

ASI CERTIFICATION PERFORMANCE STANDARD



PRESENTED TO

Longda Aluminum Industry (Shunping) Co., Ltd.

CERTIFICATE NUMBER

432

ASI STANDARD

PERFORMANCE
STANDARD
(V3 2022)

CERTIFICATION LEVEL

FULL
CERTIFICATION

ASI ACCREDITED
AUDITING FIRM

SGS-CSTC
STANDARDS
TECHNICAL
SERVICES

DATE OF ISSUE

24 APRIL 2025

DATE OF EXPIRY

23 APRIL 2028

CERTIFIED SINCE

24 APRIL 2025

AUTHORISED BY

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CERTIFICATION SCOPE

Melting, alloying and casting
process for the design and
manufacture of cast Aluminium
alloy at Longda Aluminum
(Shunping) Co., Ltd. located in
Hebei, China.

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

AUDIT REPORT PERFORMANCE STANDARD

OVERVIEW

MEMBER NAME	Lizhong Group
ENTITY NAME	Longda Aluminum Industry (Shunping) Co., Ltd.
CERTIFICATION SCOPE	Melting, alloying and casting process for the design and manufacture of cast Aluminium alloy at Longda Aluminum (Shunping) Co., Ltd. located in Hebei, China.
SUPPLY CHAIN ACTIVITIES	<ul style="list-style-type: none">Aluminium Re-melting/RefiningCasthouses
ASI STANDARD	Performance Standard V3
AUDIT TYPE	<ul style="list-style-type: none">First Certification Audit
AUDIT FIRM	SGS-CSTC Standards Technical Services
AUDIT DATE	<ul style="list-style-type: none">2 – 3 December 2024
AUDIT REPORT SUBMISSION	<ul style="list-style-type: none">14 December 2024
AUDIT SCOPE	<p>The Audit Scope included the melting, alloying and casting process for the design and manufacture of cast Aluminium alloy at Longda Aluminum (Shunping) Co., Ltd.</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	24 April 2025 – 23 April 2028

NEXT AUDIT TYPE	Surveillance Audit
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NEXT AUDIT DATE	23 October 2026
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CERTIFICATE NUMBER	432
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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

Longda Aluminum (Shunping) Co., Ltd. ('the Entity') was established in 2010 and is based in Pu Village, southeast of Pu Shang Town, Shunping County, Baoding City, Hebei Province, China. The Entity operates on industrial land alongside other industrial enterprises. There are no residential areas in the near vicinity.

The Entity currently operates 17 furnaces including seven melting furnaces, ten alloy holding furnaces, six ingot Casting machines and six ingot coding machines. The Entity's Facility includes an office building, canteen, warehouse and parking lot, and is equipped with a distribution box, air compressor, natural gas transmission pipeline and a circulation pool.

The Entity is primarily engaged in melting, alloying and Casting processes to produce Aluminium alloy ingots and Aluminium alloy liquid. The Entity primarily supplies major auto parts manufacturers within China. Production is currently around 165,000 tonnes a year, and the Entity currently employs around 180 workers.

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	Low	Medium	MEDIUM
RISKS	Medium	Medium	Medium	MEDIUM
PERFORMANCE	Medium	Low	Medium	MEDIUM
OVERALL	MEDIUM			

FINDINGS

CRITERION	RATING	COMMENT
1. BUSINESS INTEGRITY		
1.1 Legal Compliance	Conformance	<p>The Entity has established a Management System to maintain awareness of and ensure Compliance with Applicable Law. The Entity's Management Department is responsible for updating Compliance assessments on a quarterly basis. The Entity's Legal Affairs team supports this work.</p> <p>The Entity publishes an annual Sustainability Report which reports on non-Compliances against Applicable Laws including Material fines, judgments, and penalties. The 2023 Sustainability Report confirms no such non-compliances occurred in the reporting period. The 2023 Sustainability Report can be accessed on the Entity's website at: http://www.lizhong.com.cn/uploads/tinymce/images/678efbcb152be6b250c7c96fa611d7de672ad9d37d5a8.pdf</p>
1.2 Anti-Corruption	Conformance	<p>The Entity's parent company has established anti-Bribery and morality rules at a Group level that apply to all Workers within the Entity. Workers in key positions have completed anti-Bribery training.</p> <p>The Entity has disclosed their anti-Corruption position in their integrated ASI Performance Standard (PS) Management Manual and Code of Conduct which is accessible at: http://www.lizhong.com.cn/uploads/tinymce/images/5384db5782ed72bc157b8b74f7a1c375672ad61295114.pdf</p>
1.3a-e Code of Conduct	Conformance	<p>The Entity has developed and implemented a Code of Conduct which is incorporated into their ASI PS Management Manual. The Code of Conduct includes principles relevant to environmental, social and governance performance. The Entity's Senior Management has endorsed the Code of Conduct.</p> <p>The ASI PS Management Manual which includes the Code of Conduct is disclosed on the Entity's website accessible at: http://www.lizhong.com.cn/uploads/tinymce/images/5384db5782ed72bc157b8b74f7a1c375672ad61295114.pdf</p>
2. POLICY AND MANAGEMENT		
2.1a-f Environmental, Social, and Governance Policy	Conformance	<p>The Entity has established and implemented their Environmental, Social, and Governance (ESG) Policy. The Entity maintains documented information about Policies, which addresses performance against environmental, Occupational Health and Safety, ASI performance and energy related aspects amongst other issues. The General Manager has approved each of the Policies.</p> <p>The Environmental, Social, and Governance Policy has been internally communicated through Worker training and presentation on the notice board in the plant. The Policy is reviewed annually, and is publicly disclosed on the Entity's website accessible at: http://www.lizhong.com.cn/uploads/tinymce/images/5384db5782ed72bc157b8b74f7a1c375672ad61295114.pdf</p>
2.2a-c Leadership	Conformance	<p>The Entity has appointed the Director of Management as the ASI Management Representative who has overall responsibility and authority for ensuring compliance with the requirements of the ASI Performance Standard.</p>

