

ASI CERTIFICATION PERFORMANCE STANDARD



PRESENTED TO

Tangshan Jinhengtong Bicycle Parts Co., Ltd.

CERTIFICATE NUMBER

455

ASI STANDARD

PERFORMANCE
STANDARD
(V3 2022)

CERTIFICATION LEVEL

FULL
CERTIFICATION

ASI ACCREDITED
AUDITING FIRM

SHANGHAI KYLIN
CERTIFICATION
SERVICE CO., LTD.

DATE OF ISSUE

27 JUNE 2025

DATE OF EXPIRY

26 JUNE 2028

CERTIFIED SINCE

27 JUNE 2025

AUTHORISED BY

A stylized, handwritten signature in black ink, likely representing the Aluminium Stewardship Initiative Ltd.

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

Production of Aluminium profiles,
bars and components for bicycles
and electric bicycles at Tangshan
Jinhengtong Bicycle Parts Co., Ltd,
located in Tangshan, China.

AUDIT REPORT PERFORMANCE STANDARD

OVERVIEW

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|-------------------------------|--|
| MEMBER NAME | Tangshan Jinhengtong Bicycle Parts Co., Ltd. |
| ENTITY NAME | Tangshan Jinhengtong Bicycle Parts Co., Ltd. |
| CERTIFICATION SCOPE | Production of Aluminium profiles, bars and components for bicycles and electric bicycles at Tangshan Jinhengtong Bicycle Parts Co., Ltd, located in Tangshan, China. |
| SUPPLY CHAIN ACTIVITIES | <ul style="list-style-type: none">Aluminium Re-melting/RefiningCasthousesSemi-FabricationMaterial Conversion |
| ASI STANDARD | Performance Standard V3 |
| AUDIT TYPE | <ul style="list-style-type: none">Initial Certification Audit |
| AUDIT FIRM | Shanghai Kylin Certification Service Co., Ltd. |
| AUDIT DATE | <ul style="list-style-type: none">9 – 11 December 2024 |
| AUDIT REPORT SUBMISSION | <ul style="list-style-type: none">27 February 2025 |
| AUDIT SCOPE | <p>The Audit Scope included the main processes of melting and casting, Aluminium extrusion, stamping, forming, machining, heat treatment, welding, surface treatment and finished product assembly for the production of Aluminium profiles, bars and components for bicycles and electric bicycles at Tangshan Jinhengtong Bicycle Parts Co., Ltd.</p> <p>Supply chain activities included in the Audit Scope:</p> <ul style="list-style-type: none">Aluminium Re-melting/RefiningCasthousesSemi-FabricationMaterial Conversion <p>All relevant Criteria in the ASI Performance Standard were included in the Audit Scope.</p> |
| AUDIT OUTCOME | 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. |

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- ✓ The Audit Scope and audit methodology are sufficient to establish confidence that the findings are indicative of the performance of the Entity's defined Certification Scope.
 - ✓ The Auditor(s) have acted in a manner deemed ethical, truthful, accurate professional, independent and objective.
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| CERTIFICATION PERIOD | 27 June 2025 – 26 June 2028 |
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| NEXT AUDIT TYPE | Surveillance Audit |
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| NEXT AUDIT DATE | 26 June 2026 |
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| CERTIFICATE NUMBER | 455 |
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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

Tangshan Jinhengtong Bicycle Parts Co., Ltd. (the 'Entity'), established in 2002, is situated in the fifth community of the Agricultural Corporation within the Lutai Economic Development Zone of Tangshan, China. The Entity specialises in the production and sales of Aluminium profiles and components used in bicycles and electric bicycles, including wheels, ladders, luggage racks, frames, and baskets. With a focus on innovation and integrated manufacturing, the Entity combines research and development, testing, production, warehousing, and logistics to deliver high-quality products to both domestic and international markets including Europe, America and Southeast Asia.

