

ASI CERTIFICATION PERFORMANCE STANDARD



PRESENTED TO

Tianjin XinLizhong Alloy Group Co., Ltd.

CERTIFICATE NUMBER

434

ASI STANDARD

PERFORMANCE
STANDARD
(V3 2022)

CERTIFICATION LEVEL

FULL
CERTIFICATION

ASI ACCREDITED
AUDITING FIRM

SGS-CSTC
STANDARDS
TECHNICAL
SERVICES

DATE OF ISSUE

7 APRIL 2025

DATE OF EXPIRY

6 APRIL 2028

CERTIFIED SINCE

7 APRIL 2025

AUTHORISED BY

A stylized, handwritten signature in black ink, consisting of a large, flowing 'A' followed by a horizontal line.

Aluminium Stewardship Initiative Ltd
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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

Melting, alloying and casting
process for the design and
manufacture of cast Aluminium
alloy at Tianjin XinLizhong Alloy
Group Co., Ltd.

AUDIT REPORT PERFORMANCE STANDARD

OVERVIEW

MEMBER NAME	Lizhong Group
ENTITY NAME	Tianjin XinLizhong Alloy Group Co., Ltd.
CERTIFICATION SCOPE	Melting, alloying and casting process for the design and manufacture of cast Aluminium alloy at Tianjin XinLizhong Alloy Group Co., Ltd.
SUPPLY CHAIN ACTIVITIES	<ul style="list-style-type: none">Aluminium Re-melting/RefiningMaterial Conversion
ASI STANDARD	Performance Standard V3
AUDIT TYPE	<ul style="list-style-type: none">Initial Certification Audit
AUDIT FIRM	SGS-CSTC Standards Technical Services
AUDIT DATE	<ul style="list-style-type: none">21 – 22 November 2024
AUDIT REPORT SUBMISSION	<ul style="list-style-type: none">23 December 2024
AUDIT SCOPE	<p>The Audit Scope included melting, alloying and casting process for the design and manufacture of cast Aluminium alloy at Tianjin XinLizhong Alloy Group Co., Ltd.</p> <p>Supply chain activities included in the Audit Scope:</p> <ul style="list-style-type: none">Aluminium Re-melting/RefiningMaterial Conversion <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	7 April 2025 – 6 April 2028

NEXT AUDIT TYPE	Surveillance Audit
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NEXT AUDIT DATE	6 October 2026
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CERTIFICATE NUMBER	434
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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

Tianjin XinLizhong Alloy Group Co., Ltd. (the 'Entity') was established in 2019 and operates under the Tianjin XinLizhong Alloy Group at No. 58 Taimin Road, Western District, Tianjin Economic Development Zone, Tianjin, China. The facility comprises an administrative office covering 8,795 square metres (m²); Factory #2 covering 9,084 m²; Factory #4 functioning as a raw materials warehouse with an area of 8,655 m², and a finished goods section combined with Factory #3, occupying 3,885 m².

The Entity primarily serves the domestic automotive parts manufacturing sector, employing around 180 staff with an annual production capacity of 150,000 tonnes. It operates 15 furnace sets, including nine melting furnaces, five alloy furnaces, and one pilot furnace, along with six pouring machines and six ingot coding machines. Supporting infrastructure includes office buildings, employee dormitories, canteens, warehouses, parking lots, distribution boxes, air compressors, natural gas pipelines, and circulating water tanks.

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	High	Medium	High	HIGH
RISKS	Medium	Medium	High	MEDIUM
PERFORMANCE	High	Medium	Medium	MEDIUM
OVERALL	MEDIUM			