CRITERION	RATING	COMMENT
2.3a Environmental and Social Management Systems – Environmental	Conformance	The Entity has developed and implemented an Integrated Environmental Management System. The Entity has obtained ISO 14001:2015 certification.
2.3b Environmental and Social Management Systems – Social	Conformance	The Entity has developed and implemented their Integrated Management System that addresses social issues. The Entity has gained relevant certifications, including ISO 14001:2015, ISO 45001:2018, ISO50001:2015 and SA8000:2014. In particular, the Entity's SA8000:2014 management manual has been established and implemented to manage risks with respect to Human Rights and Labour Rights.
2.4a-e Responsible Sourcing	Minor Non-Conformance	<p>The Entity has implemented a Responsible Sourcing Policy covering ESG issues in their procurement practices. The Entity is in regular communication with their suppliers regarding environmental risks in the supply chain. The Entity did not, however, demonstrate communication with suppliers to implement other aspects of the Responsible Sourcing Policy.</p> <p>The Responsible Sourcing Policy has been disclosed on the Entity's website and is accessible at: http://www.lizhong.com.cn/uploads/tinymce/images/002dd3be8fc78392996eda6660526363672ad7661e1da.pdf</p>
2.5a-g Environmental and Social Impact Assessments	Not Applicable	This Criterion is not applicable to the Entity. Since the Entity joined ASI in February 2024, there have been no New Projects or Major Changes, and none are currently planned. The "Environmental Access Conditions" section of the Entity's existing Environmental Impact Assessment Report analyses the access conditions of the project and the consistency analysis of project construction and related plans.
2.6a-h Human Rights Impact Assessment	Not Applicable	<p>This Criterion is not applicable to the Entity. Since the Entity joined ASI in February 2024, there have been no Material New Projects or Major Changes, and none are currently planned.</p> <p>The Entity's Human Rights Impact Assessment Report is disclosed on their website at: http://www.lizhong.com.cn/uploads/tinymce/images/9962422d1b84e4470bbd9e4b803dd4bc672b13e450bd4.pdf</p>
2.7a-f Emergency Response Plan	Conformance	<p>The Entity has developed a site-specific Emergency Response Plan and associated procedures. The Emergency Response Plan is registered with the local authorities. The Entity conducts emergency drills in accordance with the plan and periodically re-evaluates the effectiveness of the plan.</p> <p>The latest version of the Emergency Response Plan is disclosed on the Entity's website accessible at: http://www.lizhong.com.cn/uploads/tinymce/images/0b7b3cf82533ba0ceabf7ab7bcb68cfb672aff9fb5a81.pdf</p>
2.8a-d Suspended Operations	Conformance	The Entity has established and implemented a Suspended Operations Management Regulation and a Business Resilience Plan. These procedures are reviewed periodically. Currently, no relevant changes to the business nor control gaps have been identified.
2.9a-b Mergers and Acquisitions	Conformance	The Entity has established a procedure for the review of ESG practices in the Due Diligence process for mergers and acquisitions. At the time

