

# ASI CERTIFICATION PERFORMANCE STANDARD



PRESENTED TO

# Yunnan Hongyan New Materials Co., Ltd. & Yunnan Zhilv New Materials Co., Ltd.

CERTIFICATE NUMBER

566

ASI STANDARD

PERFORMANCE  
STANDARD  
(V3.1 2023)

CERTIFICATION LEVEL

FULL  
CERTIFICATION

ASI ACCREDITED  
AUDITING FIRM

DNV BUSINESS  
ASSURANCE  
SERVICES UK LTD.

DATE OF ISSUE

22 JUNE 2026

DATE OF EXPIRY

21 JUNE 2029

CERTIFIED SINCE

22 JUNE 2026

## AUTHORISED BY

A handwritten signature in black ink, appearing to be 'J. H.', with a long horizontal line extending to the right.

Aluminium Stewardship Initiative Ltd  
ACN 606 661 125, Australia  
[info@aluminium-stewardship.org](mailto: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](http://www.aluminium-stewardship.org)*

## CERTIFICATION SCOPE

Research and development, production and sales of non-ferrous metal alloy products including Aluminium alloy flat ingots and Aluminium alloy sheet and strip materials for automotive body shells, battery foil, canister covers and cover materials at Yunnan Hongyan New Materials Co., Ltd. & Yunnan Zhilv New Materials Co., Ltd. located in Yunnan Province, China.

# AUDIT REPORT PERFORMANCE STANDARD

## OVERVIEW

MEMBER NAME	China Hongqiao Group Co., Ltd.
ENTITY NAME	Yunnan Hongyan New Materials Co., Ltd. & Yunnan Zhilv New Materials Co., Ltd.
CERTIFICATION SCOPE	Research and development, production and sales of non-ferrous metal alloy products including Aluminium alloy flat ingots and Aluminium alloy sheet and strip materials for automotive body shells, battery foil, canister covers and cover materials at Yunnan Hongyan New Materials Co., Ltd. & Yunnan Zhilv New Materials Co., Ltd. located in Yunnan Province, China.
SUPPLY CHAIN ACTIVITIES	<ul style="list-style-type: none"><li>• Casthouses</li><li>• Semi-Fabrication</li></ul>
ASI STANDARD	Performance Standard V3.1
AUDIT TYPE	<ul style="list-style-type: none"><li>• Initial Certification Audit</li></ul>
AUDIT FIRM	DNV Business Assurance Services UK Ltd.
AUDIT DATE	<ul style="list-style-type: none"><li>• 10 – 12 March 2026</li></ul>
AUDIT REPORT SUBMISSION	<ul style="list-style-type: none"><li>• 4 May 2026</li></ul>
AUDIT SCOPE	<p>The Audit Scope included the research and development, production and sales of non-ferrous metal alloy products including Aluminium alloy flat ingots and Aluminium alloy sheet and strip materials at Yunnan Hongyan New Materials Co., Ltd. &amp; Yunnan Zhilv New Materials Co., Ltd.</p> <p>Supply chain activities included in the Audit Scope:</p> <ul style="list-style-type: none"><li>• Casthouses</li><li>• Semi-Fabrication</li></ul> <p>All relevant Criteria in the ASI Performance Standard were included in the Audit Scope.</p>
AUDIT OUTCOME	<ul style="list-style-type: none"><li>• Certification</li></ul>
AUDIT METHODOLOGY DECLARATION	<p>The Auditors confirm that:</p> <ul style="list-style-type: none"><li><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.</li><li><input checked="" type="checkbox"/> The findings are based on verified Objective Evidence relevant to the time period for the Audit, traceable and unambiguous.</li><li><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.</li></ul>

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The Auditor(s) have acted in a manner deemed ethical, truthful, accurate professional, independent and objective.

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CERTIFICATION PERIOD 22 June 2026 – 21 June 2029

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NEXT AUDIT TYPE Surveillance Audit

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NEXT AUDIT DATE 21 December 2027

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CERTIFICATE NUMBER 566

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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.

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## ENTITY OVERVIEW

Yunnan Hongyan New Materials Co., Ltd. & Yunnan Zhilv New Materials Co., Ltd. (collectively referred to as the 'Entity') in Yunnan Province, China, specialise in the research, production and sales of non-ferrous Aluminium alloy materials, with manufacturing focused on casting and hot rolling. Yunnan Hongyan New Materials Co., Ltd. is primarily responsible for casting Aluminium slab, whilst Yunnan Zhilv New Materials Co., Ltd. is primarily responsible for the hot rolling process of slab. The Entity's casting workshop produces Aluminium alloy flat ingots using melting furnaces, holding furnaces and semi-continuous casting lines for applications such as automotive body panels, battery foil and can lid materials. The hot rolling workshop utilises a '1+4' hot tandem rolling mill to transform ingots into sheet and strip products. The integrated process includes raw material melting, alloying, casting, hot rolling and quality control, forming a complete system from melting to finished materials.

The Entity has a current annual production capacity of approximately 250,000 tonnes of Aluminium alloy flat ingots and approximately 300,000 tonnes of Aluminium alloy sheet and strip Products which are primarily supplied to the domestic Chinese market.

There are approximately 280 Workers at Yunnan Hongyan New Materials Co., Ltd. and approximately 440 Workers at Yunnan Zhilv New Materials Co., Ltd. The Entity officially commenced production in June 2025. Both Facilities are located in Biyun Village, Ganhe Township, Yanshan County, Wenshan Zhuang and Miao Autonomous Prefecture, Yunnan Province.