The Entity produces approximately 15 million wheels, 600,000 brackets (Aluminium/iron), 500,000 luggage racks (Aluminium /iron), 200,000 baskets, and 400,000 frames annually. To support this scale of production, the Facility is equipped with two Aluminium melting furnaces, 14 Aluminium extrusion machines, four heat treatment furnaces, and 16 dedicated production lines for various components. The manufacturing process includes melting and casting, Aluminium extrusion, stamping, forming, machining, heat treatment, welding, surface treatment, and final product assembly.

The Entity has approximately 420 employees including over 160 female employees. The nearest residential area is located two kilometres away.

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 | Low | Low | LOW |
| PERFORMANCE | Low | Low | Low | LOW |
| OVERALL | LOW | | | |

FINDINGS

| CRITERION | RATING | COMMENT |
|--|-----------------------|---|
| 1. BUSINESS INTEGRITY | | |
| 1.1 Legal Compliance | Minor Non-Conformance | <p>The Entity has established a Legal and Regulatory Requirements Control Procedure, which stipulates that the Management Department is responsible for collecting Applicable Laws and the management representative confirms its applicability. The Entity has established a list of Applicable Law identified for 2024 and has documented an evaluation report, which indicates that the Entity meets the requirements in terms of Compliance.</p> <p>However, an Environmental Impact Assessment, required in support of a renovation to a workshop area for production activities that commenced three years ago, is still in progress.</p> |
| 1.2 Anti-Corruption | Conformance | <p>The Entity has established the requirements related to Corruption and Bribery relevant to employees and the Entity's partners. The Entity has required an 'Anti-Corruption Commitment Letter' to be signed by Sales and Procurement Department personnel. The Entity has established procedures on complaints reporting and 'whistleblower' protection. The Administrative Department personnel are responsible for receiving reports on Corruption and Bribery. The Entity's Complaints and Reporting Procedure is available at: https://www.jhtcl.com/nd.jsp?id=73</p> |
| 1.3a-e Code of Conduct | Conformance | <p>The Entity has established an ASI Code of Conduct that addresses ethics, corporate governance, business conduct, government relations, and social responsibility. It is reviewed at least every five years and upon any material changes to the Business or indication of a control gap. The ASI Code of Conduct is available at: https://www.jhtcl.com/nd.jsp?id=52</p> |
| 2. POLICY AND MANAGEMENT | | |
| 2.1a-f Environmental, Social, and Governance Policy | Conformance | <p>The Entity has established an Environmental, Social, and Governance (ESG) Policy that addresses environmental management, social management, and responsible procurement. The Policy is signed and approved by the Entity's General Manager. The ASI Management Manual requires a review of the Policy every five years or when defects occur. The ESG and Responsible Procurement Policy is communicated internally through meetings and posting, and is publicly disclosed: https://www.jhtcl.com/nd.jsp?id=53</p> |
| 2.2a-c Leadership | Conformance | <p>The General Manager has authorised the Vice President to serve as the ASI Management Representative. The authorisation letter stipulates the Management Representative's role in implementing the Policy requirements and provides necessary resources for establishing and implementing the ASI Management System.</p> |
| 2.3a Environmental and Social Management Systems – Environmental | Conformance | <p>The Entity has established an ISO 14001 Environmental Management System (EMS) and ISO 50001 Energy Management System. The EMS includes an environmental manual and procedural documents, identification and evaluation procedures, emergency preparedness and response, amongst others. The Entity has undergone ISO 14001 audits and corrective action plans are in place for non-conformances.</p> |