CRITERION	RATING	COMMENT
		of the Audit, the Entity has not been involved in any mergers or acquisitions.
2.10a-b Closure, Decommissioning and Divestment	Conformance	The Entity has established a procedure for the review of ESG issues in the planning process for closure, decommissioning and divestment. At the time of the Audit, the Entity has not been involved in any closure, decommissioning or divestment events.
3. TRANSPARENCY		
3.1a-b Sustainability Reporting	Conformance	<p>The Entity has prepared and disclosed their 2023 Sustainable Development Report which covers the Entity's performance against Environmental, Social and Governance principles. The 2023 Sustainable Development Report is disclosed on the Entity's website which is accessible at:</p> <p>http://www.lizhong.com.cn/uploads/tinymce/images/678efbcb152be6b250c7c96fa611d7de672ad9d37d5a8.pdf</p>
3.2 Non-compliance and Liabilities	Conformance	<p>The Entity discloses fines and penalties in their annual Sustainable Development Report. The Entity does not currently have any fines or penalties. The official website of Credit China confirms there is no record of penalties against the Entity. The relevant section of the Credit China website is accessible at:</p> <p>https://www.creditchina.gov.cn/xinyongxinxiangqing/xyDetail.html?searchState=1&entityType=1&keyword=%E9%9A%86%E8%BE%E9%93%9D%E4%B8%9A(%E9%A1%BA%E5%B9%B3)%E6%9C%89%E9%99%90%E5%85%AC%E5%8F%B8&uuid=90b39ad2ded821f0edf29ff648853008&tyshxydm=91130636563201922A</p> <p>Disclosures regarding fines and penalties are made on page 18 of the Entity's 2023 Sustainable Development Report which is accessible at:</p> <p>http://www.lizhong.com.cn/uploads/tinymce/images/678efbcb152be6b250c7c96fa611d7de672ad9d37d5a8.pdf</p>
3.3a-c Payments to Governments	Conformance	<p>The Entity pays taxes and insurance fees to the government in accordance with Applicable Law. The Entity's financial audit report, issued by a third party, documents all payments to government. Payments to government are disclosed in the verified Explanation of Government Expenditures statement, which is disclosed at:</p> <p>http://www.lizhong.com.cn/uploads/tinymce/images/b8260c642b33bf37b0d3631669305a096746c24f8a98e.pdf</p>
3.4a-f Stakeholder Complaints, Grievances and Requests for Information	Conformance	<p>The Entity has established a Complaints and Grievance Resolution Mechanism which specifies the process for handling Stakeholder complaints. The Mechanism covers the process for handling appeals from internal and external Stakeholders such as Workers, the community, suppliers and customers etc. through email and phone contacts in accordance with procedures. All grievances and complaints shall be handled by the Entity's Monitoring Department. At present, no complaints have been received from Stakeholders. The Grievance Mechanism is communicated to Stakeholders.</p> <p>The Grievance Mechanism has been disclosed at:</p> <p>http://www.lizhong.com.cn/uploads/tinymce/images/066473fedc8212e3548f604205987b0e672af8f13f55a.pdf</p>

CRITERION	RATING	COMMENT
4. MATERIAL STEWARDSHIP		
4.1a Environmental Life Cycle Assessment	Minor Non-Conformance	The Entity has conducted a Life Cycle Assessment (LCA) for one tonne of its Aluminium alloy Product on a Cradle to Gate basis, which includes the carbon footprint of the Product. However, methodological errors were identified in the assessment.
4.1b-c Environmental Life Cycle Assessment - Disclosure	Minor Non-Conformance	<p>The Entity has disclosed the LCA report on their website which is accessible at: http://www.lizhong.com.cn/uploads/tinymce/images/b478a2df30f6fa7cd9950222928d8c15672ad6a9b5e51.pdf</p> <p>The LCA report does not however state the main assumptions of the study, and no sensitivity analysis was performed.</p>
4.2 Product Design	Not Applicable	<p>This Criterion is not applicable to the Entity's Certification Scope.</p> <p>The Entity does however formulate business Policies every year to clarify the cost reduction of waste/special materials ingredients and the comprehensive proportion of recycling of waste raw materials to meet sustainability requirements and contribute towards a circular economy.</p>
4.3a-b Aluminium Process Scrap	Conformance	The Entity collects production waste materials and classifies them according to their type and grade for recycling. The recycling rate of processing waste is 100%.
4.4a-c Collection and Recycling of Products at End of Life - Material Conversion and other Manufacturing	Not Applicable	<p>This Criterion is not applicable to the Entity's Certification Scope.</p> <p>The Entity has however disclosed a Scrap Aluminium recycling plan, showing that the recycling of Scrap castings/Aluminium chips returned from processing in 2023 was higher than the target value. Strategies for 2024-2025 have been formulated. The strategy is disclosed at: http://www.lizhong.com.cn/uploads/tinymce/images/0ce0da4a7d3cc1279451fd4760805ab3672ad73118ace.pdf</p>
4.4d Collection and Recycling of Products at End of Life	Conformance	<p>The Entity has implemented a Scrap Aluminium recycling plan. To address Post-Consumer Scrap Aluminium recycling, the Entity has actively signed residual material processing agreements with a high number of customers. The Entity also cooperates with various recycling companies to provide Scrap Aluminium recycling volume. It is recommended however that the Entity make further efforts to promote the construction of the Post-Consumer Aluminium recycling system and improve the recycling rate, for example through cooperation with local, regional or national collection and recycling organisations.</p> <p>The Entity's Scrap Aluminium recycling plan is disclosed at: http://www.lizhong.com.cn/uploads/tinymce/images/0ce0da4a7d3cc1279451fd4760805ab3672ad73118ace.pdf</p>
5. GREENHOUSE GAS EMISSIONS		
5.1a-b Disclosure of GHG Emissions and Energy Use	Minor Non-Conformance	The Entity has commissioned a consultant to assess their Greenhouse Gas (GHG) emissions and energy use. The 2023 GHG inventory report has been independently verified. The Entity's raw material inflows

