	This Criterion is not applicable to the Entity, as the Biodiversity and Ecosystem Services risks have been determined as low, and no Priority Ecosystem Services has been identified.
8.2a-g Biodiversity Management	Not Applicable	This Criterion is not applicable to the Entity, as it has assessed the risk on Biodiversity and Ecosystem Services as low.
8.3a-c Management of Priority Ecosystem Services	Not Applicable	This Criterion is not applicable to the Entity, as it has assessed the risk on Biodiversity and Ecosystem Services as low.
8.4 Alien Species	Conformance	The Entity has conducted a self-assessment survey with major wooden pallet suppliers and confirmed that unfumigated pallets are not brought into their premises. The Entity has made web-based research on Alien Species designated by Shiga Prefecture, where it is located, to prevent the accidental or deliberate introduction of Alien Species that could adversely impact Biodiversity and Ecosystem Services in their Area of Influence.
8.5a-b Commitment to 'No Go' in World Heritage Properties	Conformance	The Entity has committed to "no go" in World Heritage Properties in the ASI Information Disclosure, page 12: https://www.dik-net.com/wp-content/themes/thema2021/pdf/asi.pdf?20240719/ The Entity's World Heritage and Protected Areas Risk Identification and Assessment result demonstrates that no World Heritage Site is within its Area of Influence, and the risk is assessed as low.
8.6a-d Protected Areas	Conformance	The Entity has conducted a risk assessment and identification of Protected Areas within its Area of Influence, as disclosed in the ASI Information Disclosure, page 12: https://www.dik-net.com/wp-content/themes/thema2021/pdf/asi.pdf?20240719/ There are no Protected Areas within the Entity's Area of Influence.
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.
9. HUMAN RIGHTS		
9.1a-d Human Rights Due Diligence	Conformance	The Entity has developed a Human Rights Policy, which is reviewed every two years: https://www.dik-net.com/wp-content/themes/thema2021/pdf/human_rights.pdf?20240507/

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		The Entity has conducted a Human Rights and Labour Risk Assessment, which involves identifying and assessing potential risks, evaluating conformity against risks, implementing control measures and targets on Human Rights, and conducting periodic reviews. As a result, no adverse Human Rights impacts have been found. The Entity has also completed a mapping of Affected Populations and Organisations, including its supply chains, in the assessment.
9.2a-e Gender Equity and Women's Empowerment	Conformance	The Entity is committed to respecting women's rights and has established and implemented a strategy to increase gender equity. The program's effectiveness is monitored and reviewed by senior management annually. The Entity's Employment and Childcare Leave Regulations identify and address the legal requirements for women's rights, including protection for pregnant and nursing mothers. The effectiveness of the Entity's measures to promote gender equity is disclosed in the ASI Information Disclosure, page 13: https://www.dik-net.com/wp-content/themes/thema2021/pdf/asi.pdf?20240719/
9.3a-i Indigenous Peoples	Not Applicable	This Criterion is not applicable to the Entity, as there are no Indigenous Peoples within its Area of Influence.
9.4a Free, Prior, and Informed Consent (FPIC) - New Projects or Major Changes	Not Applicable	This Criterion is not applicable to the Entity, as there are no Indigenous Peoples within its Area of Influence, and no New Projects or Major Changes have occurred 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.
9.4c Free, Prior, and Informed Consent (FPIC) - Demonstrate support	Not Applicable	This Criterion is not applicable to the Entity, as there are no Indigenous Peoples within its Area of Influence, and no New Projects or Major Changes have occurred since the Entity joined ASI.
9.5a Cultural and Sacred Heritage – Identification	Conformance	The Entity has reviewed the official government website of the Agency for Cultural Affairs (https://www.bunka.go.jp/seisaku/bunkazai/shokai/sekai_isan/ichiran/) and completed a Protected Area Risk Assessment, which determined that no sacred or cultural heritage sites or values are identified within its Area of Influence.
9.5b Cultural and Sacred Heritage – Impacts	Not Applicable	This Criterion is not applicable to the Entity, as there are no Indigenous Peoples within its Area of Influence or sacred or cultural heritage sites or values.
9.6a-i Displacement	Not Applicable	This Criterion is not applicable to the Entity, as no New Projects or Major Changes have taken place since the Entity joined ASI, and no displacement or resettlement plans are considered.
9.7a-h Affected Populations and Organisations	Conformance	The Entity has a Policy to respect the Local Communities' relevant legal and customary rights and interests. It has conducted the relevant risk assessment and has control plans that are implemented and reviewed annually. The Entity undertakes various activities, including charity and support activities with Local Communities, which are addressed in the Sustainability Report 2023, page 38:

