

ASI CERTIFICATION PERFORMANCE STANDARD



PRESENTED TO

Yunnan Hongtai New Material Co., Ltd. and Yunnan Hongqi New Materials Co., Ltd

CERTIFICATE NUMBER	ASI STANDARD	CERTIFICATION LEVEL	ASI ACCREDITED AUDITING FIRM
244	PERFORMANCE STANDARD (v3.1 2023)	FULL CERTIFICATION	DNV BUSINESS ASSURANCE SERVICES UK LTD.
	DATE OF ISSUE 15 JANUARY 2026	DATE OF EXPIRY 14 JANUARY 2029	CERTIFIED SINCE 30 JANUARY 2023

AUTHORISED BY

A handwritten signature in black ink, appearing to read "ASIA".

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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

Yunnan Hongtai New Materials Co., Ltd with C-series, D-series, and F-series electrolytic Aluminium production lines, and Yunnan Hongqi New Materials Co., Ltd with A-series, B-series, and E-series electrolytic Aluminium production lines and casting factories. The facilities are mainly engaged in the technical research and development, production, and sale of liquid Aluminium and Aluminium ingots.

AUDIT REPORT

PERFORMANCE

STANDARD

OVERVIEW

MEMBER NAME	China Hongqiao Group Co., Ltd.
ENTITY NAME	Yunnan Hongtai New Material Co., Ltd. and Yunnan Hongqi New Materials Co., Ltd.
CERTIFICATION SCOPE	Yunnan Hongtai New Materials Co., Ltd with C-series, D-series, and F-series electrolytic Aluminium production lines, and Yunnan Hongqi New Materials Co., Ltd with A-series, B-series, and E-series electrolytic Aluminium production lines and casting factories. The facilities are mainly engaged in the technical research and development, production, and sale of liquid Aluminium and Aluminium ingots.
SUPPLY CHAIN ACTIVITIES	<ul style="list-style-type: none">• Aluminium Smelting• Casthouses
ASI STANDARD	Performance Standard V3.1
AUDIT TYPE	<ul style="list-style-type: none">• Initial Certification Audit (26 – 30 September 2022)• Surveillance Audit (9 – 12 September 2024)• Re-Certification Audit and Scope Change (25 – 28 August 2025)
AUDIT FIRM	DNV Business Assurance Services UK Ltd.
AUDIT DATE	<ul style="list-style-type: none">• 26 – 30 September 2022 (Initial Certification Audit)• 9 – 12 September 2024 (Surveillance Audit)• 25 – 28 August 2025 (Re-Certification Audit and Scope Change)
AUDIT REPORT SUBMISSION	<ul style="list-style-type: none">• 23 November 2022 (Initial Certification Audit)• 25 October 2024 (Surveillance Audit)• 16 October 2025 (Re-Certification Audit and Scope Change)
AUDIT SCOPE	<p><u>Initial Certification Audit (26 – 30 September 2022)</u></p> <p>All activities of the A-Series, B-Series, C-Series, E-Series and F-Series electrolytic Aluminium production lines of Yunnan Hongtai New Materials Co., Ltd. in Wenshan City, Yunnan Province, China. The facilities are mainly engaged in the technical research and development, production and sales of liquid Aluminium and Aluminium ingots products.</p> <p>Supply chain activities included in the Audit Scope:</p> <ul style="list-style-type: none">• Aluminium Smelting• Casthouses <p>All relevant Criteria in the ASI Performance Standard were included in the Audit Scope.</p> <p><u>Surveillance Audit (9 – 12 September 2024)</u></p> <p>All activities of the A-Series, B-Series, C-Series, E-Series and F-Series electrolytic Aluminium production lines of Yunnan Hongtai New Materials Co., Ltd. in Wenshan City, Yunnan Province, China. The Facilities are mainly engaged in the technical</p>

research and development, production and sales of liquid Aluminium and Aluminium ingots products.

Supply chain activities included in the Audit Scope:

- Aluminium Smelting
- Casthouses

All relevant Criteria in the ASI Performance Standard were included in the Audit Scope.

Re-Certification Audit and Scope Change (25 – 28 August 2025)

The Audit Scope covered all activities of Yunnan Hongtai New Materials Co, Ltd with C-series, D-series, and F-series electrolytic Aluminium production lines, and Yunnan Hongqi New Materials Co, Ltd with A-series, B-series, and E-series electrolytic Aluminium production lines and casting factories. The facilities are mainly engaged in the technical research and development, production, and sale of liquid Aluminium and Aluminium ingots.

Supply chain activities included in the Audit Scope:

- Aluminium Smelting
- Casthouses

All relevant Criteria in the ASI Performance Standard were included in the Audit Scope.

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.<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	15 January 2026 – 14 January 2029
NEXT AUDIT TYPE	Surveillance Audit
NEXT AUDIT DATE	14 January 2028
CERTIFICATE NUMBER	244



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

Yunnan Hongtai New Material Co., Ltd. and Yunnan Hongqi New Materials Co., Ltd, (the 'Entity') are affiliated with Shandong Weiqiao Pioneering Group and co-located in Wenshan City, Yunnan Province, China. The facility commenced construction in October 2019 and covers an area over 24.5 hectares (3,677 mu). The Entity includes six electrolytic Aluminium production lines (two 600KA lines and four 440KA lines), with primary products being raw Aluminium and an annual production capacity of 2.03 million tonnes of electrolytic Aluminium.

The Entity employs over 6,000 staff, with local employees accounting for over 90 percent of the workforce. The workforce includes individuals from 23 ethnic groups, such as Han, Zhuang, Miao, and Yi.