CRITERION	RATING	COMMENT
		<p>include approximately 90% Recycled Aluminium and 2% Primary Aluminium in addition to other alloys.</p> <p>The choice of emission factors used in the verification report and the fact that the Entity did not distinguish between Pre-Consumer Scrap Aluminium and Post-Consumer Scrap Aluminium introduced errors that made the final accounting data unfavourable to the Entity.</p> <p>The Greenhouse Gas inventory report has been prepared and publicly disclosed on the Entity's website at: http://www.lizhong.com.cn/uploads/tinymce/images/e3f2acaab715bc0c78d9e3e688c4fc43672ad460c7aa1.pdf</p> <p>The independent verification report (No.171642433194) has been disclosed on the Entity's website and is accessible at: http://www.lizhong.com.cn/uploads/tinymce/images/46dbe205a8a0ac0e809770d27bb47109672ad65cb1b90.pdf</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	Conformance	<p>The Entity has published a time-bound Greenhouse Gas Emissions Reduction Plan which covers direct and indirect emissions. The Entity has used the ASI Entity-Level GHG Pathways Method to calculate the 2024-2027 casting process slope value and casting procurement slope value based on 2023 as the base year. The Greenhouse Gas Emissions Reduction Plan has been disclosed on their website which is accessible at: http://www.lizhong.com.cn/uploads/tinymce/images/3164e8b85b11d97552c357db97c705c0672afc36649f7.pdf</p>
5.4 GHG Emissions Management	Conformance	The Entity has developed and implemented a Management System based on the Life Cycle Assessment Management Regulations and Greenhouse Gas Emissions Reduction Plan to reduce Greenhouse Gas emissions from raw materials, production processes, energy resources, and construction to achieve performance consistent with the Greenhouse Gas Emissions Reduction Plan and goals.
6. EMISSIONS, EFFLUENTS AND WASTE		
6.1a-f Emissions to Air	Conformance	<p>The Entity monitors Emissions to Air on a monthly basis for contaminants including nitrogen oxides, sulphur oxides and other particulate matter. The Entity also contracts a third party to conduct quarterly measurements of all Emissions to Air. Measurements are made in accordance with Applicable Law and the Entity reports monitoring results to the government.</p> <p>The Entity has disclosed their Emissions to Air on their website. The report is available at (accessible only within China): http://121.29.48.71:8080/?wework_cfm_code=MobQ6bvVn5M5J7sxHIX6eVlcilHALJ6BqgvSveYokNcgYQjMzX9Q7gS9WAqaiKw8Ytt8t0kr5oNQLP8HwQ7YWFBXQTXy%2Fcq86dlKaFJiPh9IRlwCmYpnjcqbmbbH%2FsjcVRGUUXu</p>