## 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
<b>SYSTEMS</b>	Medium	Medium	Medium	MEDIUM
<b>RISKS</b>	High	High	Medium	HIGH
<b>PERFORMANCE</b>	Medium	High	Medium	MEDIUM
<b>OVERALL</b>		<b>MEDIUM</b>		

## FINDINGS

CRITERION	RATING	COMMENT
<b>1. BUSINESS INTEGRITY</b>		
1.1 Legal Compliance	Conformance	The Entity has established and implemented a management process for the identification and assessment of legal and other related requirements. The Entity conducts a Compliance evaluation annually, and the result of the evaluation is recorded. The Compliance status of legal and other requirements is reviewed in the annual management review meeting.
1.2 Anti-Corruption	Conformance	<p>The Entity has established and implemented Policies and procedures to work against Corruption in all its forms. All employees are trained on the anti-Corruption Policies and measures. An annual anti-Corruption audit is performed by the Entity's parent Group.</p> <p>A review of violation records and periodic internal control audit reports conducted during this Audit demonstrated that no Corruption cases were identified in the previous year.</p>
1.3a-e Code of Conduct	Conformance	<p>A Code of Conduct has been established and implemented that addresses environmental, social and governance principles. All employees are provided training on the Code of Conduct. Code of Conduct Compliance Commitment Letters are provided to the Entity's suppliers who are required to sign and return the letters to the Entity.</p> <p>The Code of Conduct is available in the Entity's 2026 ASI Information Disclosure, page 3:  <a href="http://www.hongqiaochina.com/Uploads/File/2026/05/22/%E4%BA%91%E5%8D%97%E5%AE%8F%E7%A0%9A%E3%80%81%E6%99%BA%E9%93%9D%E6%96%B0%E6%9D%90%E6%96%99%E6%9C%89%20%E9%99%90%E5%85%AC%E5%8F%B8ASI%E4%BF%A1%E6%81%AF%E6%8A%AB%E9%9C%B2%EF%BC%882026%EF%BC%89.20260522093625.pdf">http://www.hongqiaochina.com/Uploads/File/2026/05/22/%E4%BA%91%E5%8D%97%E5%AE%8F%E7%A0%9A%E3%80%81%E6%99%BA%E9%93%9D%E6%96%B0%E6%9D%90%E6%96%99%E6%9C%89%20%E9%99%90%E5%85%AC%E5%8F%B8ASI%E4%BF%A1%E6%81%AF%E6%8A%AB%E9%9C%B2%EF%BC%882026%EF%BC%89.20260522093625.pdf</a></p> <p>The Code of Conduct is reviewed in the Entity's annual management review meeting or if there is a major change or control gap. The Code of Conduct was reviewed in the latest management review meeting, held in February 2026.</p>
<b>2. POLICY AND MANAGEMENT</b>		
2.1a-f Environmental, Social, and Governance Policy	Conformance	<p>The Entity's Policies on environmental, social, and governance issues are established at Group level and are approved by senior management. The Entity's Policies are consistent with the environmental, social and governance practices in the ASI Performance Standard.</p> <p>The Entity's senior management has demonstrated a commitment to the implementation of the Policies. The Policies are reviewed at the annual management review meeting or when there is a major change or control gap.</p> <p>The Entity's Policies are available in the Entity's 2026 ASI Information Disclosure, page 12:  <a href="http://www.hongqiaochina.com/Uploads/File/2026/05/22/%E4%BA%91%E5%8D%97%E5%AE%8F%E7%A0%9A%E3%80%81%E6%99%BA%E9%93%9D%E6%96%B0%E6%9D%90%E6%96%99%E6%9C%89%20%E9%99%90%E5%85%AC%E5%8F%B8ASI%E4%BF%A1%E6%81%AF%E6%8A%AB%E9%9C%B2%EF%BC%882026%EF%BC%89.20260522093625.pdf">http://www.hongqiaochina.com/Uploads/File/2026/05/22/%E4%BA%91%E5%8D%97%E5%AE%8F%E7%A0%9A%E3%80%81%E6%99%BA%E9%93%9D%E6%96%B0%E6%9D%90%E6%96%99%E6%9C%89%20%E9%99%90%E5%85%AC%E5%8F%B8ASI%E4%BF%A1%E6%81%AF%E6%8A%AB%E9%9C%B2%EF%BC%882026%EF%BC%89.20260522093625.pdf</a></p>