FINDINGS

CRITERION	RATING	COMMENT
1. BUSINESS INTEGRITY		
1.1 Legal Compliance	Conformance	The Entity has established a Management System to ensure awareness of and compliance with Applicable Law.
1.2 Anti-Corruption	Conformance	The Entity has Supervision and Management departments to collect and handle complaints and reports. It has established anti-Bribery Policies that apply to all employees within the Entity. The Entity has also developed an Complaint Management Mechanism, available at: http://www.lizhong.com.cn/uploads/tinymce/images/9355d16a3771cb3e48fb072ba8d218f672b1319df711.pdf
1.3a-e Code of Conduct	Conformance	<p>The Entity has implemented a Code of Conduct, incorporating principles related to environmental, social and governance performance, which has been approved by senior management, available at: http://www.lizhong.com.cn/uploads/tinymce/images/5a68763b7f2e3ab9b5a3c037f4717559672b127bab138.pdf</p> <p>The Entity's internal audit program and management reviews are conducted annually to ensure the effective operation of the system.</p>
2. POLICY AND MANAGEMENT		
2.1a-f Environmental, Social, and Governance Policy	Conformance	The Entity has established and implemented an Environmental, Social, and Governance (ESG) Policy, which covers environmental, Occupational Health and Safety (OH&S), ASI performance and energy. The General Manager has approved all related Policies. The ESG Policy has been communicated internally through training and plant notice board presentations. It is reviewed annually and available at: http://www.lizhong.com.cn/uploads/tinymce/images/5a68763b7f2e3ab9b5a3c037f4717559672b127bab138.pdf
2.2a-c Leadership	Conformance	The Director of the Management Department and the Director of the Safety and Environmental Protection Department were appointed as the Entity's management representative in January 2024, with full responsibility and authority to ensure compliance with the ASI Performance Standard.
2.3a Environmental and Social Management Systems - Environmental	Conformance	The Entity has developed and implemented an integrated Management System and has obtained ISO 14001:2015 certification.
2.3b Environmental and Social Management Systems - Social	Conformance	The Entity has implemented an integrated Management System and obtained certifications, including IATF 16949, ISO 14001, ISO 45001, and ISO 50001. The SA8000:2014 Management Manual has been established to address risks related to Human Rights and Labour Rights.
2.4a-e Responsible Sourcing	Conformance	The Entity has implemented a Responsible Sourcing Policy addressing environmental, social and governance issues. The Policy is available at: http://www.lizhong.com.cn/uploads/tinymce/images/cb57df994362e1635d95f55fee232aa9672b1341b38f4.pdf

CRITERION	RATING	COMMENT
2.5a-g Environmental and Social Impact Assessments	Not Applicable	This Criterion is not applicable to the Entity, as there have been no New Projects or Major Changes to existing Facilities since the Entity joined ASI. However, the Entity has disclosed its environmental and social performance in its ESG report, available at: http://www.lizhong.com.cn/uploads/tinymce/images/21055c54bc20dd62614a428fc7294d4d672b13b81cea3.pdf
2.6a-h Human Rights Impact Assessment	Not Applicable	This Clause is not applicable to the Entity, as there have been no New Projects or Major Changes to existing Facilities since the Entity joined ASI. However, the Entity has developed a procedure to identify and assess Human Rights risks. The Human Rights Impact Assessment Report is available at: http://www.lizhong.com.cn/uploads/tinymce/images/17c99791c5cdd71ef964f831da148ba5674574f43e93c.pdf
2.7a-f Emergency Response Plan	Conformance	<p>The Entity has developed and registered an Emergency Response Plan with the local government. It regularly conducts drills based on the plan and evaluates its effectiveness. The latest version of the plan is available at: http://www.lizhong.com.cn/article/show/268.html</p> <p>The Entity's Emergency Response Plan for unforeseen and significant environmental incidents is available at: http://www.lizhong.com.cn/uploads/tinymce/images/5bff149b44b212d3819cb3b93876adf467caa2664e887.pdf</p>
2.8a-d Suspended Operations	Not Applicable	This Criterion is not applicable as no Suspended Operations have occurred. The Entity has established and implemented a Management Regulation and Business Resilience Plan. There has been no change to the Business or control gap identified.
2.9a-b Mergers and Acquisitions	Not Applicable	This Criterion is not applicable as no Mergers and Acquisitions have occurred. The Entity has established a procedure for reviewing environmental, social and governance issues in the Due Diligence process for Mergers and Acquisitions should those activities occur in future.
2.10a-b Closure, Decommissioning and Divestment	Not Applicable	This Criterion is not applicable as no Closure, Decommissioning and Divestment have occurred. The Entity has established a procedure for reviewing environmental, social and governance issues in the planning process for Closure, Decommissioning and Divestment should those activities occur in future.
3. TRANSPARENCY		
3.1a-b Sustainability Reporting	Conformance	The Entity has published an ESG report outlining its governance methods and Material environmental, social, and economic impacts. Its 2023 ESG Report is available at: http://www.lizhong.com.cn/uploads/tinymce/images/b48bc6b3d77afb538b9b009ddda314c672b1ee839f69.pdf
3.2 Non-compliance and Liabilities	Conformance	The Entity has not incurred any fines or penalties and has promptly addressed issues raised during Government on-site inspections, which were completed to the Government's satisfaction.