| CRITERION | RATING | COMMENT |
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| 2.3b Environmental and Social Management Systems – Social | Conformance | The Entity has established an ISO 45001 Occupational Health and Safety (OH&S) Management System, which includes hazard identification and risk assessment control procedures, emergency preparedness and response control procedures, amongst others. Management procedures have been established to address labour, child protection, recruitment, and Discrimination. |
| 2.4a-e Responsible Sourcing | Minor Non-Conformance | <p>The Entity has developed a Responsible Procurement Policy that addresses ESG requirements and stipulates a review every five years or in case of changes or defects. The Entity has developed a Supplier Due Diligence Risk Assessment process related to Corruption, responsible procurement, Human Rights Due Diligence, and Conflict-Affected and High-Risk Areas, with default risk assessment scores for suppliers and differentiated levels. The ESG and Responsible Procurement Policy is available at: https://www.jhtcl.com/nd.jsp?id=53</p> <p>The supplier evaluation form includes the ESG content of the Business Social Compliance Initiative (BSCI) and the sources of high-risk areas associated with the Aluminium industry.</p> <p>However, the commitment letter was not available for all suppliers.</p> |
| 2.5a-g Environmental and Social Impact Assessments | Not Applicable | This Criterion is not applicable, as there have been no New Projects or Major Changes since the Entity joined ASI. |
| 2.6a-h Human Rights Impact Assessment | Not Applicable | This Criterion is not applicable, as there have been no New Projects or Major Changes since the Entity joined ASI. |
| 2.7a-f Emergency Response Plan | Conformance | <p>The Entity has established an Emergency Plan for Sudden Environmental Incidents. It operates a command centre with various managers and safety officers and emergency teams have been established. The Emergency Plan is registered with the Environmental Protection Bureau. The Entity also has a production safety emergency plan and plans specific to confined space, and fire and explosion. A review of the plans is required every three years.</p> <p>Fire drills and acid leak drills are conducted and analysed. The acid leak drill was conducted in conjunction with the fire and emergency management departments.</p> <p>The Emergency Plan for Sudden Environmental Events is available at: https://www.jhtcl.com/nd.jsp?id=72</p> <p>The Emergency Plan for Production Safety Accidents is available at: https://www.jhtcl.com/col.jsp?id=120</p> |
| 2.8a-d Suspended Operations | Conformance | The Entity has established a Business continuity plan that addresses a potential suspension of operations due to the impact of an emergency. The Entity evaluated the associated impact on employees and has established a process to protect employees' basic income during a suspension period. The environmental and safety impact caused shall be dealt with according to the emergency plan. The Entity's ASI Management Manual requires a review of the plan at least every five years or in the event of defects. |
| 2.9a-b Mergers and Acquisitions | Not Applicable | This Criterion is not applicable to the Entity, as no mergers or acquisitions have occurred or are planned. However, the Entity has |

| CRITERION | RATING | COMMENT |
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| | | established an ESG Impact Assessment Procedure that addresses the requirement for assessment in the event of a merger or acquisition. |
| 2.10a-b Closure, Decommissioning and Divestment | Not Applicable | This Criterion is not applicable to the Entity, as no closure, decommissioning or divestment activities have occurred or are planned. However, the Entity has established an ESG Impact Assessment Procedure that addresses the requirement for assessment in the event of closure, decommissioning or divestment. |
| 3. TRANSPARENCY | | |
| 3.1a-b Sustainability Reporting | Minor Non-Conformance | <p>The Entity has disclosed a 2023 Sustainability Report that addresses its governance approach to environmental, social, and economic aspects, and discloses its Material impact across these areas, available at: https://www.jhtcl.com/nd.jsp?id=57</p> <p>However, there are errors within the Sustainability Report and the quality of reporting requires improvement.</p> |
| 3.2 Non-compliance and Liabilities | Conformance | <p>The Sustainability Report discloses that no corporate violations had been recorded during the year: https://www.jhtcl.com/nd.jsp?id=57</p> <p>The government enterprise credit website was checked during the Audit, which confirmed no record of violation.</p> |
| 3.3a-c Payments to Governments | Conformance | <p>The 2023 Sustainability Report disclose that taxes and fees have been paid in accordance with government regulations, and no other payments or political donations have been made: https://www.jhtcl.com/nd.jsp?id=57</p> <p>The Entity also provided its 2023 financial accounting audit report during the Audit.</p> |
| 3.4a-f Stakeholder Complaints, Grievances and Requests for Information | Minor Non-Conformance | <p>The Entity has established the Information Exchange, Communication Control Procedure and Employee Communication and Appeal Management Procedure. The ASI Management Manual requires a review of the procedures at least every five years or when defects occur.</p> <p>The Entity's EHS Department is responsible for internal and external EHS communication. Employee feedback boxes are handled by the Management Department. The Sales Department manages customer feedback, and the Procurement Department handles appeals or complaints from suppliers. The Entity's Complaints and Reporting Procedure and contact details are available on the Entity's website: https://www.jhtcl.com/nd.jsp?id=73</p> <p>However, an employee feedback box situated in the Aluminium ring production workshop was found to contain unprocessed employee feedback forms.</p> |
| 4. MATERIAL STEWARDSHIP | | |
| 4.1a Environmental Life Cycle Assessment | Minor Non-Conformance | The Entity has conducted a third party Life Cycle Assessment (LCA) of its Aluminium rings product. |