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		https://www.dik-net.com/sustainability-report/
9.8a Conflict-Affected and High-Risk Areas - Strong Management Systems	Conformance	The Entity has established a Policy on Responsible Procurement for avoiding involvement in armed conflict or Human Rights abuses, and a Due Diligence procedure over its Aluminium supply chain in accordance with the OECD Due Diligence Guidance on Minerals from Conflict-Affected and High-Risk Areas. The Policy is published on the Entity's website: https://daikialuminium.com/wp-content/themes/thema2021/pdf/230808_DIK-Group_Basic_Policy_for_Responsible_Procurement.pdf
9.8b Conflict-Affected and High-Risk Areas - Identify and assess risks	Conformance	The Entity has assessed the risk of its Primary Aluminium sources and identified the smelters and their locations. The risks of involvement in armed conflict or Human Rights abuses have been identified, assessed, and rated. The assessment did not find risks of involvement in armed conflict or Human Rights abuses.
9.8c Conflict-Affected and High-Risk Areas - Strategy to respond to risks	Conformance	The Entity has established a strategy to respond to identified potential risks of conflict minerals as part of its Human Rights and Supply Chain Due Diligence Procedure. The Entity's supply chain risk assessment demonstrates no involvement in armed conflict or Human Rights abuses.
9.8d Conflict-Affected and High-Risk Areas - Audit of Due Diligence	Conformance	The Entity's Due Diligence practices have been verified as part of this ASI Performance Standard Audit.
9.8e Conflict-Affected and High-Risk Areas - Report annually	Conformance	The Entity's Due Diligence and declaration of non-involvement in armed conflict or Human Rights abuses are reported in the ASI Information Disclosure report, page 14: https://www.dik-net.com/wp-content/themes/thema2021/pdf/asi.pdf?20240719
9.9 Security practice	Conformance	The Entity's security service is subcontracted to a private company. In the Memorandum of Understanding with the onsite security service provider, the Entity requires them to respect Human Rights. In practice, no direct or indirect body search and baggage inspection are conducted upon entry and exit from the Facility.
10 LABOUR RIGHTS		
10.1a-c Freedom of Association and Right to Collective Bargaining	Conformance	The Entity is committed to respecting Freedom of Association. A Labour Union is present, and Union representatives are freely elected by Workers. The Entity is also committed to respecting Collective Bargaining Rights, and a Collective Bargaining Agreement is in place.
10.1d Freedom of Association and Right to Collective Bargaining - Alternative means in context of Applicable Law	Not Applicable	This Criterion is not applicable to the Entity, as there are no restrictions on the right to Freedom of Association and Collective Bargaining in Japan.
10.2a Child Labour	Conformance	The Entity is committed to the prohibition of Child Labour. The Entity does not hire young Workers under 18 years due to the night shifts and