CRITERION	RATING	COMMENT
		<p>h0sWBvramdQgoPPh0qKxas4cSZIA%3D%3D#/fill/detail?enpld=F09E5AC6-7A0A-4D17-BD2D-582B8F446430&year=2023</p> <p>The Entity has established a Pollutant Emissions Reduction Plan including particulate matter and other airborne contaminants. The Pollutant Emissions Reduction Plan is accessible at: http://www.lizhong.com.cn/uploads/tinymce/images/da3c50565d7b2dc9b05cbd09e68800fe672ad55ae4740.pdf</p>
6.2a-g Discharges to Water	Minor Non-Conformance	<p>The Entity's only Discharges to Water are domestic wastewater. No wastewater is discharged from production processes, as process water is recycled within the Facility.</p> <p>A third party monitors domestic wastewater quality annually. The results of the monitoring demonstrate the Entity's Discharges to Water are within the limits set under Applicable Law.</p> <p>The Entity's wastewater discharge report is available at (accessible only within China): http://121.29.48.71:8080/?wework_cfm_code=MobQ6bvVn5M5J7sxHIX6eVlcilHALJ6BqgvSVeYokNcgYQjMzX9Q7gS9WAqaiKw8ytt8t0kr5oNQLP8HwQ7YWFbXQTXy%2Fcq86dlKaFJiPh9IRlwCmYpnjcqbmbH%2FsjcVRGUUXu h0sWBvramdQgoPPh0qKxas4cSZIA%3D%3D#/fill/detail?enpld=F09E5AC6-7A0A-4D17-BD2D-582B8F446430&year=2023</p> <p>The Entity has not however established targets for wastewater discharge reductions.</p>
6.3a-g Assessment and Management of Spills and Leakages	Conformance	<p>The Entity prepares an environmental aspect identification record that evaluates the risk of Spills and Leakages on an annual basis. The main risks identified include natural gas leakage, waste air leakage, chemical spills and liquid Aluminium Spills. Emergency Response Plans have been implemented to prevent, detect and remediate any Spills and Leakages.</p> <p>The Entity discloses any Material Spills and Leakages that could contaminate air, water and/or soil in their Sustainable Development Report which is accessible at: http://www.lizhong.com.cn/uploads/tinymce/images/678efbcb152be6b250c7c96fa611d7de672ad9d37d5a8.pdf</p> <p>The Entity has disclosed their Emergency Response Plan which includes responses to Spills and Leakages. The Emergency Response Plan is accessible at: http://www.lizhong.com.cn/uploads/tinymce/images/0b7b3cf82533ba0ceabf7ab7bcb68cfb672aff9fb5a81.pdf</p>
6.4a-b Public Disclosure of Spills and Leakages	Conformance	<p>The Entity discloses any Material Spills and Leakages that could contaminate air, water and/or soil in their Sustainable Development Report which is accessible at: http://www.lizhong.com.cn/uploads/tinymce/images/678efbcb152be6b250c7c96fa611d7de672ad9d37d5a8.pdf</p>
6.5a-c Waste Management and Reporting	Minor Non-Conformance	<p>The Entity publicly discloses the quantities of Hazardous Waste and Non-Hazardous Waste generated and the relevant waste treatment methods on the Hebei Enterprise Environment Information Disclosure System on an annual basis. The disclosure is available at (accessible only within China): http://121.29.48.71:8080/?wework_cfm_code=MobQ6bvVn5M5J7sxHIX6eVlcilHALJ6BqgvSVeYokNcgYQjMzX9Q7gS9WAqaiKw8ytt8t0kr5oNQLP8HwQ7YWFbXQTXy%2Fcq86dlKaFJiPh9IRlwCmYpnjcqbmbH%2FsjcVRGUUXu</p>

CRITERION	RATING	COMMENT
		<p>h0sWBvramdQgoPPh0qKxas4cSZIA%3D%3D#/fill/detail?enpld=F09E5AC6-7A0A-4D17-BD2D-582B8F446430&year=2023</p> <p>Hazardous Waste is disposed of by a qualified contracting company and Hazardous Waste transfer records are maintained. Non-Hazardous Waste is disposed of by a resource recycling company.</p> <p>The Entity has established and disclosed a Hazardous Waste reduction plan which is accessible at: http://www.lizhong.com.cn/uploads/tinymce/images/102dc47cc5e0a40d46ad6803ad462f41672afaeb6ffd9.pdf</p> <p>The Entity has not however established a Non-Hazardous Waste strategy designed in accordance with the Waste Mitigation Hierarchy. Waste reduction targets for Non-Hazardous Waste have not been established.</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 Entity has a Facility for separating Aluminium and Dross from the ash slag to improve the use efficiency of Dross. Secondary Aluminium ash is sent to a dedicated storage area, with flooring designed to be waterproof and with anti-leakage measures installed to prevent release to the environment.</p> <p>The Aluminium slag residue is transferred and disposed of by a qualified third party as a dangerous waste in accordance with Applicable Law. Transfer records are maintained. No Dross residues or Aluminium ash are landfilled. The Entity has investigated the third party and can demonstrate that the Dross is recycled. The Entity maintains records of the third party's recycling qualifications, process flow, environmental management facilities and finished Products. These documents confirmed that the Aluminium ash is used to make calcium aluminate for refining agents, building materials and other industrial uses.</p>
7. WATER STEWARDSHIP		
7.1a-b Water Assessment and Disclosure	Conformance	<p>All water consumed by the Entity is supplied by the municipal water supply system. The Entity has prepared a water resource consumption assessment report which demonstrates that domestic water consumption is within legal limits, that industrial water is reused, and that no industrial wastewater is discharged. The Entity's water balance has been analysed by a third party which has demonstrated the risks to water from the Entity's activities are low.</p> <p>The Entity has evaluated and annually disclosed the risks related to water in the Entity's Area of Influence, and the risks are assessed as low. The Entity's water consumption assessment report has been disclosed at: http://www.lizhong.com.cn/uploads/tinymce/images/43c3c3ac3c51141e6819a5032cflc32b672ad95928c8c.pdf</p>
7.2a-e Water Management	Not Applicable	This Criterion is not applicable to the Entity as water-related risks are demonstrated to be low.