| CRITERION | RATING | COMMENT |
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| | | However, the LCA report does not indicate the weight of the product, and there is a deviation in the GHG emissions data. |
| 4.1b-c Environmental Life Cycle Assessment - Disclosure | Conformance | The Entity's LCA has considered a cradle-to-gate approach. The LCA Report has been disclosed at: https://www.jhtcl.com/nd.jsp?id=104 |
| 4.2 Product Design | Conformance | The Entity's Design Department has continuously improved the design process and the losses in the production process are controlled to below 3.5%. All Scrap generated during the production process is remelted. |
| 4.3a-b Aluminium Process Scrap | Conformance | All Scrap generated during the production process is remelted. The Entity's Products all belong to the 6-series, and there is no need to distinguish them for recycling and melting. |
| 4.4a-c Collection and Recycling of Products at End of Life - Material Conversion and other Manufacturing | Minor Non-Conformance | The Entity has developed a recycling strategy that aims to increase the proportion of recycled Aluminium in raw materials from 25% to 60% by 2028. The recycling strategy requires evaluation every five years or when significant changes occur. The Annual Strategy for Recycling and Reuse of Aluminium is available at: https://www.jhtcl.com/nd.jsp?id=103 However, the Entity's recycling strategy does not distinguish between pre-consumer and post-consumer Aluminium. |
| 4.4d Collection and Recycling of Products at End of Life | Conformance | The Entity's raw material includes 25% recycled Aluminium, and it has plans to increase the use of homogenisation furnaces to improve the quality of recycled Aluminium bars, thereby increasing the proportion of recycled Aluminium. |
| 5. GREENHOUSE GAS EMISSIONS | | |
| 5.1a-b Disclosure of GHG Emissions and Energy Use | Minor Non-Conformance | The Entity has accounted for the total energy use and Greenhouse Gas (GHG) emissions for 2023, including Scopes 1, 2 and 3. The Entity's GHG inventory report has been verified by an independent Third Party. The GHG Emissions Verification Report is available at: https://www.jhtcl.com/nd.jsp?id=63 However, there is an error in the data used to calculate the Entity's GHG emissions, with the Entity using the average coefficient factor and not the supplier's data. Additionally, the Entity's activity data are not actual measurements but simulations. |
| 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 established a GHG Emissions Reduction Plan and generated a GHG Emissions Reduction Pathway using the ASI Method |