CRITERION	RATING	COMMENT
2.2a-c Leadership	Conformance	The Entity has nominated a senior Management Representative to oversee the implementation of relevant ASI Management Systems. The responsibilities and authority to establish, implement, maintain and continual improve the ASI Management System are clearly defined and communicated within the Entity. All employees interviewed during the Audit understood the responsibilities and the Entity's management structure.
2.3a Environmental and Social Management Systems – Environmental	Conformance	The Entity has established and implemented an Environment Management System. developed in accordance with ISO 14001:2015, although the Entity has not yet gained external certification to the Standard. Site observations and a review of records undertaken during the Audit confirmed the Environment Management System is implemented and maintained.
2.3b Environmental and Social Management Systems – Social	Conformance	The Entity has established, implemented and maintains a Social Management System. Social management risks and impacts were identified and assessed; relevant management procedures are established and implemented. The Entity has established the Occupational Health and Safety (OH&S) component of the Social Management System in accordance with ISO 45001:2018, although the Entity has not yet gained external certification to the Standard.
2.4a-e Responsible Sourcing	Conformance	<p>The Entity has implemented a Supplier Code of Conduct and conducts second-party Due Diligence audits at major next-tier suppliers' sites as part of the supplier qualification process. The procurement team and relevant personnel receive annual training on responsible sourcing requirements to ensure compliance. The Supplier Code of Conduct and Purchasing Policies are available in the Entity's 2026 ASI Information Disclosure, page 8:</p> <p><a href="http://www.hongqiaochina.com/Uploads/File/2026/05/22/%E4%BA%91%E5%8D%97%E5%AE%8F%E7%A0%9A%E3%80%81%E6%99%BA%E9%93%9D%E6%96%B0%E6%9D%90%E6%96%99%E6%9C%89%20%E9%99%90%E5%85%AC%E5%8F%B8ASI%E4%BF%A1%E6%81%AF%E6%8A%AB%E9%9C%B2%EF%BC%882026%EF%BC%89.20260522093625.pdf">http://www.hongqiaochina.com/Uploads/File/2026/05/22/%E4%BA%91%E5%8D%97%E5%AE%8F%E7%A0%9A%E3%80%81%E6%99%BA%E9%93%9D%E6%96%B0%E6%9D%90%E6%96%99%E6%9C%89%20%E9%99%90%E5%85%AC%E5%8F%B8ASI%E4%BF%A1%E6%81%AF%E6%8A%AB%E9%9C%B2%EF%BC%882026%EF%BC%89.20260522093625.pdf</a></p> <p>In accordance with the Entity's ASI documented management procedure, these Purchasing Policies are periodically reviewed during management review meetings and updated as required to address significant changes in business operations impacting environmental, social, or governance risks, or to correct any control deficiencies identified.</p>
2.5a-g Environmental and Social Impact Assessments	Not Applicable	<p>This Criterion is not applicable to the Entity as there are no New Projects or Major Changes to existing Facilities.</p> <p>The Entity assesses the environmental impact and Occupational Health and Safety (OH&amp;S) risks of its operational activities following applicable legal requirements.</p>
2.6a-h Human Rights Impact Assessment	Not Applicable	This Criterion is not applicable to the Entity as there are no New Projects or Major Changes to existing Facilities.
2.7a-f Emergency Response Plan	Conformance	The Entity has developed and registered comprehensive Emergency Response Plans addressing scenarios including fire, earthquakes, chemical leaks, extreme weather and equipment breakdowns, developed in collaboration with Stakeholders. Employees receive training and regular drills ensure preparedness. These Plans are

CRITERION	RATING	COMMENT
		<p>reviewed every three years as required by law. A summary of the Emergency Response Plans is available in the Entity's 2026 ASI Information Disclosure, pages 114–121:  <a href="http://www.hongqiaochina.com/Uploads/File/2026/05/22/%E4%BA%91%E5%8D%97%E5%AE%8F%E7%A0%9A%E3%80%81%E6%99%BA%E9%93%9D%E6%96%B0%E6%9D%90%E6%96%99%E6%9C%89%20%E9%99%90%E5%85%AC%E5%8F%B8%E4%BF%A1%E6%81%AF%E6%8A%AB%E9%9C%B2%EF%BC%882026%EF%BC%89.20260522093625.pdf">http://www.hongqiaochina.com/Uploads/File/2026/05/22/%E4%BA%91%E5%8D%97%E5%AE%8F%E7%A0%9A%E3%80%81%E6%99%BA%E9%93%9D%E6%96%B0%E6%9D%90%E6%96%99%E6%9C%89%20%E9%99%90%E5%85%AC%E5%8F%B8%E4%BF%A1%E6%81%AF%E6%8A%AB%E9%9C%B2%EF%BC%882026%EF%BC%89.20260522093625.pdf</a></p>
2.8a-d Suspended Operations	Conformance	<p>The Entity has identified situations where it may have to suspend or significantly alter operations due to factors outside its control, which considers Material adverse environmental, social and governance impacts. The Entity assesses the relevant risk of these situations and establishes a Business Continuity Plan to control/mitigate the adverse impacts. No such suspension of operations has occurred since the Entity commenced operations.</p> <p>In its ASI Performance Standard Management Manual, the Entity has defined that the Plan shall be reviewed every five years, or when there is a major change or a control gap identified.</p>
2.9a-b Mergers and Acquisitions	Conformance	<p>As a subsidiary of the Hongqiao Group, the Entity operates under the strategic direction of its parent company, with decisions regarding Mergers and Acquisitions (M&amp;A) made at the Group Headquarters level. The Entity is responsible for implementing M&amp;A projects following the Merger and Acquisition Process Management Regulations established by the parent company. In the event of a M&amp;A scenario, the Regulations require that the Entity conducts robust Due Diligence to assess environmental, social, and governance practices, including evaluating historical Aluminium operations.</p> <p>No mergers or acquisitions have occurred since the Entity commenced operations.</p>
2.10a-b Closure, Decommissioning and Divestment	Conformance	<p>As a subsidiary of Hongqiao Group, the Entity carries out closure, decommissioning, and divestment projects based on decisions made by its parent company at the Group Headquarters level. The Entity adheres to the parent company's Environmental, Social, and Governance Management Regulations for Closure, Decommissioning, and Divestment, ensuring that environmental, social, and governance practices are thoroughly reviewed and significant environmental, social, and governance impacts are monitored during the planning process.</p> <p>No closure, decommissioning, or divestment activities have occurred since the Entity commenced operations.</p>
<b>3. TRANSPARENCY</b>		
3.1a-b Sustainability Reporting	Conformance	<p>The Entity is a subsidiary company of China Hongqiao Group Limited. The China Hongqiao Group Limited compiles an annual Environmental, Social and Governance (ESG) Report, the scope of which covers the performance of the Entity.</p> <p>The China Hongqiao Group Limited Annual ESG Report for 2025 is available at:  <a href="http://www.hongqiaochina.com/Uploads/File/2026/04/24/C%20%20ESG25.20260424221413.pdf">http://www.hongqiaochina.com/Uploads/File/2026/04/24/C%20%20ESG25.20260424221413.pdf</a></p>