CRITERION	RATING	COMMENT
3.3a-c Payments to Governments	Conformance	<p>The Entity makes payments to the Government in accordance with regulations and contract terms, excluding any political party payments. The payment ledger has publicly disclosed the payment status with no political party affiliation, as outlined in the 2023 audit report, available at:</p> <p>http://www.lizhong.com.cn/uploads/tinymce/images/bd77a651fd24810eef40151d477fa359672b163830ce2.pdf</p>
3.4a-f Stakeholder Complaints, Grievances and Requests for Information	Conformance	<p>The Entity has established a Complaint Management Mechanism, which adheres to ASI Performance Standard. It is reviewed every five years or whenever significant environmental, social, or governance risks arise. Currently, there have been no control gaps or changes that have occurred. The Complaint Management Mechanism is available at:</p> <p>http://www.lizhong.com.cn/uploads/tinymce/images/3679f0711720201a47e6f317ea620ccc673c1d544ab4b.pdf</p>
4. MATERIAL STEWARDSHIP		
4.1a Environmental Life Cycle Assessment	Minor Non-Conformance	<p>The Entity has conducted a Life Cycle Assessment (LCA) for its Aluminium products conversion, available at:</p> <p>http://www.lizhong.com.cn/uploads/tinymce/images/134c0234577f00d3afdc7d991139a3ac672b1825e39d4.pdf</p> <p>However, the Entity has not differentiated between sources of Aluminium Scrap or apply separate emission factors for pre-consumer and post-consumer Aluminium Scrap.</p>
4.1b-c Environmental Life Cycle Assessment - Disclosure	Minor Non-Conformance	<p>The Entity has conducted a Life Cycle Assessment (LCA) for its Aluminium products conversion, available at:</p> <p>http://www.lizhong.com.cn/uploads/tinymce/images/134c0234577f00d3afdc7d991139a3ac672b1825e39d4.pdf</p> <p>However, its 2023 LCA report is incomplete, lacking key assumptions and a sensitivity analysis.</p>
4.2 Product Design	Conformance	<p>The Entity has developed a product quality pre-planning control procedure, which establishes sustainable goals of energy conservation, carbon reduction, energy saving and emission reduction and improved yield rates.</p>
4.3a-b Aluminium Process Scrap	Conformance	<p>The Entity has classified the Aluminium Process Scrap by type and grade and recycled them, achieving a 100% recycling rate.</p>
4.4a-c Collection and Recycling of Products at End of Life - Material Conversion and other Manufacturing	Minor Non-Conformance	<p>The Entity primarily provides Aluminium liquid and Aluminium precipitate to customers, while recycling the process residues and Scraps generated from these products. It has developed a Scrap Aluminium recycling plan, which includes post-consumer Scrap. Its Sales Department specifies a processing fee and return ratio for recycled materials with customers to enhance the recycling rate of Aluminium products in the market. The Procurement Department sets an annual target for post-consumer Scrap and conducts regular statistical analysis. The Entity's recycling strategy is reviewed at least every five years.</p> <p>The Entity's annual waste procurement plan is available at:</p> <p>http://www.lizhong.com.cn/uploads/tinymce/images/80dcccfd01b748ebddd9471249a3ea90a672b188fe46f5.pdf</p>