| CRITERION | RATING | COMMENT |
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| | | <p>to ensure the reduction targets are consistent with a 1.5°C warming scenario. The Entity has set an Intermediate Target within five years and included a 2030 target.</p> <p>The Entity currently generates solar energy for its electricity and purchases low-carbon Aluminium as a source of raw materials. Future reduction action includes increasing the proportion of Recycled Aluminium as raw material. The Entity's GHG Emissions Reduction Plan is available at: https://www.jhtcl.com/nd.jsp?id=105</p> <p>However, the Entity's GHG Emissions Reduction Plan did not provide a detailed explanation of the emission reduction methods.</p> |
| 5.4 GHG Emissions Management | Minor Non-Conformance | <p>The Entity has established an ISO 50001 Energy Management System and associated audit reports, and non-compliance rectification reports were evidenced during the Audit. The Entity has established GHG emissions reduction targets, and the Management Department is responsible for routine data collection and management to ensure its performance is in line with the GHG Emissions Reduction Plan.</p> <p>However, the multiple instances of non-conformance with GHG-related requirement indicates there are weak points in the Entity's GHG emissions management.</p> |
| 6. EMISSIONS, EFFLUENTS AND WASTE | | |
| 6.1a-f Emissions to Air | Minor Non-Conformance | <p>The Entity's main Emissions to Air are included in its Pollutant Discharge Permit. The Entity is required to test its emissions annually and the test results are within the prescribed standard limits. The Entity has disclosed its quantitative data on air pollutants and its Emissions Reduction Plan 2023, available at: https://www.jhtcl.com/nd.jsp?id=95</p> <p>However, the Entity did not re-evaluate its air pollutant emission reduction plan in accordance with its procedures and did not disclose the latest emission reduction plan.</p> |
| 6.2a-g Discharges to Water | Minor Non-Conformance | <p>The Entity has identified its main sources of water withdrawal, water use links and the primary water pollutants, and has regularly monitored the effluent, which are within the prescribed standard limits. The Entity has its own wastewater treatment station and wastewater is treated to meet the standard before it is reused in the production line. No discharge was identified during the on-site audit.</p> <p>However, the Entity does not publicly disclose the amount of wastewater generated.</p> |
| 6.3a-g Assessment and Management of Spills and Leakages | Conformance | <p>The Entity's Emergency Response Plan for Environmental Incidents includes an assessment of the possible risks of Spills and Leakages, and the Entity has implemented appropriate preventive measures in response to the assessment. The Entity conducts annual drills which include response to Spills and Leakages. Interviews during the Audit confirmed that the Entity had not experienced any environmental incidents related to Spills or Leakages. The Emergency Response Plan for Environmental Incidents is available at: https://www.jhtcl.com/nd.jsp?id=55</p> |

| CRITERION | RATING | COMMENT |
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| 6.4a-b Public Disclosure of Spills and Leakages | Conformance | On-site interviews with personnel and review of the public information website during the Audit confirmed there are no Spills or Leakages or Leakage-related environmental incidents. As a result, public disclosure of Spills and Leakages is not required. |
| 6.5a-c Waste Management and Reporting | Minor Non-Conformance | <p>The Entity has established a Hazardous Wastes list, identified its primary Hazardous Waste, and cooperates with qualified Hazardous Waste disposal suppliers to treat its Hazardous Waste. Hazardous Waste is disposed of in accordance with local statutory requirements and is transferred annually with transfer records maintained.</p> <p>However, the Entity did not publicly disclose the quantities or disposal methods of Non-Hazardous and Hazardous Waste, nor the design of Waste management strategies. Also, in the Entity's production process, there are situations where Hazardous Waste substances are not managed in accordance with appropriate control requirements.</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 | The Entity has a dedicated Hazardous Waste storage warehouse with protective measures and facilities to meet the requirements for the storage of Aluminium Dross and the prevention of leakage. The Dross produced by the Entity is recycled as much as possible within the Entity's recovery process and the final Dross is collected and recycled by suppliers. In accordance with the requirements of Applicable Law, the Entity does not dispose of Aluminium ash slag in landfills. |
| 7. WATER STEWARDSHIP | | |
| 7.1a-b Water Assessment and Disclosure | Minor Non-Conformance | The Entity has not identified, recorded nor publicly disclosed its annual water withdrawal and use by water source and type. Also, in the supplementary information of the Entity's Environmental and Social Impact Assessment, there are discrepancies between the basis of the water resources assessment and the Entity's actual situation. |
| 7.2a-e Water Management | Not Applicable | This Criterion is not applicable to the Entity, as its assessment of water-related risk is low. |
| 8. BIODIVERSITY AND ECOSYSTEM SERVICES | | |
| 8.1a Biodiversity and Ecosystem Services Risk and Impact Assessment | Conformance | <p>The Entity has conducted a risk assessment and disclosed its Biodiversity Risk Assessment Report: https://www.jhtcl.com/nd.jsp?id=87</p> <p>The Entity has evaluated its potential impacts on Biodiversity and Ecosystem Services and considered the control measures in place and determined that its overall Biodiversity risk was low.</p> |
| 8.1b Biodiversity and Ecosystem Services Risk and Impact Assessment - Priority | Not Applicable | This Criterion is not applicable to the Entity, as its Biodiversity risk was determined as low and no Priority Ecosystem Services were identified. |