CRITERION	RATING	COMMENT
3.2 Non-compliance and Liabilities	Conformance	<p>As demonstrated by the Compliance Statement issued by the Entity and a review of the official websites of the relevant government agencies and NGOs conducted during the Audit, the Entity received no significant fines, judgments, penalties or non-monetary sanctions for failures to comply with Applicable Law.</p> <p>The Entity's Compliance Statement is available in the Entity's 2026 ASI Information Disclosure, page 18:  <a href="http://www.hongqiaochina.com/Uploads/File/2026/05/22/%E4%BA%91%E5%8D%97%E5%AE%8F%E7%A0%9A%E3%80%81%E6%99%BA%E9%93%9D%E6%96%B0%E6%9D%90%E6%96%99%E6%9C%89%20%E9%99%90%E5%85%AC%E5%8F%B8ASI%E4%BF%A1%E6%81%AF%E6%8A%AB%E9%9C%B2%EF%BC%882026%EF%BC%89.20260522093625.pdf">http://www.hongqiaochina.com/Uploads/File/2026/05/22/%E4%BA%91%E5%8D%97%E5%AE%8F%E7%A0%9A%E3%80%81%E6%99%BA%E9%93%9D%E6%96%B0%E6%9D%90%E6%96%99%E6%9C%89%20%E9%99%90%E5%85%AC%E5%8F%B8ASI%E4%BF%A1%E6%81%AF%E6%8A%AB%E9%9C%B2%EF%BC%882026%EF%BC%89.20260522093625.pdf</a></p>
3.3a-c Payments to Governments	Conformance	<p>As demonstrated in the parent company's internal finance report and the Third Party audited financial report, the Entity only makes payments to Governments that are legally required, such as taxes.</p> <p>Information on payments to Governments is publicly disclosed in the Compliance Statement in the Entity's 2026 ASI Information Disclosure, page 18:  <a href="http://www.hongqiaochina.com/Uploads/File/2026/05/22/%E4%BA%91%E5%8D%97%E5%AE%8F%E7%A0%9A%E3%80%81%E6%99%BA%E9%93%9D%E6%96%B0%E6%9D%90%E6%96%99%E6%9C%89%20%E9%99%90%E5%85%AC%E5%8F%B8ASI%E4%BF%A1%E6%81%AF%E6%8A%AB%E9%9C%B2%EF%BC%882026%EF%BC%89.20260522093625.pdf">http://www.hongqiaochina.com/Uploads/File/2026/05/22/%E4%BA%91%E5%8D%97%E5%AE%8F%E7%A0%9A%E3%80%81%E6%99%BA%E9%93%9D%E6%96%B0%E6%9D%90%E6%96%99%E6%9C%89%20%E9%99%90%E5%85%AC%E5%8F%B8ASI%E4%BF%A1%E6%81%AF%E6%8A%AB%E9%9C%B2%EF%BC%882026%EF%BC%89.20260522093625.pdf</a></p> <p>The Hongqiao Group publishes its financial statements including payments to Governments at:  <a href="http://www.hongqiaochina.com/Uploads/File/2026/04/24/C26013969-Hongqiao-AR25.20260424202105.pdf">http://www.hongqiaochina.com/Uploads/File/2026/04/24/C26013969-Hongqiao-AR25.20260424202105.pdf</a></p>
3.4a-f Stakeholder Complaints, Grievances and Requests for Information	Conformance	<p>The Entity's parent company, Hongqiao Group, has established a relatively comprehensive mechanism for handling complaints and appeals. The Group's Corporate Management Department serves as the overall responsible department, working in collaboration with the Public Affairs Department, Audit and Supervision Department, Sales Department, Procurement Department and Human Resources Department as necessary to accept and address suggestions, complaints and requests from employees and external Stakeholders.</p> <p>The Entity's structured process for resolving complaints and appeals is detailed in the Stakeholder Complaint Handling Policy, available in the Entity's 2026 ASI Information Disclosure, page 15:  <a href="http://www.hongqiaochina.com/Uploads/File/2026/05/22/%E4%BA%91%E5%8D%97%E5%AE%8F%E7%A0%9A%E3%80%81%E6%99%BA%E9%93%9D%E6%96%B0%E6%9D%90%E6%96%99%E6%9C%89%20%E9%99%90%E5%85%AC%E5%8F%B8ASI%E4%BF%A1%E6%81%AF%E6%8A%AB%E9%9C%B2%EF%BC%882026%EF%BC%89.20260522093625.pdf">http://www.hongqiaochina.com/Uploads/File/2026/05/22/%E4%BA%91%E5%8D%97%E5%AE%8F%E7%A0%9A%E3%80%81%E6%99%BA%E9%93%9D%E6%96%B0%E6%9D%90%E6%96%99%E6%9C%89%20%E9%99%90%E5%85%AC%E5%8F%B8ASI%E4%BF%A1%E6%81%AF%E6%8A%AB%E9%9C%B2%EF%BC%882026%EF%BC%89.20260522093625.pdf</a></p>
<b>4. MATERIAL STEWARDSHIP</b>		
4.1a Environmental Life Cycle Assessment	Minor Non-Conformance	<p>The Entity has conducted an environmental Life Cycle Assessment (LCA) as part of its commitment to sustainable environmental management for Aluminium Products, covering Aluminium plate which represents its primary production lines.</p> <p>In alignment with ISO 14004 and ISO 14044 Standards, the Entity has assessed the environmental impact from Greenhouse Gas (GHG)</p>