CRITERION	RATING	COMMENT
		hazardous nature of the work. There is no history of Workers under 18 years of age.
10.3a-c Forced Labour	Conformance	<p>The Entity is committed to the prohibition of Forced Labour as addressed in its Human Rights and Labor Policy. Workers are not required to pay a deposit or Recruitment Fee upon employment. The Entity has an enforced Memorandum of Understanding with onsite service Contractors who dispatch Workers to the Entity to ensure conformance with the Policy. The Entity does not retain the Workers' original documents, and Workers can terminate their employment within a reasonable notice period without any penalty. The Entity's senior management has endorsed the Modern Slavery Statement, which is publicly disclosed at:</p> <p>https://www.dik-net.com/wp-content/themes/thema2021/pdf/modern_slavery_statement.pdf</p>
10.4a-c Non-Discrimination	Conformance	<p>The Entity is committed to non-Discrimination in all its forms, as addressed in its Human Rights and Labor Policy:</p> <p>https://www.dik-net.com/wp-content/themes/thema2021/pdf/human_rights.pdf?20240507</p> <p>The Entity's recruitment, job application, and employee evaluation processes and remuneration systems indicate that the decisions are solely based on the candidate's ability to perform the job requirements rather than other personal characteristics. No grievances or complaints about Discrimination were raised during the Worker interviews.</p>
10.5 Communication and engagement	Conformance	<p>Workers can freely express their concerns or complaints regarding working conditions and the resolution of workplace and compensation issues without the threat of reprisal, intimidation, or Harassment. Direct and periodic communication between the Entity and Workers or Union representatives is established and implemented. All interviewed Workers knew the process of lodging complaints or reporting concerns.</p>
10.6a-g Violence and Harassment	Conformance	<p>The Entity's Policy on Violence and Harassment is addressed in the Human Rights and Labor Policy, which is reviewed periodically and available at:</p> <p>https://www.dik-net.com/wp-content/themes/thema2021/pdf/human_rights.pdf?20240507</p> <p>A Harassment Prevention Procedure is established and reviewed every two years. Implementation of the Policy and procedure is reviewed periodically based on the results of the annual worker survey. Workers are provided training and communication on the Harassment Prevention Procedure and control measures.</p>
10.7a-d Remuneration	Minor Non-Conformance	<p>The Entity provides written Employment Contracts to Workers and ensures Workers have written descriptions of terms and conditions of employment in a language and format they understand. The Entity pays premium rates for overtime hours exceeding legally mandated premium rates and 25%. The working hours and payroll records demonstrate that Workers are paid timely as legally required and fully documented. A Labour and Management Agreement aligns with the legal requirement for wage deductions other than social insurance and taxes.</p>

CRITERION	RATING	COMMENT
		However, the Audit identified that some of the wage deductions, such as compassionate leave and the Entity's events, are not included in the Agreement.
10.8a-c Working Time	Conformance	The Entity has developed regulations on working hours, rest, and other leave entitlements that align with legal requirements. Based on the sampled review of working hour records, Workers do not exceed legal working hour limits and have an average of one day off every seven days. Interviewed Workers confirm they do not exceed legal working hours and can freely use their leave entitlements.
10.9a-b Informing Workers of Rights	Conformance	Workers are informed of their rights as described in the Entity's Employment Regulations, other regulations such as the Collective Bargaining Agreement (CBA), and individual Employment Contracts. Workers have access to the Entity's intranet or bulletin board to confirm and review those regulations and are notified when they are updated.
11. OCCUPATIONAL HEALTH AND SAFETY		
11.1a Occupational Health and Safety (OH&S) Management System	Conformance	The Entity's Occupational Health and Safety Procedure includes a commitment to complying with legal requirements, continuous improvement, and communication with internal and external Stakeholders. The procedure is reviewed annually. The Entity conducts an annual safety assembly with its onsite service Contractors to implement its Health and Safety Policy and ensure conformance with the procedure.
11.1b-e Occupational Health and Safety (OH&S) Management System - Reviews and disclosure	Conformance	The Entity conducts an annual management review of its Occupational, Safety and Health (OH&S) Management System. The effectiveness of the OH&S Management System, including leading and lagging indicators and comparative analysis of performance with peer Businesses and leading practices, is disclosed in the ASI Information Disclosure, page 14: https://www.dik-net.com/wp-content/themes/thema2021/pdf/asi.pdf?20240719
11.2 Employee engagement on Health and Safety	Conformance	The Entity has established formal, documented procedures for Workers' consultation and participation in Health and Safety aspects. Monthly Health and Safety Committee meetings are conducted with the Workers' representatives, and near-miss reports are reviewed in the meetings. The Entity also conducts an annual safety assembly with onsite Contractors to discuss and improve Health and Safety issues.

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DOCUMENT CONTROL AND VERSION HISTORY

REVISION	DATE	NOTES
0	21 October 2024	Certification Audit - Full Certification