In 2024, for business reasons, the Entity added a new company name, Yunnan Hongqi New Materials Co., Ltd, while remaining a single entity operating under two company names.

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	High	Medium	MEDIUM
PERFORMANCE	Medium	Medium	Medium	MEDIUM
OVERALL	MEDIUM			

FINDINGS

CRITERION	RATING	COMMENT
1. BUSINESS INTEGRITY		
1.1 Legal Compliance	Conformance	<p>The Entity has established and implemented Policies, systems, procedures, and processes to ensure full adherence to Applicable Law, regulations, and customer requirements. Compliance within respective areas is overseen by the Safety Supervision and Administration Department and the HR Department, both of which conduct annual legal compliance reviews. All relevant laws, regulations, and requirements have been identified, with no significant Compliance issues reported. Details of the Entity's performance are outlined in its annual compliance statement.</p>
1.2 Anti-Corruption	Conformance	<p>The Entity has developed and implemented Policies and procedures to identify and prevent Corruption, in accordance with the Hongqiao Group's Integrity Management and Anti-Corruption Policy. These Policies and procedures are adhered to and are in line with Applicable Law. Positions with a high risk of Corruption have been identified, and control measures, including the signing of anti-Corruption commitment letters, have been implemented. The Group's Audit and Supervision Department is responsible for conducting annual anti-Corruption audits. Over the past three years, no instances of Corruption or serious violations have been reported, as confirmed by the Entity's misconduct registry and periodic internal control audit reports.</p>
1.3a-e Code of Conduct	Conformance	<p>The Entity has implemented a Code of Conduct that outlines principles related to environmental, social, and governance performance. To promote awareness, the Entity has taken adequate measures, including training and communication, to ensure business partners and suppliers understand and adhere to the Code. The Code of Conduct is available to all interested Stakeholders in the ASI Information Disclosure, page 3:</p> <p>http://www.hongqiaochina.com/Uploads/File/2025/08/08/云南宏泰、 宏启新型材料有限公司ASI信息披露（2025）.20250808080455.pdf</p>
2. POLICY AND MANAGEMENT		
2.1a-f Environmental, Social, and Governance Policy	Conformance	<p>The Entity has established comprehensive Environmental, Social, and Governance (ESG) Policies, which are formally approved by senior management to ensure alignment with the ASI Performance Standard. These Policies have been communicated to employees and publicly disclosed in the ASI Information Disclosure, page 12:</p> <p>http://www.hongqiaochina.com/Uploads/File/2025/08/08/云南宏泰、 宏启新型材料有限公司ASI信息披露（2025）.20250808080455.pdf</p> <p>The Entity conducts annual reviews of the applicability, completeness, and effectiveness of these Policies through internal audits and management reviews to identify areas for improvement. In addition, the Entity is committed to the prompt review of its ESG Policies in response to significant business changes affecting ESG risks or the identification of control deficiencies.</p>
2.2a-c Leadership	Conformance	<p>The Entity has appointed the Senior Manager in charge of production operations as the ASI Management Representative. This appointment ensures the provision of adequate resource support for the operation of the ASI Management System. In order to provide support for the</p>

CRITERION	RATING	COMMENT
		implementation of the ASI management procedures, the Entity has established a cross-departmental ASI Working Group. The ASI-related Policies and management processes are systematically communicated to employees through targeted training programmes, ensuring that all staff have a clear understanding and awareness of the relevant requirements.
2.3a Environmental and Social Management Systems – Environmental	Conformance	The Entity has implemented and documented an Environmental Management System (EMS) and is planning to certify the EMS to ISO 14001:2015 by December 2025.
2.3b Environmental and Social Management Systems – Social	Conformance	The Entity has established and implemented a Social Management System to address social and Occupational Health and Safety impacts. These impacts are identified and assessed, with corresponding management measures developed and implemented to prevent or mitigate them effectively.
2.4a-e Responsible Sourcing	Conformance	<p>The Entity enforces the Supplier Code of Conduct and conducts second-party Due Diligence audits at major next-tier suppliers' sites as part of the qualification process. The procurement team and relevant personnel receive annual training on responsible sourcing requirements. The Purchasing Policies are publicly accessible in the ASI Information Disclosure, page 8:</p> <p>http://www.hongqiaochina.com/Uploads/File/2025/08/08/云南宏泰、 宏启新型材料有限公司ASI信息披露（2025）.20250808080455.pdf</p> <p>In accordance with the Entity's documented ASI management procedure, these purchasing Policies are subject to periodic review during management review meetings and updated as necessary in response to significant changes in business operations that affect environmental, social, or governance risks, or when control deficiencies are identified.</p>
2.5a-g Environmental and Social Impact Assessments	Not Applicable	<p>The Criterion is not applicable to the Entity, as no New Projects or Major Changes have occurred since the last ASI Audit. The Entity has implemented ISO 14001 and ISO 45001 aligned Management Systems, with annual reviews and updates to environmental aspects, health and safety risks, and control plans.</p> <p>Information on Environmental and Social Impact Assessments, along with related management plans, is publicly disclosed in the Group's 2024 ESG Report, under sections 'Materiality Analysis', 'Environmental Protection' and 'Community Management', available at:</p> <p>http://www.hongqiaochina.com/Uploads/File/2025/04/13/C25011015-Hongqiao-ESG24%20(1).20250413205743.pdf</p>
2.6a-h Human Rights Impact Assessment	Not Applicable	The Criterion is not applicable to the Entity, as no New Projects or Major Changes have occurred since the last ASI Audit. The Entity has established procedures to identify, assess, and manage risks related to Human Rights and business ethics, aligning with the ASI Performance Standard and legal requirements, and conducts annual Labour and Human Rights Impact Assessments under the 'Labor and Human Rights Risk Assessment Management Procedure'. The Entity also demonstrates transparency by preparing and disclosing Human Rights management practices in its Human Rights Impact Assessment Report.