CRITERION	RATING	COMMENT
		<p>emissions, resource consumption and wastes generated on a 'cradle-to-gate' basis.</p> <p>The LCA Report did not however assess impacts on acidification potential and water consumption. A sensitivity analysis has also not been conducted.</p>
4.1b-c Environmental Life Cycle Assessment - Disclosure	Conformance	<p>The Entity has conducted an environmental LCA of its Aluminium plate Product line using a 'cradle-to-gate' system boundary.</p> <p>The Entity provides the complete 'cradle-to-gate' LCA Report on its Aluminium plate Product line to customers on request.</p> <p>The summary of the LCA Report is available in the Entity's 2026 ASI Information Disclosure, page 60:  <a href="http://www.hongqiaochina.com/Uploads/File/2026/05/22/%E4%BA%91%E5%8D%97%E5%AE%8F%E7%A0%9A%E3%80%81%E6%99%BA%E9%93%9D%E6%96%B0%E6%9D%90%E6%96%99%E6%9C%89%20%E9%99%90%E5%85%AC%E5%8F%B8ASI%E4%BF%A1%E6%81%AF%E6%8A%AB%E9%9C%B2%EF%BC%882026%EF%BC%89.20260522093625.pdf">http://www.hongqiaochina.com/Uploads/File/2026/05/22/%E4%BA%91%E5%8D%97%E5%AE%8F%E7%A0%9A%E3%80%81%E6%99%BA%E9%93%9D%E6%96%B0%E6%9D%90%E6%96%99%E6%9C%89%20%E9%99%90%E5%85%AC%E5%8F%B8ASI%E4%BF%A1%E6%81%AF%E6%8A%AB%E9%9C%B2%EF%BC%882026%EF%BC%89.20260522093625.pdf</a></p>
4.2 Product Design	Conformance	<p>In the Product design process, the Entity takes into consideration factors including raw material usage, alloy composition, material Scrap created during production and Post-Consumer Aluminium recycling. Through the setting of targets for the use of recycled Aluminium, the Entity has continuously increased the content of recycled Aluminium in its Products while ensuring and maintaining Product quality. A quality target and yield rate target have been established to reduce process Scrap which in turn reduces energy consumption and improves resource utilisation.</p>
4.3a-b Aluminium Process Scrap	Conformance	<p>The Entity has established a target of achieving 100% collection, recycling and reuse of Aluminium processing Waste. This objective is supported by documented procedures. To reduce Scrap production, the Entity has implemented a series of measures, including the introduction of more stringent control procedures for process parameters, the enhancement of employee training programmes and the regular maintenance of equipment. Preliminary investigations during the Audit indicate that the Entity has achieved its goal of 100% collection, recycling, and reuse of Aluminium Scrap.</p>
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>
4.4d Collection and Recycling of Products at End of Life	Conformance	<p>Following the recycling strategy established by the Hongqiao Group, the Entity works in close collaboration with Post-Consumer recycled Aluminium suppliers, with which it is actively exploring ways to increase the recycling rate of Post-Consumer Scrap Aluminium in the end market.</p>
<b>5. GREENHOUSE GAS EMISSIONS</b>		
5.1a-b Disclosure of GHG Emissions and Energy Use	Minor Non-Conformance	<p>In accordance with the ISO 14064 Standard, the Entity has conducted an organisational-level Greenhouse Gas (GHG) inventory and commissioned a third party to verify the relevant emission data. The</p>