CRITERION	RATING	COMMENT
		However, the specific implementation schedule and measures are not disclosed.
4.4d Collection and Recycling of Products at End of Life	Conformance	The Entity has identified three sources of Aluminium Scrap (products at 'end of life' included) for recycling and has committed to 100% recycling as a strategic goal with established timetable. The quantities, timing, and other details of the recycling process, as outlined in contracts and production data, were reviewed as part of the Audit. The Entity has implemented agreements with upstream suppliers and downstream customers on Aluminium Scrap recycling and actively participated in industry meetings. The Entity has also formulated its related strategies for 2023-2025.
5. GREENHOUSE GAS EMISSIONS		
5.1a-b Disclosure of GHG Emissions and Energy Use	Minor Non-Conformance	<p>The Entity's Greenhouse Gas (GHG) emissions and energy consumption have undergone independent assessment. The 2023 GHG Inventory Report has been verified and is available at: http://www.lizhong.com.cn/uploads/tinymce/images/c8349bed8d5fcca9e0e55c2135d24501672b1913103ad.pdf</p> <p>Its GHG Verification Report is available at: http://www.lizhong.com.cn/uploads/tinymce/images/02b944ed0c2810eb74249a06baad658a672b18eb0a6f2.pdf</p> <p>However, some emission factors in the database were significantly higher than the Entity's actual emissions, causing discrepancies in the GHG accounting.</p>
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	<p>The Entity has set a time-bound greenhouse gas reduction target, addressing both direct and indirect emissions. To calculate the 2024-2027 casting process and procurement intensities, the Entity has applied the ASI Entity-Level Greenhouse Gas Reduction Pathway Method setting 2023 as the baseline year.</p> <p>However, due to discrepancies between the reported greenhouse gas data and actual emissions, the calculated 2023 casting procurement intensities and the reduction targets do not align with the actual situation.</p> <p>The Entity's emission reduction plan is available at: http://www.lizhong.com.cn/uploads/tinymce/images/b900ee9ad8dbcc49a33f740836b9fb9267d8c0391ddf0.pdf</p>
5.4 GHG Emissions Management	Conformance	The Entity has developed Life Cycle Assessment Management Regulations and a GHG emission reduction plan, focusing on reducing emissions from raw materials, production processes, energy

CRITERION	RATING	COMMENT
		resources, and carbon management systems to meet emission reduction targets and goals.
6. EMISSIONS, EFFLUENTS AND WASTE		
6.1a-f Emissions to Air	Conformance	The Entity's atmospheric pollutant emissions have obtained environmental impact assessment approval and a pollutant discharge permit. Pollutant levels are tested online regularly, with the results and emission reduction plan available on Tianjin Pollution Source Monitoring Data Management and Information Sharing Platform at: https://zjc.sthj.tj.gov.cn:8888/PollutionMonitor-tj/publishEnterpriseInfo.do?ID=c9f29f0fd56481ab99be777caf986a0 The Entity's pollutant emissions for 2023 and its emission reduction plan for 2024 is available at: http://www.lizhong.com.cn/uploads/tinymce/images/206d1688874f2d6d9b7a3a602b7af14a672b19b4092c4.pdf
6.2a-g Discharges to Water	Conformance	The Entity's production wastewater is recycled through the facility and is not discharged externally. Domestic sewage is treated through septic tank sedimentation before being processed by the Qingyuan District Sewage Treatment Plant.
6.3a-g Assessment and Management of Spills and Leakages	Minor Non-Conformance	The Entity has developed emergency response and Leakage management plans and has conducted training for their implementation. However, during an on-site inspection of the No. 1 exhaust gas treatment device, a gas leak was discovered at the soft connection interface, resulting in exhaust gas Leakage.
6.4a-b Public Disclosure of Spills and Leakages	Conformance	The Entity has implemented Leakage management plans and promptly addresses minor leaks to mitigate their impact. Material Leakages will be disclosed publicly when identified.
6.5a-c Waste Management and Reporting	Conformance	The Entity manages Waste in compliance with environmental impact assessments and pollutant discharge permits. It signs treatment agreements with qualified units, develops treatment plans, maintains treatment ledgers, and retains disposal records. The Hazardous Waste Management Plan is available at: http://www.lizhong.com.cn/uploads/tinymce/images/0b91265e59cdf94087550c4ea248d818672b19ebdf1d0.pdf
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	The Entity has constructed a 600m ² Dross storage facility that incorporates anti-seepage measures. It operates six ash skimmers, with recycled material Aluminium content capped at three percent. Aluminium Dross is classified as Hazardous Waste, and a treatment agreement has been signed with certified units. The Entity does not dispose of Dross in landfills.
7. WATER STEWARDSHIP		