CRITERION	RATING	COMMENT
2.7a-f Emergency Response Plan	Minor Non-Conformance	<p>The Entity has established Emergency Response Plans developed in collaboration with Stakeholder groups to address fire, hazardous chemical leaks, extreme weather, and key equipment breakdown. The Emergency Response Plans have been registered with the relevant government agencies and are reviewed every three years in accordance with legal requirements. Employees are provided with the relevant training courses and drill exercises are conducted.</p> <p>The summary of the Production Safety and Environmental Emergency Response Plans is publicly disclosed in the ASI Information Disclosure, pages 119-120:</p> <p>http://www.hongqiaochina.com/Uploads/File/2025/08/07/%E4%BA%91%E5%8D%97%E5%AE%8F%E6%B3%B0%E3%80%81%E5%AE%8F%E5%90%AF%E6%96%B0%E5%9E%8B%E6%9D%90%E6%96%99%E6%9C%89%E9%99%90%E5%85%AC%E5%8F%B8AS%E4%BF%A1%E6%81%AF%E6%8A%AB%E9%9C%B2%EF%BC%882025%EF%BC%89.20250807142605.pdf</p> <p>However, there is no detailed information on the two emergency response plans publicly disclosed.</p>
2.8a-d Suspended Operations	Conformance	<p>The Entity has established a Business Continuity and Resumption Plan to manage situations that require the suspension or significant alteration of operations due to external factors. The Entity is committed to complying with Applicable Law and company Policies on layoffs while consulting employee organisations as required. The Plan is subject to review in the event of Material environmental, social, or governance risks arising from business changes or identified control gaps and is reviewed every 18 to 24 months. No suspension activities have occurred in the past three years.</p>
2.9a-b Mergers and Acquisitions	Conformance	<p>As a third-tier subsidiary of the Hongqiao Group, the Entity operates under the strategic direction of its parent company, with decisions regarding mergers and acquisitions (M&A) determined at the Group headquarters level. The Entity is responsible for the implementation of M&A projects and adheres to the 'Merger and Acquisition Process Management Regulations' established by the parent company. In the event of an M&A, the Entity conducts Due Diligence to review ESG practices in alignment with ASI Performance Standard, including those related to historical Aluminium operations. No mergers or acquisitions have occurred in the past three years.</p>
2.10a-b Closure, Decommissioning and Divestment	Conformance	<p>As a third-tier subsidiary of the Hongqiao Group, the Entity executes closure, decommissioning, and divestment projects based on decisions made at the Group level. The Entity adheres to the Group's 'Environmental, Social, and Governance Management Regulations for Closure, Decommissioning, and Divestment', ensuring ESG practices are reviewed, and significant impacts are monitored during planning. No such activities have occurred in the past three years.</p>
<h3>3. TRANSPARENCY</h3>		
3.1a-b Sustainability Reporting	Conformance	<p>As a subsidiary of the Hongqiao Group, the Entity's sustainability management and annual performance information is included in the Group's annual reporting. The Group's 2024 ESG Report has been prepared in accordance with the Hong Kong Stock Exchange's Environmental, Social, and Governance Reporting Guide and the Global Reporting Initiative (GRI) Standards, and reports on key performance indicators including ESG risk analysis, governance</p>

CRITERION	RATING	COMMENT
		<p>practices, local economic contributions, Human Rights, environmental and OH&S indicators, accident statistics, community engagement, and legal compliance. The 2024 ESG Report is available at: http://www.hongqiaoxc.com/Uploads/File/2025/04/13/C25011015-Hongqiao-ESG24%20(1).20250413205743.pdf</p>
3.2 Non-compliance and Liabilities	Conformance	<p>As a subsidiary of the Hongqiao Group, the Entity complies with information disclosure requirements for listed companies. The Hongqiao Group, listed on the Hong Kong Stock Exchange, reports on 'violations and responsibilities' in its annual ESG and financial reports.</p> <p>Additionally, the Entity conducts an annual Compliance evaluation to assess adherence to regulations and standards, with results publicly disclosed in the ASI Information Disclosure, page 18: http://www.hongqiaochina.com/Uploads/File/2025/08/08/云南宏泰、宏后新型材料有限公司ASI信息披露（2025）.20250808080455.pdf</p> <p>There have been no significant fines or penalties reported in last three years.</p>
3.3a-c Payments to Governments	Conformance	<p>The Entity has not, nor on its behalf, made payments to Governments other than on a legal and/or contractual basis. The annual financial data of the Entity has been consolidated into the financial statements and publicly disclosed in the Hongqiao Group 2024 Annual Report, in accordance with legal requirements, at: http://www.hongqiaoxc.com/Uploads/File/2025/04/11/C24120936-Hongqiao-AR24.20250411194704.pdf</p>
3.4a-f Stakeholder Complaints, Grievances and Requests for Information	Conformance	<p>The Entity's parent company, Hongqiao Group, has established a comprehensive system for the management of complaints and appeals. The Corporate Management Department is responsible for overseeing this process, collaborating with other departments such as Party and Public Affairs, Audit and Supervision, Sales, Procurement, and Human Resources to address feedback from employees and external Stakeholders.</p> <p>The Entity supports this system through a dedicated complaints and inquiry reception platform, which includes a suggestion box, email (lihaiming@wqmail.cn), and hotline (+86-0543-4684955). The process is outlined in the Stakeholder Complaint Handling Policy, available in the ASI Information Disclosure, page 15: http://www.hongqiaochina.com/Uploads/File/2025/08/08/云南宏泰、宏后新型材料有限公司ASI信息披露（2025）.20250808080455.pdf</p> <p>To date, no significant complaints have been received.</p>
4. MATERIAL STEWARDSHIP		
4.1a Environmental Life Cycle Assessment	Conformance	<p>The Entity has conducted a Life Cycle Assessment (LCA) to evaluate and minimise environmental impacts, supported by its Environmental Management System established in accordance with the ISO 14001:2015 standard. Using GaBi software, a widely recognised LCA tool, the Entity conducted LCAs for its primary Product, electrolytic Aluminium ingots, with reports prepared in full conformance with ISO 14040 and ISO 14044 standards, ensuring adherence to international guidelines and accurate environmental analysis.</p>