CRITERION	RATING	COMMENT
8. BIODIVERSITY AND ECOSYSTEM SERVICES		
8.1a Biodiversity and Ecosystem Services Risk and Impact Assessment	Conformance	The Entity has assessed Material risks to Biodiversity from the Entity's business activities within their Area of Influence and has developed a Biodiversity Assessment Report using locally available assessment tools. The Entity is located in a dedicated industrial area with no key protected animals or plants present. In addition, there are no New Projects or Major Changes planned. The Biodiversity Assessment Report demonstrates that risks to Biodiversity from the Entity's activities are low.
8.1b Biodiversity and Ecosystem Services Risk and Impact Assessment - Priority	Not Applicable	This Criterion is not applicable to the Entity as the risks to Biodiversity have been assessed as low. Based on the Environmental Impact Assessment, the impact of the Entity's activities on Ecosystem Services are low.
8.2a-g Biodiversity Management	Not Applicable	This Criterion is not applicable to the Entity, as the risks and potential impacts to Biodiversity and Ecosystem Services have been determined to be low.
8.3a-c Management of Priority Ecosystem Services	Not Applicable	This Criterion is not applicable to the Entity. The Entity has prepared a Biodiversity Assessment Report and based on the assessment results, the impact of the Entity on Ecosystem Services are low. No Priority Ecosystem Services impacts have been identified.
8.4 Alien Species	Minor Non-Conformance	<p>The Entity has prepared a Biodiversity Assessment Report which considers the risk of introduction of Alien Species.</p> <p>The Entity has established procedures to prevent the accidental or deliberate introduction of Alien Species that could have significant adverse impacts on Biodiversity. At the time of the Audit there is no indication Alien Species have been introduced.</p> <p>The Entity could not demonstrate however that they had identified Alien and Invasive Species in accordance with the Alien Species Lists issued by the government.</p>
8.5a-b Commitment to "No Go" in World Heritage Properties	Conformance	<p>The Entity is located in a government-designated industrial zone and has made a commitment not to explore or build New Projects in World Heritage Properties.</p> <p>The Entity has prepared a list of World Heritage Properties in China. The Entity has identified that there are no cultural relics, protection units, world heritage sites, or other protected scenic areas in the area around the Entity.</p>
8.6a-d Protected Areas	Conformance	<p>The Entity has developed an Environmental Impact Assessment Report which demonstrates there are no Protected Areas around the Entity's area of operations.</p> <p>The Entity is located in a government-designated industrial zone and has made a commitment not to explore or build New Projects in Protected Areas.</p>
8.6e Protected Areas - Bauxite Mining	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.

CRITERION	RATING	COMMENT
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	<p>The Entity has established a Policy commitment to Human Rights and has established a related gender-responsive Human Rights Policy. The Policy is communicated to employees through training. The Entity reviews the Human Rights Policy every three years. The Policy is disclosed on the Entity's website which is accessible at: http://www.lizhong.com.cn/uploads/tinymce/images/fc2941550de8960fa735ffd700be6df3672ad7c0a1caa.pdf</p> <p>The Entity has established a Human Rights Due Diligence Management Regulation which defines the process to identify any Material Human Rights impacts in the Entity's own operations and in their supply chain. The Entity has prepared a Human Rights Due Diligence Report that includes Due Diligence on internal Human Rights, affected peoples, and Suppliers. The Human Rights Due Diligence Report is disclosed on the Entity's website and is accessible at: http://www.lizhong.com.cn/uploads/tinymce/images/fcde89663e764fe3576c519a3ffc94d3672ad80012e29.pdf</p>
9.2a-e Gender Equity and Women's Empowerment	Conformance	<p>The Entity has established a procedure to protect women's rights and to promote gender equality. The Entity has demonstrated that male and female Workers have equal rights, regardless of gender. The Entity has made tangible actions to make the workplace more inclusive, for example by providing feeding rooms and establishing the right to take maternity leave and feeding leave with payment. The Entity has undertaken training to inform employees about preventing sexual Harassment and Discrimination. A Grievance and Complaints Resolution Mechanism is in place for raising complaints.</p> <p>The Entity's gender equality and women's rights program is reviewed every five years and/or in the event of any changes or control deficiencies. The Entity publicly discloses the results of the measures taken to protect the Rights and interests of women employees in their Sustainable Development Report which is accessible at: http://www.lizhong.com.cn/uploads/tinymce/images/678efbcb152be6b250c7c96fa611d7de672ad9d37d5a8.pdf</p> <p>The Entity guarantees women's rights and that there is no Discrimination, Violence, or Harassment. A satisfaction survey of female Workers shows that the sampled female Workers are satisfied with their career development.</p>
9.3a-i Indigenous Peoples	Not Applicable	This Criterion is not applicable to the Entity, as there are no Indigenous Peoples present in the Entity's Area of Influence. The Entity has however established the Indigenous Peoples protection and Free, Prior and Informed Consent (FPIC) management regulation, which provides respect for the customs, rights and interests of local residents in the region.
9.4a Free, Prior, and Informed Consent (FPIC) - New Projects or Major Changes	Not Applicable	The Entity is located in an industrial park which was constructed in 2010. There are no New Projects or Major Changes to existing projects proposed since the Entity became an ASI member, therefore this Criterion is not applicable.