CRITERION	RATING	COMMENT
7.1a-b Water Assessment and Disclosure	Conformance	<p>The Entity's environmental impact assessment includes a water balance analysis, with municipal water supply as the primary source. This addresses water for production, domestic use, and circulating cooling in production workshops, as well as auxiliary water for office bathrooms, guard rooms, and landscaping. Sewage is discharged into the municipal system.</p> <p>The water balance analysis is disclosed in the Entity's ESG report, available at: http://www.lizhong.com.cn/uploads/tinymce/images/b48bc6b3d77afb538b9b009ddda314c672b1ee839f69.pdf</p>
7.2a-e Water Management	Not Applicable	This Criterion is not applicable, as the water-related risk assessment was rated as low.
8. BIODIVERSITY AND ECOSYSTEM SERVICES		
8.1a Biodiversity and Ecosystem Services Risk and Impact Assessment	Conformance	<p>The Entity has developed management procedures to protect Biodiversity and conduct assessments. The Biodiversity Assessment Report is available at: http://www.lizhong.com.cn/uploads/tinymce/images/2d91e7310467c4c0d757b7f872fac659672b1b6e53565.pdf</p> <p>The Entity's document for the Protection of Biodiversity Management is available at: http://www.lizhong.com.cn/uploads/tinymce/images/ffc0f3370c4fa4391129b5f83aa8acde672b1a8c5f659.pdf</p>
8.1b Biodiversity and Ecosystem Services Risk and Impact Assessment - Priority	Not Applicable	This Criterion is not applicable to the Entity as the impacts on Biodiversity and Ecosystem Service are assessed as low.
8.2a-g Biodiversity Management	Not Applicable	This Criterion is not applicable to the Entity, as the risks and potential impacts on Biodiversity and Ecosystem Services have been assessed as low.
8.3a-c Management of Priority Ecosystem Services	Not Applicable	This Criterion is not applicable to the Entity, as the risks and potential impacts on Biodiversity and Ecosystem Services have been assessed as low.
8.4 Alien Species	Conformance	The Entity has developed regulations for managing Alien Species and set control requirements. To date, no incidents of accidental or deliberate introduction of Alien Species have occurred at the Entity.
8.5a-b Commitment to 'No Go' in World Heritage Properties	Conformance	The Entity has committed to prohibiting access to World Heritage sites in its construction project management control procedures. Currently, there have been no New Projects or Major Changes to existing Facilities since the Entity joined ASI.
8.6a-d Protected Areas	Not Applicable	This Criterion is not applicable, as the Entity is located in a Government-designated industrial zone, which is not a Protected Area, and its production and business activities occur within this zone.
8.6e Protected Areas - Bauxite Mining	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.