CRITERION	RATING	COMMENT
4.1b-c Environmental Life Cycle Assessment - Disclosure	Conformance	<p>The assessment of the cradle-to-gate life cycle impacts of the Entity's main Products has been prepared in accordance with the principles outlined in ISO 14040 and ISO 14044 standards. A condensed version of the LCA, which includes details on the system boundaries and the underlying assumptions, is publicly available in the ASI Information Disclosure, page 61:</p> <p>http://www.hongqiaochina.com/Uploads/File/2025/08/08/云南宏泰、 宏启新型材料有限公司ASI信息披露（2025）.20250808080455.pdf</p> <p>The Entity is committed to providing its clients with the cradle-to-gate LCA information on its Aluminium Products in accordance with the stipulations of the applicable contract, upon request. To date, no such request has been received.</p>
4.2 Product Design	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
4.3a-b Aluminium Process Scrap	Conformance	<p>The Entity has established a target to recycle 100% of the Aluminium Process Scrap generated during the casting process. The on-site observations and document review during the Audit confirmed that all Process Scrap is fully collected and recycled. Additionally, according to the content analysis report and management interviews, the Entity's Product consists entirely of Aluminium, making separation during recycling or processing unnecessary.</p>
4.4a-c Collection and Recycling of Products at End of Life - Material Conversion and other Manufacturing	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
4.4d Collection and Recycling of Products at End of Life	Not Applicable	This Criterion is not applicable to the Entity, as it is an electrolytic Aluminium plant that produces 100% Primary Aluminium, with Alumina as its principal raw material.
5. GREENHOUSE GAS EMISSIONS		
5.1a-b Disclosure of GHG Emissions and Energy Use	Minor Non-Conformance	<p>The Entity has calculated its Material Greenhouse Gas (GHG) emissions following the accounting protocol and covering Scope 1 and 2 emissions and the major Scope 3 emissions including purchased raw materials and transportation. The Entity's 2024 GHG Emissions Report was verified by a Third Party who issued a verification statement, available in the ASI Information Disclosure, page 77:</p> <p>http://www.hongqiaochina.com/Uploads/File/2025/08/08/云南宏泰、 宏启新型材料有限公司ASI信息披露（2025）.20250808080455.pdf</p> <p>However, for purchased Alumina, the Entity did not use the suppliers' emissions data and no explanation was provided.</p>
5.2a Aluminium Smelter GHG Emissions Intensity - Started production after 2020	Conformance	<p>The Entity sources hydroelectricity which reduces its generation of GHG emissions to ensure its Mine to Metal Emissions intensity is below the ASI Performance Standard threshold. The Entity's emissions intensity for 2023 was 7.13 tonnes CO₂e per metric tonne Aluminium, as disclosed in its GHG Emissions Reduction Plan.</p>
5.2b Aluminium Smelter GHG Emissions Intensity -	Not Applicable	This Criterion is not applicable to the Entity, as it commenced production in October 2020.

CRITERION	RATING	COMMENT
In production up to and including 2020		
5.3a GHG Emissions Reduction Plans	Conformance	<p>The Entity has established a GHG Emissions Reduction Pathway using the ASI Entity GHG Pathway Calculation Tool with a 2024 baseline year and outlines GHG emissions reduction targets over a five year period with corresponding emissions management programs. As a 2024 baseline year was used, the Entity was not required to demonstrate performance at this Audit.</p>
5.3b-e GHG Emissions Reduction Plans – Targets, review and disclosure	Conformance	<p>The Entity has established a GHG Emissions Reduction Pathway using the ASI Entity GHG Pathway Calculation Tool with a 2024 baseline year and outlines GHG emissions reduction targets over a five year period with corresponding emissions management programs. The Entity has a process to review the performance status of its GHG emissions reduction targets annually, or following any major changes. The Entity's GHG Emissions Reduction Pathway and Plan is available in the ASI Information Disclosure, page 106:</p> <p>http://www.hongqiaochina.com/Uploads/File/2025/08/08/云南宏泰,宏启新型材料有限公司ASI信息披露(2025).20250808080455.pdf</p>
5.4 GHG Emissions Management	Conformance	<p>The Entity has established and implemented an Energy and Carbon Management System based on the China Hongqiao Group strategy of peak carbon in 2030 and carbon neutrality by 2050. Key performance indicators have been established for energy consumption in each production process and are monitored monthly. The Energy Management System conforms with ISO 50001 and the Entity is seeking certification.</p>
6. EMISSIONS, EFFLUENTS AND WASTE		
6.1a-f Emissions to Air	Conformance	<p>The Entity has conducted an Environmental Impact Assessment (EIA) to identify and quantify the Emissions to Air that have adverse effects on humans or the environment. Emissions treatment facilities are installed, and the monitoring of air emissions are undertaken at the required intervals. The monitoring results in 2024 and 2025 indicate emissions are lower than the legal emissions limit.</p> <p>The Entity monitors and reviews the effectiveness of the control plans periodically, and upon any major change or non-conformance. The Entity's Air Pollution Reduction Plan is publicly disclosed in the ASI Information Disclosure, pages 111-112:</p> <p>http://www.hongqiaochina.com/Uploads/File/2025/08/08/云南宏泰,宏启新型材料有限公司ASI信息披露(2025).20250808080455.pdf</p>
6.2a-g Discharges to Water	Conformance	<p>Wastewater is collected, treated and 100% reused on site (cooling processes, toilet flushing, irrigation) in accordance with the Entity's Pollutant Discharge Permit. There is no discharge to external drainage/water systems.</p> <p>The Water Resource Risk Assessment is publicly disclosed in the ASI Information Disclosure, pages 23-33:</p> <p>http://www.hongqiaochina.com/Uploads/File/2025/08/08/云南宏泰,宏启新型材料有限公司ASI信息披露(2025).20250808080455.pdf</p>