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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 the Entity's Area of Influence.
9.5a Cultural and Sacred Heritage – Identification	Not Applicable	This Criterion is not applicable to the Entity, no sacred or cultural heritage sites have been identified that are affected by the Entity.
9.5b Cultural and Sacred Heritage – Impacts	Not Applicable	This Criterion is not applicable to the Entity, as there are no Indigenous Peoples within the Entity's Area of Influence. No sacred or cultural heritage sites have been identified to be impacted by the Entity.
9.6a-i Displacement	Not Applicable	This Criterion is not applicable to the Entity, as there are no New Projects and Major Changes initiated since the Entity joined ASI and there is no history of displacements.
9.7a-h Affected Populations and Organisations	Conformance	<p>The Entity has assessed the impacts of their activities on Local Communities and has not identified any significant impacts. Impacts to Local Communities were also assessed in the Entity's original environmental Impact Assessment completed for the current facility. There are no residential areas or sensitive populations within one kilometre of the facility.</p> <p>The Entity respects the legal and customary rights and interests of Local Communities in their lands and livelihoods and their use of natural resources. While no significant impacts were identified, the Entity regardless takes actions to benefit Local Communities through actions such as local recruitment and donations to local charities such as the Red Cross.</p>
9.8a Conflict-Affected and High-Risk Areas – Strong management systems	Conformance	The Entity has established and implemented relevant Policies and Procedures including the Conflict Mineral Management Regulation, the Due Diligence Management Regulation and their Responsible Sourcing Policy etc. The Entity has conducted risk-based Due Diligence across its Aluminium supply chain in accordance with these Policies.
9.8b Conflict-Affected and High-Risk Areas – Identify and assess risks	Conformance	The Entity has established their Conflict Mineral Management Regulation. In accordance with that Policy the Entity has conducted risk-based Due-Diligence across its Aluminium supply chain and maintains records of the Supplier risk assessment. All raw Aluminium is produced and sourced from within China. The Entity's Suppliers have all signed the commitment against the Use of Conflict Minerals. The results of the Entity's risk assessment determined that there is no risk of contributing to armed conflict or Human Rights violations through the Entity's supply chain.
9.8c Conflict-Affected and High-Risk Areas – Strategy to respond to risks	Conformance	The Entity has established a strategy to respond to identified risks related to Conflict-Affected and High-Risk Areas (CAHRAs) if any such risks are identified in future. Based on the Entity's internal assessment, all Aluminium is produced within China, and no materials are currently sourced from CAHRAs.

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9.8d Conflict-Affected and High-Risk Areas – Audit of due diligence	Conformance	The Entity has conducted Due Diligence monitoring on its Aluminium supply chain. The Entity's Due Diligence practices were audited as part of this Audit, which fully meets the requirement of this Criterion.
9.8e Conflict-Affected and High-Risk Areas – Report annually	Minor Non-Conformance	The Entity prepares a supply chain Due Diligence report annually. The report confirms that no materials have been sourced from CAHRAs. However, the supply chain Due Diligence report has not been publicly disclosed.
9.9 Security practice	Conformance	The Entity has developed and implemented a standard operating instruction for security that defines the management responsibilities of security personnel. All security guards have signed a commitment to respect Human Rights. The security team is managed by a licensed security agency. Every security guard holds a Security Guard Certificate. Worker interviews did not identify any complaints regarding the Entity's security practices.
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 the Regulations on the Management of Freedom of Association and Collective Bargaining. The Trade Union representing Workers was established in accordance with Applicable Law (Chinese Trade Union Law). Workers' representatives are appointed to represent Workers' concerns to management on their behalf. The Entity commits itself to respect Workers' rights.
10.2a-c Child Labour	Conformance	The Entity has implemented a Policy prohibiting the use of Child Labour. There are no Child Labourers or underage Workers in the Facility. The youngest Worker is 20 years old. The use of Child Labour is prohibited under Applicable Chinese Law.
10.3a-c Forced Labour	Conformance	The Entity has established a Policy on Modern Slavery and Human Trafficking and a Prohibition of Forced Labor Procedure. The Policy and Procedure strictly prohibit Forced Labour, including Human Trafficking and Modern Slavery. The Policy and Procedure apply to the Entity and its Suppliers. This Audit did not identify any instances of illegal wage deductions, Debt Bondage, or other indications of Forced Labour at the Entity. The Entity has disclosed a Modern Slavery Statement which is accessible at: http://www.lizhong.com.cn/uploads/tinymce/images/e95d5a17326fa75d3a6f9253ebcaa75f672aff26e18f0.pdf
10.4a-c Non-Discrimination	Conformance	The Entity has established the Prohibition of Discrimination and Special Protection of Women Workers Management Regulations and the Employee Handbook. These documents stipulate that the Entity will ensure equal opportunities and shall not discriminate or support Discrimination in recruitment, salary, promotion, training, promotion opportunities or dismissal of any Worker based on sex, race, national or social origin, religion, disability, political affiliation, sexual orientation, marital status, family responsibilities, age or any other circumstances