| CRITERION | RATING | COMMENT |
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| 8.2a-g Biodiversity Management | Not Applicable | This Criterion is not applicable to the Entity, as its Biodiversity risk was determined as low. |
| 8.3a-c Management of Priority Ecosystem Services | Not Applicable | This Criterion is not applicable to the Entity, as its Biodiversity risk was determined as low and no Priority Ecosystem Services were identified. |
| 8.4 Alien Species | Conformance | The Entity considered Alien Species in its Biodiversity risk assessment, identified sources of transmission and developed corresponding preventive measures. Through investigation, the Entity has determined that there are currently no Alien Species in the vicinity of the Entity. |
| 8.5a-b Commitment to “No Go” in World Heritage Properties | Conformance | There are no World Heritage sites in the vicinity of the Entity. The Entity has committed to not carry out any construction in World Heritage sites and religious shrines. The Entity disseminates its concepts to employees through training to enhance awareness. |
| 8.6a-d Protected Areas | Conformance | The Entity has procedures in place to ensure construction activities are not undertaken in Protected Areas in accordance with the requirements of Applicable Law. Through interviews and mapping software, it was confirmed that 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 | <p>The Entity has implemented its ESG Policy, which includes a Social Management Policy that addresses Human Rights and gender equity. The Entity requires a review of the Policy at least every five years or when defects or significant changes occur. The Entity has conducted a survey of employees and prepared a Human Rights Impact Assessment Report. The Entity has assigned various departments the responsibility of liaising with relevant parties and resolving complaints and appeals. Human Rights issues have not been identified through the Due Diligence or appeals processes. The ESG Policy is available at: https://www.jhtcl.com/nd.jsp?id=53</p> |
| 9.2a-e Gender Equity and Women's Empowerment | Conformance | <p>The Entity has established procedures on anti-Discrimination that stipulate that employment and promotion of employees shall not be affected by gender, marriage, or other reasons. The Entity's ASI Management Manual requires a review of ASI-related documents at least every five years.</p> <p>The Entity has provided and disclosed its Gender Equality and Women's Rights procedure, which stipulates female employees receive equal treatment in all aspects. The proportion of female employees at the Entity is approximately 45%, with women holding senior management roles including the role of General Manager.</p> <p>The Gender Equality and Women's Empowerment document is available at: https://www.jhtcl.com/nd.jsp?id=97</p> <p>The Sustainability Report is available at: https://www.jhtcl.com/nd.jsp?id=57</p> |