CRITERION	RATING	COMMENT
6.3a-g Assessment and Management of Spills and Leakages	Conformance	<p>Based on the approved Environmental Impact Assessment, the Entity has identified and assessed the major risk areas of operations where Spills and Leakage may contaminate air, water and soil.</p> <p>The Entity has implemented the Emergency Response Plan for environmental incidents in which the control methods for the identified Spills and Leakages are defined. The required Spill management facilities are in good order. The Entity has provided training on the Plan to the relevant Workers and has conducted emergency drills.</p>
6.4a-b Public Disclosure of Spills and Leakages	Conformance	<p>The process to report Spills and Leakage is defined in the Entity's Emergency Response Plan. No Spills or Leakage have occurred in the past three years, as confirmed by the online registers of the local Environmental Protection Bureau and non-government organisations.</p> <p>The Entity's Spills and Leakages Risk Identification and Assessment is publicly disclosed in the ASI Information Disclosure, pages 74-76: http://www.hongqiaochina.com/Uploads/File/2025/08/08/云南宏泰、宏启新型材料有限公司ASI信息披露（2025）.20250808080455.pdf</p>
6.5a-c Waste Management and Reporting	Conformance	<p>The Entity's approved Environmental Impact Assessment and the Pollutant Discharge Permit identify the types of Waste generated by the Entity's operations. The Entity collects and stores waste in accordance with the legal requirements. Hazardous Wastes, such as Spent Pot Lining (SPL) and Dross are transferred to licensed suppliers for disposal. Other industrial wastes are recycled and re-used where possible.</p> <p>The quantity of Hazardous and Non-Hazardous Waste generated by the Entity and the associated Waste disposal methods are publicly disclosed in the ASI Information Disclosure, pages 113-114: http://www.hongqiaochina.com/Uploads/File/2025/08/08/云南宏泰、宏启新型材料有限公司ASI信息披露（2025）.20250808080455.pdf</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)	Conformance	<p>The Entity has a dedicated Hazardous Waste storage area for Spent Pot Lining (SPL). The SPL is transferred to a licensed supplier for further treatment after pre-treating to extract the electrolytes to be re-used in the electrolysis process, and the final residues are landfilled in a dedicated landfill approved by the local authority.</p> <p>The Entity has conducted testing of the underground water and nearby soil to monitor SPL leakage controls. Relevant waste management training is provided to Workers.</p>
6.8a-d Dross	Conformance	In accordance with legal requirements on Hazardous Waste, the Entity transfers Dross generated at the Casthouse to licensed suppliers for disposal. Besides the recovered Aluminium, other non-Aluminium materials extracted from the Dross is recycled for other purposes. The Entity annually evaluates the Dross licensed supplier to review the alternative options to landfilling the Dross residues.
7. WATER STEWARDSHIP		
7.1a-b Water Assessment and Disclosure	Conformance	The Entity has identified and mapped its water withdrawal and use. The Entity only sources water from the municipal water supply and identifies its discharge and consumption by source. A water balance

CRITERION	RATING	COMMENT
		<p>analysis has been conducted. The Entity has conducted a water risk assessment that considered its Area of Influence. Due to the nature of the Entity's Products, the production processes and its zero-discharge practice, the level of water-related risk was determined as low.</p> <p>The Water Resource Risk Assessment is publicly disclosed in the ASI Information Disclosure, pages 23-33:</p> <p>http://www.hongqiaochina.com/Uploads/File/2025/08/08/云南宏泰、 宏启新型材料有限公司ASI信息披露（2025）.20250808080455.pdf</p>