CRITERION	RATING	COMMENT
		<p>Entity has publicly disclosed its Scope 1, Scope 2, and Scope 3 (Category 1 and 4) GHG emissions data, as well as data on its consumption of raw materials and energy. The Entity's 2025 GHG Inventory Report is available in the Entity's 2026 ASI Information Disclosure, pages 71-98:</p> <p><a href="http://www.hongqiaochina.com/Uploads/File/2026/05/22/%E4%BA%91%E5%8D%97%E5%AE%8F%E7%A0%9A%E3%80%81%E6%99%BA%E9%93%9D%E6%96%B0%E6%9D%90%E6%96%99%E6%9C%89%20%E9%99%90%E5%85%AC%E5%8F%B8ASI%E4%BF%A1%E6%81%AF%E6%8A%AB%E9%9C%B2%EF%BC%882026%EF%BC%89.20260522093625.pdf">http://www.hongqiaochina.com/Uploads/File/2026/05/22/%E4%BA%91%E5%8D%97%E5%AE%8F%E7%A0%9A%E3%80%81%E6%99%BA%E9%93%9D%E6%96%B0%E6%9D%90%E6%96%99%E6%9C%89%20%E9%99%90%E5%85%AC%E5%8F%B8ASI%E4%BF%A1%E6%81%AF%E6%8A%AB%E9%9C%B2%EF%BC%882026%EF%BC%89.20260522093625.pdf</a></p> <p>It was observed that the Entity's GHG emissions intensity data however did not account for the portion of recycled Aluminium in the Entity's final Product.</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 GHG Emissions Reduction Plans	Conformance	<p>The Entity has established and implemented a GHG emissions reduction strategy and plan, with intermediate targets established to reduce the CO<sub>2</sub> emission intensity of its Products on a 'cradle-to-gate' basis by 2030 (targets established for ingot and plate sheet Product lines). The Entity has used the ASI Entity GHG Pathways Method and Calculation Tool to verify its emission reduction plan, with the results confirming that the Entity's emissions reduction plan aligns with the requirements of a 1.5°C warming scenario.</p>
5.3b-e GHG Emissions Reduction Plans – Targets, review and disclosure	Conformance	<p>The Entity has used the ASI Entity GHG Pathways Method and Calculation Tool to establish its GHG Emissions Reduction Strategy and Plan, using a 2025 baseline year and 2030 intermediate targets. The GHG Emissions Reduction Strategy and Plan is supported by measures such as low-carbon material procurement, energy efficiency optimisation and improved operational practices. Progress towards these targets is reviewed annually or after major changes.</p> <p>The GHG Emissions Reduction Strategy and Plan is available in the Entity's 2026 ASI Information Disclosure, pages 99-102:</p> <p><a href="http://www.hongqiaochina.com/Uploads/File/2026/05/22/%E4%BA%91%E5%8D%97%E5%AE%8F%E7%A0%9A%E3%80%81%E6%99%BA%E9%93%9D%E6%96%B0%E6%9D%90%E6%96%99%E6%9C%89%20%E9%99%90%E5%85%AC%E5%8F%B8ASI%E4%BF%A1%E6%81%AF%E6%8A%AB%E9%9C%B2%EF%BC%882026%EF%BC%89.20260522093625.pdf">http://www.hongqiaochina.com/Uploads/File/2026/05/22/%E4%BA%91%E5%8D%97%E5%AE%8F%E7%A0%9A%E3%80%81%E6%99%BA%E9%93%9D%E6%96%B0%E6%9D%90%E6%96%99%E6%9C%89%20%E9%99%90%E5%85%AC%E5%8F%B8ASI%E4%BF%A1%E6%81%AF%E6%8A%AB%E9%9C%B2%EF%BC%882026%EF%BC%89.20260522093625.pdf</a></p>
5.4 GHG Emissions Management	Conformance	<p>The Entity has established a robust system for managing GHG emissions based on the 'Plan, Do, Check, Act' cycle, incorporating energy management, GHG inventory processes, reduction strategies, and target monitoring, while clearly defining departmental responsibilities. The system's operational effectiveness is validated through internal audits and management reviews, ensuring the realisation of reduction goals and ongoing improvement in environmental performance.</p>