| CRITERION | RATING | COMMENT |
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| 9.3a-i Indigenous Peoples | Not Applicable | This Criterion is not applicable to the Entity, as it is located in an industrial area and there are no Indigenous People 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 it is located in an industrial area and there are no Indigenous People within its Area of Influence. |
| 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 it is located in an industrial area and there are no Indigenous People within its Area of Influence. |
| 9.5a Cultural and Sacred Heritage – Identification | Not Applicable | This Criterion is not applicable to the Entity, as there are no cultural or sacred heritage sites or values within its Area of Influence. |
| 9.5b Cultural and Sacred Heritage – Impacts | Not Applicable | This Criterion is not applicable to the Entity, as it is located in an industrial area and there are no Indigenous People within its Area of Influence. |
| 9.6a-i Displacement | Not Applicable | This Criterion is not applicable to the Entity, as no New Projects or Major Changes have occurred or are planned that would cause displacement. |
| 9.7a-h Affected Populations and Organisations | Conformance | <p>The Entity has established the Affected Population and Community Management Procedure, which is led by the Management Department, and ensures communication with Affected Populations and Local Communities. The nearest Local Community is approximately two kilometres away.</p> <p>The Entity maintains records of communication with nearby communities. The Entity does not cause negative impacts on the surrounding communities and some of the Entity's employees are members of the surrounding community. The Entity has disclosed its Affected Population and Community Management Evaluation Report at: https://www.jhtcl.com/nd.jsp?id=101</p> |
| 9.8a Conflict-Affected and High-Risk Areas – Strong management systems | Conformance | The Entity has established a supply chain procurement Policy, and the supplier evaluation is implemented by the Procurement Department. |
| 9.8b Conflict-Affected and High-Risk Areas – Identify and assess risks | Conformance | The Entity has identified and evaluated various risks in the Supplier Analysis and Evaluation Form, including assessment of Conflict-Affected and High-Risk Areas (CAHRAs). |
| 9.8c Conflict-Affected and High-Risk Areas – Strategy to respond to risks | Minor Non-Conformance | The Entity's supplier survey includes information on whether materials are from High-Risk Areas, but the Entity has not clearly identified whether the origin of raw materials from the Smelters in its supply chain are from CAHRAs. |

| CRITERION | RATING | COMMENT |
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| 9.8d Conflict-Affected and High-Risk Areas – Audit of due diligence | Conformance | The Entity's Due Diligence practices were audited as part of this ASI Certification Audit, which meets the requirement. |
| 9.8e Conflict-Affected and High-Risk Areas – Report annually | Minor Non-Conformance | The Entity's supply chain investigation report has not yet been completed and disclosed. |
| 9.9 Security practice | Conformance | The Entity has signed an agreement with a security company and established a security management procedure that requires security personnel to treat employees with respect and prohibits body searches and physical abuse of employees. |
| 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 it complies with Applicable Law in China regarding the Freedom of Association and Collective Bargaining. |
| 10.1d Freedom of Association and Right to Collective Bargaining – Alternative means in context of Applicable Law | Conformance | The Entity has established a Working Procedure for Freedom of Association and Collective Bargaining to ensure the Freedom of Association of employees and the right to Collective Bargaining. The Entity has an employee representative election system and has established a Labour Union, and employees are free to decide whether to join the Union or not. |
| 10.2a-c Child Labour | Conformance | The Entity has established documents on the protection of Child Labour and underage Workers that clearly prohibit the use of Child Labour. The youngest employees at the Entity are currently over 19 years of age. The Entity does not use or support the worst forms of Child Labour, and the Audit process determined that there are no cases of underage Labour or Child Labour. |
| 10.3a-c Forced Labour | Conformance | <p>The Entity has established procedures for the management of labour, which explicitly prohibit any form of Forced Labour. Interviews and on-site observations during the Audit identified that the Entity has signed labour contracts directly with employees and there were no unreasonable expenses or debt servitude required. Workers in the Entity have full freedom of work and life and have the right to terminate their employment freely.</p> <p>The Entity has disclosed its Modern Slavery Statement, available at: https://www.jhtcl.com/nd.jsp?id=93</p> |
| 10.4a-c Non-Discrimination | Conformance | The Entity has established procedures that clarify the requirement for the prohibition of Discrimination and treats employees equally in the course of their work. During the Audit, it was confirmed that the Entity implements its 'equal pay for equal work' policy. Worker interviews confirmed that the working conditions and human environment at the Entity were suitable and there was no Discrimination. |
| 10.5 Communication and engagement | Conformance | The Entity has established documents that clarify the internal and external information transmission and communication methods and has established various communication methods to accommodate employees. The Entity allows employees to communicate directly to the management office in person to resolve matters related to |