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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 and implemented a Human Rights Policy, a commitment letter for the Policy, and Due Diligence management regulations. The Human Rights Due Diligence analysis report is available at: http://www.lizhong.com.cn/uploads/tinymce/images/9962422dlb84e4470bbd9e4b803dd4bc672b13e450bd4.pdf
9.2a-e Gender Equity and Women's Empowerment	Conformance	The Entity upholds women's rights by identifying their legitimate interests and implementing measures to protect them. Its 'Prohibition of Discrimination and Special Protection of Women Workers' Policy outlines the process for safeguarding these rights. Control measures have been implemented by the Entity to ensure compliance. The effectiveness of gender equality measures is reported annually in the ESG report, page 52-54, available at: http://www.lizhong.com.cn/uploads/tinymce/images/b48bc6b3d77afb538b9b009dda314c672b1ee839f69.pdf
9.3a-i Indigenous Peoples	Not Applicable	This Criterion is not applicable to the Entity as there are no Indigenous Peoples in 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 to the Entity as there are no Indigenous Peoples in the Entity's Area of Influence.
9.4b Free, Prior, and Informed Consent (FPIC) - Bauxite Mining	Not Applicable	This Criterion is not applicable to the Entity as there are no Indigenous Peoples in the Entity's Area of Influence.
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 in the Entity's Area of Influence.
9.5a Cultural and Sacred Heritage – Identification	Conformance	The Entity has prohibited the inclusion of Sacred or Cultural Heritage sites in its construction project management procedures.
9.5b Cultural and Sacred Heritage – Impacts	Not Applicable	This Criterion is not applicable to the Entity, as there are no Cultural and Sacred Heritage sites within the Entity's Area of Influence.
9.6a-i Displacement	Conformance	The Entity has established Resettlement management regulations. If required in future, the Entity has developed a Resettlement Action Plan for implementation if and as required. If deviations occur, progress should be shared with affected parties annually. Currently, no Resettlement actions have been initiated.
9.7a-h Affected Populations and Organisations	Conformance	The Entity has developed construction project management control procedures, which outlines that any significant impacts including Health and Safety, social and cultural Human Rights, and environmental impacts, should be identified, prevented, monitored, mitigated and addressed. Input from affected populations and organisations should be sought and incorporated into planning where

CRITERION	RATING	COMMENT
		feasible. Currently, the Entity is located in a Government-designated industrial area, and therefore there are no direct Affected Populations or Organisations.
9.8a Conflict-Affected and High-Risk Areas – Strong Management Systems	Conformance	The Entity has established Conflict Mineral Management Regulations, requiring the Procurement Department to identify supply chain risks in Conflict-Affected and High-Risk Areas (CAHRAs), and develop response plans. A review of the CAHRA records indicates that all current suppliers are based in China.
9.8b Conflict-Affected and High-Risk Areas – Identify and assess risks	Conformance	The Entity has established Conflict Mineral Management Regulations and conducted a risk assessment. Interviews with management and a review of purchase orders indicates that the Entity sources raw Aluminium material exclusively from Chinese manufacturers. The risk assessment determined no risk of armed conflict or Human Rights Violations in the Entity's supply chain.
9.8c Conflict-Affected and High-Risk Areas – Strategy to respond to risks	Not Applicable	This Criterion is not applicable as the risk assessment did not identify any actual or potential risks.
9.8d Conflict-Affected and High-Risk Areas – Audit of due diligence	Conformance	Due Ddiligence has been conducted in compliance with Conflict Mineral Management and Due Diligence Management Regulations. Records are maintained and the Entity's Due Diligence practices and risk assessment were reviewed during the Audit.
9.8e Conflict-Affected and High-Risk Areas – Report annually	Conformance	The Entity has implemented conflict mineral management regulations, conducted risk assessments, and disclosed the findings in its ESG Report.
9.9 Security practice	Conformance	The Entity has established security management regulations outlining the responsibilities and prohibited behaviours of security personnel. A training plan has been developed to ensure adequate training, and security personnel have signed a commitment letter to uphold Human Rights.
10. LABOUR RIGHTS		
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	The Entity has established a Policy that upholds Freedom of Association and the right to Collective Bargaining. Workers' representatives can raise employees' concerns to management. The Entity is committed to respecting Workers' rights. The Workers' association was developed in compliance with relevant legal requirements.
10.2a Child Labour	Conformance	The Entity has implemented a policy that prohibits Child Labour, and no underage Workers are employed. The youngest Worker is 19 years old. In China, Child Labour is prohibited, and Workers aged 16 to 18 are legally protected from hazardous conditions.