CRITERION	RATING	COMMENT
<b>6. EMISSIONS, EFFLUENTS AND WASTE</b>		
6.1a-f Emissions to Air	Minor Non-Conformance	<p>The Entity collects and treats air pollutants before discharge, ensuring adherence to local emission standards. The Entity has implemented an Air Emissions Management Plan to minimise associated environmental impacts. Annual disclosures confirm compliance with regulatory requirements, as indicated by the 2025 environmental monitoring results. The Entity is committed to revising its management plan if significant risks arise. Details on emissions, reduction strategies and targets are available in the Entity's 2026 ASI Information Disclosure, pages 55-50 and pages 105-106:</p> <p><a href="http://www.hongqiaochina.com/Uploads/File/2026/05/22/%E4%BA%91%E5%8D%97%E5%AE%8F%E7%A0%9A%E3%80%81%E6%99%BA%E9%93%9D%E6%96%B0%E6%9D%90%E6%96%99%E6%9C%89%20%E9%99%90%E5%85%AC%E5%8F%B8ASI%E4%BF%A1%E6%81%AF%E6%8A%AB%E9%9C%B2%EF%BC%882026%EF%BC%89.20260522093625.pdf">http://www.hongqiaochina.com/Uploads/File/2026/05/22/%E4%BA%91%E5%8D%97%E5%AE%8F%E7%A0%9A%E3%80%81%E6%99%BA%E9%93%9D%E6%96%B0%E6%9D%90%E6%96%99%E6%9C%89%20%E9%99%90%E5%85%AC%E5%8F%B8ASI%E4%BF%A1%E6%81%AF%E6%8A%AB%E9%9C%B2%EF%BC%882026%EF%BC%89.20260522093625.pdf</a></p> <p>The Entity's Air Emissions Management Plan however does not include clear and quantified reduction targets which would enhance program implementation.</p>
6.2a-g Discharges to Water	Conformance	<p>The Entity ensures that no industrial wastewater is discharged, and it maintains Compliance with legal standards regarding domestic wastewater through routine monitoring. The 2025 Testing Report verifies adherence to statutory discharge limits, demonstrating that the Entity's water discharges have a negligible environmental impact. To further reduce domestic water consumption and minimise Discharges to Water, the Entity has adopted a series of water-saving management measures.</p>
6.3a-g Assessment and Management of Spills and Leakages	Conformance	<p>In accordance with the Environmental Management System and applicable legal requirements, the Entity has developed detailed procedures for managing Spills and Leakages. Workers receive relevant training, and drills are conducted at least once a year. The most recent version of the Leakage Prevention Management Plan is available in the Entity's 2026 ASI Information Disclosure, pages 67-68:</p> <p><a href="http://www.hongqiaochina.com/Uploads/File/2026/05/22/%E4%BA%91%E5%8D%97%E5%AE%8F%E7%A0%9A%E3%80%81%E6%99%BA%E9%93%9D%E6%96%B0%E6%9D%90%E6%96%99%E6%9C%89%20%E9%99%90%E5%85%AC%E5%8F%B8ASI%E4%BF%A1%E6%81%AF%E6%8A%AB%E9%9C%B2%EF%BC%882026%EF%BC%89.20260522093625.pdf">http://www.hongqiaochina.com/Uploads/File/2026/05/22/%E4%BA%91%E5%8D%97%E5%AE%8F%E7%A0%9A%E3%80%81%E6%99%BA%E9%93%9D%E6%96%B0%E6%9D%90%E6%96%99%E6%9C%89%20%E9%99%90%E5%85%AC%E5%8F%B8ASI%E4%BF%A1%E6%81%AF%E6%8A%AB%E9%9C%B2%EF%BC%882026%EF%BC%89.20260522093625.pdf</a></p> <p>The Entity is committed to updating and enhancing its Emergency Response and Leakage Prevention Management Plans in response to any changes affecting significant Leakage risks or identified weaknesses in existing controls.</p>
6.4a-b Public Disclosure of Spills and Leakages	Conformance	<p>The Entity has established a clear reporting process for Spills and Leakages within its environmental protection management procedures and Emergency Response Plans. Since the Entity commenced operations, no incidents of Spills have been recorded. The latest versions of the Spills and Leakages Risk Assessment Report and the Emergency Response Plan are available in the Entity's 2026 ASI Information Disclosure, pages 67-68 and pages 114-121:</p> <p><a href="http://www.hongqiaochina.com/Uploads/File/2026/05/22/%E4%BA%91%E5%8D%97%E5%AE%8F%E7%A0%9A%E3%80%81%E6%99%BA%E9%93%9D%E6%96%B0%E6%9D%90%E6%96%99%E6%9C%89%20%E9%99%90%E5%85%AC%E5%8F%B8ASI%E4%BF%A1%E6%81%AF%E6%8A%AB%E9%9C%B2%EF%BC%882026%EF%BC%89.20260522093625.pdf">http://www.hongqiaochina.com/Uploads/File/2026/05/22/%E4%BA%91%E5%8D%97%E5%AE%8F%E7%A0%9A%E3%80%81%E6%99%BA%E9%93%9D%E6%96%B0%E6%9D%90%E6%96%99%E6%9C%89%20%E9%99%90%E5%85%AC%E5%8F%B8ASI%E4%BF%A1%E6%81%AF%E6%8A%AB%E9%9C%B2%EF%BC%882026%EF%BC%89.20260522093625.pdf</a></p>

CRITERION	RATING	COMMENT
6.5a-c Waste Management and Reporting	Conformance	<p>The Entity's Environmental Management System includes a Waste Management Strategy based on the Waste Mitigation Hierarchy, focusing on Waste reuse, recycling, process innovation, and facility upgrades to minimise Waste generation. Hazardous Waste disposal complies with legal requirements. The relevant Waste quantities data and related disclosures are available in the Entity's 2026 ASI Information Disclosure, pages 108-109:</p> <p><a href="http://www.hongqiaochina.com/Uploads/File/2026/05/22/%E4%BA%91%E5%8D%97%E5%AE%8F%E7%A0%9A%E3%80%81%E6%99%BA%E9%93%9D%E6%96%B0%E6%9D%90%E6%96%99%E6%9C%89%20%E9%99%90%E5%85%AC%E5%8F%B8ASI%E4%BF%A1%E6%81%AF%E6%8A%AB%E9%9C%B2%EF%BC%882026%EF%BC%89.20260522093625.pdf">http://www.hongqiaochina.com/Uploads/File/2026/05/22/%E4%BA%91%E5%8D%97%E5%AE%8F%E7%A0%9A%E3%80%81%E6%99%BA%E9%93%9D%E6%96%B0%E6%9D%90%E6%96%99%E6%9C%89%20%E9%99%90%E5%85%AC%E5%8F%B8ASI%E4%BF%A1%E6%81%AF%E6%8A%AB%E9%9C%B2%EF%BC%882026%EF%BC%89.20260522093625.pdf</a></p> <p>The Entity has disclosed Waste generation data and committed to annual Waste reduction against a defined baseline, highlighting its dedication to continuous improvement and environmental sustainability.</p> <p>On-site observations and document/record reviews undertaken during the Audit confirm that the Entity follows the established and documented strategy and has implemented relevant control measures.</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	In Compliance with legal requirements regarding Hazardous Waste, the Entity transfers Dross generated at the Casthouse to licensed suppliers for appropriate disposal. The licensed Dross contractor recovers Aluminium, and other non-Aluminium materials are extracted from Dross and recycled for alternative uses. The Entity conducts an annual evaluation of its licensed Dross suppliers and explores alternative solutions for minimising the landfilling of Dross residues.
<b>7. WATER STEWARDSHIP</b>		
7.1a-b Water Assessment and Disclosure	Conformance	<p>The Entity has identified and mapped its water withdrawal, use, and discharge, sourcing 100% of its water from the municipal supply. A water balance analysis and a water risk assessment have been conducted considering the Entity's Area of Influence. As the Entity fully recycles wastewater after treatment with no external discharge, the water-related risk is classified as low. The water risk assessment report and water balance map are available in the Entity's 2026 ASI Information Disclosure, pages 24-35:</p> <p><a href="http://www.hongqiaochina.com/Uploads/File/2026/05/22/%E4%BA%91%E5%8D%97%E5%AE%8F%E7%A0%9A%E3%80%81%E6%99%BA%E9%93%9D%E6%96%B0%E6%9D%90%E6%96%99%E6%9C%89%20%E9%99%90%E5%85%AC%E5%8F%B8ASI%E4%BF%A1%E6%81%AF%E6%8A%AB%E9%9C%B2%EF%BC%882026%EF%BC%89.20260522093625.pdf">http://www.hongqiaochina.com/Uploads/File/2026/05/22/%E4%BA%91%E5%8D%97%E5%AE%8F%E7%A0%9A%E3%80%81%E6%99%BA%E9%93%9D%E6%96%B0%E6%9D%90%E6%96%99%E6%9C%89%20%E9%99%90%E5%85%AC%E5%8F%B8ASI%E4%BF%A1%E6%81%AF%E6%8A%AB%E9%9C%B2%EF%BC%882026%EF%BC%89.20260522093625.pdf</a></p>
7.2a-e Water Management	Not Applicable	This Criterion is not applicable to the Entity as the water resource risk is considered low with no significant water-related risks identified within the Entity's Area of Influence.