| CRITERION | RATING | COMMENT |
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| | | employee rights or to receive and handle complaints and reports. Worker interviews confirmed that employees are aware of these methods and are not concerned about retaliation. |
| 10.6a-g Violence and Harassment | Conformance | <p>The Entity has established documents that clearly state it does not support any form of corporal punishment, coercion, Harassment or similar behaviour, including an Anti-Violence and Anti-Harassment Policy, which is publicly disclosed at: https://www.jhtcl.com/nd.jsp?id=89</p> <p>The Entity displays its Policy on the notice board in the workshop. Worker interviews confirmed that there have been no situations related to Violence and Harassment at the Entity, and the employees have not witnessed any such incidents. Whilst the Entity's Policy is newly formulated and has not yet undergone review, reviews are planned annually during the internal audit process to maintain its suitability and effectiveness.</p> |
| 10.7a-c Remuneration | Conformance | <p>The Entity recruits employees internally and both parties sign the labour contract. The labour contracts clearly specify the necessary basic information of both parties, which complies with the requirements of local laws and regulations. The salaries paid by the Entity are all higher than the local minimum wage. Sampled records during the Audit confirmed that Overtime pay is provided and is paid in accordance with the requirements of local laws and regulations. The Entity distributes salaries via bank transfer, which meets the requirements of local salary payment regulations.</p> |
| 10.8a-c Working Time | Minor Non-Conformance | <p>The Entity has established a procedure for the management of working hours. The working hour system meets the legal requirements and the regulations for the regular day shift are clearly defined. The Entity implements an eight hour working day, and employees can volunteer to work Overtime which requires prior approval through an application process.</p> <p>However, during the Audit, it was identified that the monthly Overtime hours for some front-line employees exceeded the legal requirements, and the average daily working hours in the past six months exceeded eight hours.</p> |
| 10.9a-b Informing Workers of Rights | Conformance | <p>The Entity promotes the ASI Code of Conduct to employees through training. Employees are aware of their corresponding rights and are satisfied with the state of their working environment.</p> |
| 11. OCCUPATIONAL HEALTH AND SAFETY | | |
| 11.1a Occupational Health and Safety (OH&S) Management System | Minor Non-Conformance | <p>The Entity has established an ISO 45001 certified Occupational Health and Safety (OH&S) Management System and includes mature documentation.</p> <p>However, it was identified during the Audit that firefighting equipment was not in proper working order and the Personal Protective Equipment (PPE) worn by employees did not meet the OH&S requirements.</p> |
| 11.1b-e Occupational Health and Safety (OH&S) | Minor Non-Conformance | <p>The Entity has established and implemented an OH&S Management System that addresses the requirement for internal audits and management reviews at a predetermined frequency, which includes</p> |

| CRITERION | RATING | COMMENT |
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| Management System - Reviews and disclosure | | <p>an evaluation of OH&S performance from which the Entity identifies improvement needs.</p> <p>However, it was identified during the Audit that the Entity did not publicly disclose the effectiveness of its OH&S Management System and lacked an analysis of its metrics and a comparative analysis of peer performance and leading practice.</p> |
| 11.2 Employee engagement on Health and Safety | Conformance | <p>The scope of the Entity's OH&S Management System covers all departments and employees. The effectiveness of the implementation of the OH&S Management System is evaluated through the monitoring of OH&S performance indicators. The Entity has established an employee representative system and various communication methods to facilitate employees in handling OH&S matters and incidents. Employees are aware of the Entity's OH&S Management System, as well as the channels and methods for making complaints, and are willing to use these methods without concern of retaliation.</p> |

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DOCUMENT CONTROL AND VERSION HISTORY

| REVISION | DATE | NOTES |
|----------|--------------|--|
| 0 | 27 June 2025 | Initial Certification Audit – Full Certification |