7.2a-e Water Management	Not Applicable	This Criterion is not applicable to the Entity, as no significant water-related risks in the Entity's Area of Influence were identified.
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8. BIODIVERSITY AND ECOSYSTEM SERVICES		
8.1a Biodiversity and Ecosystem Services Risk and Impact Assessment	Conformance	<p>As a part of the EIA, the impact on Biodiversity and Ecosystem Services by the Entity's operations was assessed by a qualified Third Party. The EIA is approved by the local Environmental Protection Bureau. The assessment determined that there is no significant risk or impact on Biodiversity and Ecosystem Services.</p> <p>The Entity's Biodiversity and Ecosystem Services Risk Assessment Report is publicly disclosed in the ASI Information Disclosure, pages 34-38:</p> <p>http://www.hongqiaochina.com/Uploads/File/2025/08/08/云南宏泰、 宏启新型材料有限公司ASI信息披露（2025）.20250808080455.pdf</p>
8.1b Biodiversity and Ecosystem Services Risk and Impact Assessment - Priority	Not Applicable	The Criterion is not applicable to the Entity, as the risks and potential impacts identified were assessed and documented as low.
8.2a-g Biodiversity Management	Not Applicable	This Criterion is not applicable to the Entity, as the risk assessment did not identify any significant Biodiversity impacts.
8.3a-c Management of Priority Ecosystem Services	Not Applicable	This Criterion is not applicable to the Entity, as no Priority Ecosystem Services were identified during the risk assessment.
8.4 Alien Species	Conformance	The Entity identified the risk of introducing Alien Species as part of its Biodiversity risk assessment, which determined that there are very few opportunities to introduce Alien Species during its operation and supporting activities. The Entity provides relevant training courses to employees to minimise the accidental or deliberate introduction of Alien Species that could have significant adverse impacts on Biodiversity and Ecosystem Services.
8.5a-b Commitment to "No Go" in World Heritage Properties	Conformance	The Entity commits to not explore or develop New Projects or make Major Changes in World Heritage Properties. There are no World Heritage Properties in the Entity's Area of Influence.
8.6a-d Protected Areas	Conformance	The Entity commits to protecting the environment. There are no Protected Areas in the Entity's Area of Influence.

CRITERION	RATING	COMMENT
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	Minor Non-Conformance	<p>The Entity upholds the Hongqiao Group's Code of Business Ethics, which aligns with the United Nations Guiding Principles on Business and Human Rights. It has established a Labour and Business Ethics Risk Management Procedure to identify and assess Human Rights risks, conduct Human Rights Due Diligence, and review Policies in response to significant changes or deficiencies. Should negative Human Rights impacts arise, the Entity ensures remedial measures are implemented through legitimate procedures.</p> <p>Due Diligence findings, including the Human Rights Impact Assessment Report and Stakeholder grievance records, confirm that the Entity's operations have not caused or contributed to any significant adverse Human Rights impacts. The Policy and Report are available in the ASI Information Disclosure, pages 3 and 19: http://www.hongqiaochina.com/Uploads/File/2025/08/08/云南宏泰,宏后新型材料有限公司ASI信息披露 (2025) .20250808080455.pdf</p> <p>In its Human Rights Impact Assessment Report however, the Due Diligence process does not encompass all Affected Populations and Stakeholders and requires greater focus on the Human Rights impacts and risks to the Local Community and surrounding population.</p>
9.2a-e Gender Equity and Women's Empowerment	Conformance	<p>The Entity has implemented a series of measures to promote gender equality and women's empowerment in compliance with relevant legal and regulatory requirements. These measures include fair practices in recruitment, benefits, and promotions, alongside procedures to prevent gender Discrimination and sexual Harassment. Specialised training on women's rights has been conducted, and a complaints hotline has been established to protect the rights of female employees. Management also maintains regular communication with female staff to address their concerns.</p> <p>The Entity has published an annual Gender Equality and Protection of Female Workers' Rights Report, available in the ASI Information Disclosure, page 39: http://www.hongqiaochina.com/Uploads/File/2025/08/08/云南宏泰,宏后新型材料有限公司ASI信息披露 (2025) .20250808080455.pdf</p> <p>Related performance metrics are also disclosed in the Hongqiao Group 2024 Annual Report, available at: http://www.hongqiaoxc.com/Uploads/File/2025/04/11/C24120936-Hongqiao-AR24.20250411194704.pdf</p>
9.3a-i Indigenous Peoples	Not Applicable	This Criterion is not applicable to the Entity, as the risk assessment developed through Stakeholder engagement determined there are no Indigenous Peoples or their land within its Area of Influence. Nevertheless, the Entity has established and implemented Policies and processes to ensure respect for the rights and interests of Indigenous Peoples.
9.4a Free, Prior, and Informed Consent (FPIC) -	Not Applicable	This Criterion is not applicable to the Entity, as the risk assessment developed through Stakeholder engagement determined there are no

CRITERION	RATING	COMMENT
New Projects or Major Changes		Indigenous Peoples or their land within its Area of Influence and therefore Free, Prior and Informed Consent (FPIC) was not required. Additionally, no New Projects or Major Changes have occurred since the Entity joined ASI.
9.4b Free, Prior, and Informed Consent (FPIC) - Bauxite Mining	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
9.4c Free, Prior, and Informed Consent (FPIC) - Demonstrate support	Not Applicable	This Criterion is not applicable to the Entity, as the risk assessment developed through Stakeholder engagement determined there are no Indigenous Peoples or their land within its Area of Influence.
9.5a Cultural and Sacred Heritage – Identification	Conformance	The Entity has implemented processes to identify cultural and sacred heritage sites and evaluate risks to reduce potential impacts. Environmental Impact Assessments (EIA) and social stability evaluations have been conducted for all projects, with Stakeholder consultations verifying that no cultural or sacred heritage sites are present within the areas impacted by the Entity's Facilities. These evaluations follow Stakeholder engagement mechanisms and comply with relevant standards and requirements.
9.5b Cultural and Sacred Heritage – Impacts	Not Applicable	This Criterion is not applicable to the Entity, as there are no Indigenous Peoples or their lands, or sacred or cultural heritage sites within the Entity's Area of Influence. Nevertheless, the Entity has established procedures to identify cultural and sacred heritage sites and conduct risk assessments to minimise potential impacts. If such sites are identified in the future, the Entity is committed to taking appropriate measures to prevent significant impacts on cultural, historical, or spiritual heritage.
9.6a-i Displacement	Not Applicable	This Criterion is not applicable to the Entity, as it is located within an industrial site developed by the local government. The relocation of residents during the initial development phase of the wider industrial zone was managed by the government. There have been no New Projects or Major Changes since the Entity joined ASI.
9.7a-h Affected Populations and Organisations	Conformance	The Entity's sustainability management, including its Stakeholder engagement mechanism, is centrally managed by its parent company, Hongqiao Group. Through this framework, the Entity has identified Affected Populations and Organisations and their concerns, which are addressed by implementing management plans, allocating resources, and initiating community engagement activities. Outcomes and performance are disclosed in the Hongqiao Group's 2024 ESG Report, pages 138-150 and 160-162, available at: http://www.hongqiaochina.com/Uploads/File/2025/04/13/C25011015-Hongqiao-ESG24%20(1).20250413205743.pdf Additionally, the Entity periodically reviews and revises its community support plans in response to significant changes in environmental, social, or governance priorities, or when control deficiencies are identified.
9.8a Conflict-Affected and High-Risk Areas - Strong management systems	Conformance	The Entity has established and implemented Management Systems, which include a Supply Chain Policy, defined responsibilities and resources, information gathering mechanisms, and supplier engagement processes. The Entity's ASI Policy, encompassing the