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10.3a-c Forced Labour	Conformance	<p>The Entity has established a Prohibition of Forced Labour procedure and a Policy on Modern Slavery and Human Trafficking, which strictly prohibit Forced Labour, Human Trafficking, and Modern Slavery. This Policy applies to both the Entity and its suppliers, emphasising the importance of compliance. Based on Worker interviews and document reviews, there are no instances of illegal wage deductions, debt bondage, debt repayment, or any other form of Forced Labour within the Entity.</p> <p>The Entity's Modern Slavery Statement is available at: http://www.lizhong.com.cn/uploads/tinymce/images/c8e147da7218b2abb20d826eed6fb668672b1db349ba3.pdf</p>
10.4a-c Non-Discrimination	Conformance	<p>The Entity has established the 'Management Regulations on the Prohibition of Discrimination' and the 'Special Protection of Women Workers', together with the Employee Handbook, to ensure equal opportunities for all employees. The Entity prohibits Discrimination in hiring, salary, promotion, training, advancement, or termination based on gender, race, national or social origin, religion, disability, political affiliation, sexual orientation, marital status, family responsibilities, age, or any other discriminatory condition, in accordance with ILO Conventions C100 and C111. The Entity is committed to non-Discrimination, and no Discrimination instances have been reported.</p>
10.5 Communication and engagement	Conformance	<p>The Entity has direct and frequent communication with Workers and their representatives about working conditions and the resolution of workplace and compensation issues, free from reprisal, intimidation, Violence and Harassment.</p>
10.6a-g Violence and Harassment	Conformance	<p>The Entity respects its employees, and its disciplinary measures comply with legal requirements. The Entity's Human Rights Policy prohibits Violence to, and inappropriate treatment of employees, available at: http://www.lizhong.com.cn/uploads/tinymce/images/8ab864b0b09a0fa8c75a8ec92741d8e1672b1e8f150d8.pdf</p> <p>Worker interviews confirmed no incidents of Violence or Harassment within the Entity.</p>
10.7a-d Remuneration	Conformance	<p>The Entity has a clear wage structure with a basic wage set at the statutory minimum. The gross wage covers Workers' basic needs, and all are enrolled in the mandatory social insurance scheme. A documented payroll management procedure ensures the monthly payment of wages in legal tender, which is reviewed by employees from various departments.</p>
10.8a-c Working Time	Minor Non-Conformance	<p>The Entity's working hours and Overtime management regulations define employee work hour requirements. The Entity operates both three-shift and two-shift schedules. Employee interviews and attendance records indicate that employees work seven days and rest one. Fifteen of the Entity's employees working in the property management, logistics, and manufacturing departments each work Overtime, averaging 16 hours per month, which represents approximately 8% of the total workforce.</p>
10.9a-b Informing Workers of Rights	Conformance	<p>The Entity has communicated employees' right to Freedom of Association and Collective Bargaining through training, email, notices, and regular meetings. The Entity has established a Management</p>

CRITERION	RATING	COMMENT
		Procedure that ensures all employees can freely join Labour Unions and engage in Collective Bargaining without fear of punishment or reprisals.
11. OCCUPATIONAL HEALTH AND SAFETY		
11.1a Occupational Health and Safety (OH&S) Management System	Minor Non-Conformance	<p>The Entity has conducted Occupational Health and Safety (OH&S) evaluations, established an OH&S Management System in compliance with ISO45001, and has obtained certification of the Management System, which is available at: http://tjxz.lizhong.com.cn/</p> <p>However, there are several operational control deficiencies which were observed during on-site inspections. Specifically, a forklift in use is not properly labelled, the distribution room's safety door is obstructed by shovels, the lighting is malfunctioning, and the oxygen fire extinguisher's weight is incorrectly listed.</p>
11.1b-e Occupational Health and Safety (OH&S) Management System - Reviews and disclosure	Conformance	<p>The Entity has established an OH&S Management System, including a management manual and procedural documents, and conducted an internal annual audit and management review. It has also obtained ISO45001 certification and disclosed the performance of its OH&S Management System at: http://www.lizhong.com.cn/uploads/tinymce/images/c38e9902539d9b13ba6a62342ed690a567caa28e180a5.pdf</p>
11.2 Employee engagement on Health and Safety	Conformance	<p>The Entity has established a mechanism for proposing, discussing, and resolving OH&S issues through a joint Health and Safety Committee. This Committee includes elected employee representatives, including grassroots operators.</p>

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DOCUMENT CONTROL AND VERSION HISTORY

REVISION	DATE	NOTES
0	7 April 2025	Initial Certification Audit – Full Certification