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		<p>that may lead to Discrimination, in accordance with the International Labor Organization Conventions C100 and C111. The Entity is committed to non-Discrimination and promotes anti-Discrimination culture through training, publicity, internal communication, etc.</p> <p>No Discrimination cases at the Entity have been identified.</p>
10.5 Communication and engagement	Conformance	<p>The Entity has established regulations for managing internal and external communication to promote open dialogue and direct contact with employees and their representatives regarding workplace conditions, issues, and compensation. These measures are designed to ensure that Workers can express their concerns without fear of retaliation, intimidation, or Harassment. The Entity maintains records of meetings held with workers' representatives. Additionally, internal complaint boxes and feedback forms have been placed near the cafeteria bulletin board for easy access.</p>
10.6a-g Violence and Harassment	Conformance	<p>The Entity respects its employees, and disciplinary measures are in compliance with Applicable Law. The Entity's Human Rights Policy has been implemented to prohibit Violence and inhumane treatment of Workers. Worker interviews conducted during this Audit did not identify any indications of Violence or Harassment. The Entity's Human Rights Policy covering Violence and Harassment is accessible at: http://www.lizhong.com.cn/uploads/tinymce/images/bd9ff2d77cdffd020348df1017df1ee672ad6f47c023.pdf</p>
10.7a-c Remuneration	Conformance	<p>The Entity has a clear wage structure with a base wage above the statutory minimum wage. The gross wage is at a level sufficient to meet the basic needs of Workers and Overtime is paid in accordance with labour laws. All Workers are covered by the mandatory social insurance scheme.</p> <p>The Entity has established a Payroll Management Control Procedure. The Entity makes wage payments monthly in a fully documented process using legal currency.</p>
10.8a-c Working Time	Minor Non-Conformance	<p>The Entity has established and implemented Working Hours and Overtime Management Regulations that clearly define the working hours requirements for employees, using a shift system.</p> <p>The Audit identified that some Workers did not receive the minimum requirement of one day off for every seven-day period, and that the average working hours per Worker over the last six months averaged 8.16 hours.</p>
10.9a-b Informing Workers of Rights	Conformance	<p>The Entity has established relevant Policies and informed employees of their right to Freedom of Association and Collective Bargaining by means of training, email, notice and regular meetings. The Entity has established Regulations on the Management of Freedom of Association and Collective Bargaining which defines Workers' rights and their ability to exercise those rights without punishment or reprisals.</p>
11. OCCUPATIONAL HEALTH AND SAFETY		
11.1a Occupational Health and Safety (OH&S) Management System	Conformance	<p>The Entity has implemented an Occupational Health and Safety (OH&S) Management System which is reviewed periodically. The OH&S Management System is ISO45001:2018 certified.</p>

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11.1b-e Occupational Health and Safety (OH&S) Management System - Reviews and disclosure	Minor Non-Conformance	<p>The Entity reviews its OH&S Management System against its objectives and targets, including leading and lagging indicators such as Worker training completion rate, occupational safety incidence rates etc. The Entity's OH&S performance is monitored on a monthly basis, while the OH&S Policy is reviewed annually.</p> <p>The Entity has not however publicly disclosed the effectiveness of their OH&S Management System and has not publicly disclosed a comparative analysis of performance against peer Businesses and leading practices.</p>
11.2 Employee engagement on Health and Safety	Conformance	<p>The Entity has implemented a system of Workers' consultation and participation in OH&S in accordance with the requirements of ISO 45001:2018. Workers are encouraged to report their concerns or advice on OH&S issues through mechanisms such as their Worker representatives, suggestion boxes or the Worker representative committee.</p> <p>The Workers' representative meeting is held regularly. All concerns raised by Workers or their representatives at the meeting have been followed up and closed out.</p>

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DOCUMENT CONTROL AND VERSION HISTORY

REVISION	DATE	NOTES
0	24 April 2025	Initial Certification Audit – Full Certification