CRITERION	RATING	COMMENT
		Purchasing Policy and the Grievance Mechanism, is publicly disclosed via the Supply Chain Code of Conduct and Stakeholder Complaint Handling Procedure.
9.8b Conflict-Affected and High-Risk Areas - Identify and assess risks	Conformance	The Entity identifies and assesses risks in its supply chain through periodic risk assessments. No conflict minerals are used, no materials are sourced from Conflict-Affected and High-Risk Areas (CAHRAs), and no critical Human Rights issues such as Child Labour or Forced Labour are present.
9.8c Conflict-Affected and High-Risk Areas - Strategy to respond to risks	Not Applicable	This Criterion is not applicable to the Entity, as the risk assessment determined that no conflict minerals are used, no materials are from CAHRAs, and no critical Human Rights issues such as Child Labour or Forced Labour are present.
9.8d Conflict-Affected and High-Risk Areas - Audit of due diligence	Conformance	<p>The Entity regularly reviews the implementation of its Supplier Code of Conduct and the effectiveness of its Due Diligence processes, promptly addressing any non-compliance identified during the reviews by implementing corrective actions.</p> <p>The Entity's Due Diligence practices were independently audited as part of this ASI Audit, which meets the requirements of this Criterion.</p>
9.8e Conflict-Affected and High-Risk Areas - Report annually	Conformance	<p>The Entity has successfully traced the material sources of all metal suppliers and confirmed that its raw materials do not originate from CAHRAs.</p> <p>The Entity has publicly disclosed the results of its annual supply chain Due Diligence practices, which confirm that it has traced the material sources of all metal suppliers and that no raw materials originate from CAHRAs. The Entity's Conflict-Free Minerals Due Diligence Fact Sheet is available in the ASI Information Disclosure, page 121: http://www.hongqiaochina.com/Uploads/File/2025/08/08/云南宏泰、宏启新型材料有限公司ASI信息披露（2025）.20250808080455.pdf</p>
9.9 Security practice	Conformance	All security guards are employees of the Entity, and the Entity is committed to respecting Human Rights in all security-related activities. For instance, body searches are not permitted, and security guards are required to perform their duties in a humane manner. All security guards have a clear understanding of their responsibilities and the importance of respecting Human Rights. To date, no grievances or complaints related to security activities have been received.
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 related to the right to 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's senior management is committed to upholding the right to Freedom of Association and Collective Bargaining. The Entity has an Employee Representative Committee and employees hold democratic elections every five years to select their representatives. Quarterly meetings with Worker representatives and senior management are undertaken ensuring open dialogue and

CRITERION	RATING	COMMENT
		communication. These meetings are used to address and discuss Workers' concerns and issues.
10.2a-c Child Labour	Conformance	Child Labour is prohibited in China, with the legal minimum working age at 16 years. The Entity has established and implemented a Policy to prevent Child Labour and protect young Workers. Currently, there are no instances of Child Labour or young Workers within the Entity.
10.3a-c Forced Labour	Conformance	<p>The Entity has established a Policy prohibiting Forced Labour and Human Trafficking, and has committed itself and requires its suppliers to comply with regulations prohibiting Forced Labour, slavery, and Human Trafficking. Following a thorough review, it was concluded that there were no instances of illegal wage deductions, debt bondage, debt repayment through labour, or other forms of Forced Labour.</p> <p>The Entity has publicly disclosed a Modern Slavery and Human Trafficking Statement in the ASI Information Disclosure, page 46: http://www.hongqiaochina.com/Uploads/File/2025/08/08/云南宏泰、宏启新型材料有限公司ASI信息披露（2025）.20250808080455.pdf</p> <p>Efforts and achievements in combating modern slavery and protecting Human Rights are further outlined in the Hongqiao Group 2024 ESG Report, in the 'Safeguard Rights, People-Oriented' section, available at: http://www.hongqiaochina.com/Uploads/File/2025/04/13/C25011015-Hongqiao-ESG24%20(1).20250413205743.pdf</p>
10.4a-c Non-Discrimination	Conformance	<p>The Entity is committed to maintaining a non-discriminatory workplace. No cases of Discrimination have been reported.</p> <p>Recruitment advertisements and training plans reflect that all decisions are based solely on the candidate's ability to meet job requirements, without consideration of personal characteristics.</p> <p>Interviewed Workers confirmed that they feel they are treated equally within the Entity.</p>
10.5 Communication and engagement	Conformance	<p>Direct and frequent communication with Workers and the Workers' representatives is established within the Entity. The available communication channels are clearly announced to Workers, allowing them to raise concerns or complaints regarding working conditions, workplace resolutions, compensation issues, and other matters.</p> <p>Workers are assured that these processes are free from any threat of reprisal, intimidation, or Harassment, allowing a safe and open environment for communication.</p>
10.6a-g Violence and Harassment	Conformance	<p>The Entity has developed and implemented Policies to prevent Harassment, abuse, and any form of Violence within the workplace. It explicitly bans the use of corporal punishment, physical or mental coercion, Harassment, gender-based Violence (including sexual Harassment), and verbal abuse of employees. These prohibitions are clearly stated in the Entity's Code of Conduct, Human Rights Policy, and other governance documents. Additionally, the Entity ensures adherence to Applicable Law regarding the fair treatment of Workers.</p> <p>Code of Conduct: http://www.hongqiaochina.com/Uploads/File/2025/08/31/%E4%B8%AD%EF%9B%BD%EF%AE%8F%E6%A1%A5-%E4%BC%81%E4%B8%9A%E8%A1%8C%E4%B8%BA%E5%87%86%E5%88%99(2).20250831140144.pdf</p>

CRITERION	RATING	COMMENT
		<p>Human Rights Policy, pages 44-46: http://www.hongqiaochina.com/Uploads/File/2025/08/08/%E4%BA%91%E5%8D%97%E5%AE%8F%E6%B3%B0%E3%80%81%E5%AE%8F%E5%90%AF%E6%96%B0%E5%9E%8B%E6%9D%90%E6%96%99%E6%9C%89%E9%99%90%E5%85%AC%E5%8F%B8ASIA4%BF%A1%E6%81%AF%E6%8A%AB%E9%9C%B2%EF%BC%882025%EF%BC%89.20250808080455.pdf</p>
10.7a-c Remuneration	Conformance	<p>The Entity ensures a transparent salary structure, with basic wages exceeding the local statutory minimum standards and Overtime compensation fully meeting legal requirements. The Entity provides fixed allowances and a performance bonus and ensures that all employees are covered by statutory social insurance. Salaries are promptly issued via bank transfer within the legally stipulated pay cycle of the following month. Employees can review detailed information on wages, allowances, Overtime pay, and deductions through the internal office automation system.</p>
10.8a-c Working Time	Conformance	<p>The Entity accurately records and monitors Workers' working hours to ensure Compliance and safeguard employee wellbeing. Office staff work eight hours per day, five days a week, while production Workers follow a '4 group, 3 shift' system with eight hour shifts, working six consecutive days with two rest days and rotating shifts every two days to balance workloads. Overtime is controlled within legal limits, and all employees are guaranteed at least one rest day within any seven-day period. Over the past six months, Workers' average working hours did not exceed eight hours.</p>
10.9a-b Informing Workers of Rights	Conformance	<p>The Entity ensures that its Workers are informed of their rights as outlined in its principles, fostering awareness and understanding among employees. To support this, cooperation and communication channels have been established with Workers across all its production plants. Furthermore, the Entity strictly adheres to and complies with national laws and regulations in China.</p>
11. OCCUPATIONAL HEALTH AND SAFETY		
11.1a Occupational Health and Safety (OH&S) Management System	Conformance	<p>The Entity has implemented a documented Occupational Health and Safety (OH&S) Management System. The implementation and performance are monitored periodically, the non-conformances and incidents are recorded, analysed and corrective actions are developed and implemented as required.</p>
11.1b-e Occupational Health and Safety (OH&S) Management System - Reviews and disclosure	Conformance	<p>The Entity periodically reviews its OH&S Management System during the monthly safety meetings, annual legal compliance evaluations, annual internal audits, and annual management review meetings. When any indication of a control gap is shown, the review is conducted to assess if the potential corrective and/or preventive actions should be implemented.</p> <p>The Entity's OH&S performance for 2024 and the comparative analyses of performance with peer Businesses and leading practice are publicly disclosed in the OH&S Management System Performance Report, available in the ASI Information Disclosure, pages 115-118: http://www.hongqiaochina.com/Uploads/File/2025/08/08/%E4%BA%91%E5%8D%97%E5%AE%8F%E6%B3%B0%E3%80%81%E5%AE%8F%E5%90%AF%E6%96%B0%E5%9E%8B%E6%9D%90%E6%96%99%E6%9C%89%E9%99%90%E5%85%AC%E5%8F%B8ASIA4%BF%A1%E6%81%AF%E6%8A%AB%E9%9C%B2%EF%BC%882025%EF%BC%89.20250808080455.pdf</p>

CRITERION	RATING	COMMENT
11.2 Employee engagement on Health and Safety	Conformance	The Entity has established a system of Workers' consultation and participation in Health and Safety. Workers are encouraged to report their concerns or advice on OH&S issues independently, or to a Worker representative. The Entity maintains a register of employee complaints and advice. All employee concerns and advice on OH&S issues are investigated, analysed and action taken where necessary.

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DOCUMENT CONTROL AND VERSION HISTORY

REVISION	DATE	NOTES
0	30 January 2023	Initial Certification Audit – Full Certification
1	13 November 2024	Surveillance Audit – Full Certification; Updated the Certification Scope and the Audit Scope for Initial Certification Audit to include to include 'E-Series and F-Series'.
2	15 January 2026	Re-Certification Audit and Scope Change – Full Certification Scope Change to apply ASI PS V3.1. Change to Entity Name and Certification Scope to add 'Yunnan Hongqi New Material Co., Ltd.' to reflect change in organisational structure with the facility operating under two business entities.