CRITERION	RATING	COMMENT
<b>8. BIODIVERSITY AND ECOSYSTEM SERVICES</b>		
8.1a Biodiversity and Ecosystem Services Risk and Impact Assessment	Conformance	<p>The Entity's Environmental Impact Assessment (EIA), which included an evaluation of risks and impacts on Biodiversity and Ecosystem Services, was conducted by qualified Third Parties and approved by the local Environmental Protection Agency. Due to the nature of the Entity's operations and its Area of Influence, no significant risks or impacts on Biodiversity and Ecosystem Services have been identified.</p> <p>The Entity's Risk Assessment Report on Biodiversity and Ecosystem Services is available in the Entity's 2026 ASI Information Disclosure, pages 36-41:  <a href="http://www.hongqiaochina.com/Uploads/File/2026/05/22/%E4%BA%91%E5%8D%97%E5%AF%8F%E7%A0%9A%E3%80%81%E6%99%BA%E9%93%9D%E6%96%B0%E6%9D%90%E6%96%99%E6%9C%89%20%E9%99%90%E5%85%AC%E5%8F%B8ASI%E4%BF%A1%E6%81%AF%E6%8A%AB%E9%9C%B2%EF%BC%882026%EF%BC%89.20260522093625.pdf">http://www.hongqiaochina.com/Uploads/File/2026/05/22/%E4%BA%91%E5%8D%97%E5%AF%8F%E7%A0%9A%E3%80%81%E6%99%BA%E9%93%9D%E6%96%B0%E6%9D%90%E6%96%99%E6%9C%89%20%E9%99%90%E5%85%AC%E5%8F%B8ASI%E4%BF%A1%E6%81%AF%E6%8A%AB%E9%9C%B2%EF%BC%882026%EF%BC%89.20260522093625.pdf</a></p>
8.1b Biodiversity and Ecosystem Services Risk and Impact Assessment - Priority	Not Applicable	This Criterion is not applicable to the Entity, as the risks and potential impacts on Biodiversity and Ecosystem Services are assessed and documented as low, as per the Environmental Impact Assessment approved by the local Environmental Protection Agency. No Priority Ecosystem Services have been identified.
8.2a-g Biodiversity Management	Not Applicable	This Criterion is not applicable to the Entity, as the risks and potential impacts on Biodiversity and Ecosystem Services are assessed and documented as low, as per the Environmental Impact Assessment approved by the local Environmental Protection Agency. No Priority Ecosystem Services have been identified.
8.3a-c Management of Priority Ecosystem Services	Not Applicable	This Criterion is not applicable to the Entity, as the risks and potential impacts on Biodiversity and Ecosystem Services are assessed and documented as low, as per the Environmental Impact Assessment approved by the local Environmental Protection Agency. No Priority Ecosystem Services have been identified.
8.4 Alien Species	Conformance	The Entity's Biodiversity Risk Assessment Report demonstrates that the Entity's operations and supporting activities present minimal opportunities for the introduction of Alien Species. To mitigate risks associated with the accidental or intentional introduction of Alien Species that could negatively affect Biodiversity and Ecosystem Services, the Entity conducts relevant training programs for its employees.
8.5a-b Commitment to "No Go" in World Heritage Properties	Conformance	The Entity is committed to refraining from exploring or developing New Projects or making Major Changes in World Heritage Properties. There are no World Heritage Properties located within the Entity's Area of Influence.
8.6a-d Protected Areas	Conformance	The Entity is committed to environmental protection. As demonstrated by the Environmental Impact Assessment Report approved by the local Environmental Protection Agency, 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.

CRITERION	RATING	COMMENT
8.7a-i Mine Rehabilitation	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
<b>9. HUMAN RIGHTS</b>		
9.1a-d Human Rights Due Diligence	Conformance	<p>The Entity upholds its parent Group's Code of Business Ethics that is in alignment with the United Nations Guiding Principles on Business and Human Rights, reflecting its commitment to corporate social responsibility. The Entity has established a Labour and Business Ethics Risk Management Procedure to identify and assess Human Rights risks, conducts Human Right Due Diligence and reviews policies in response to significant changes or deficiencies.</p> <p>To date, no significant adverse Human Rights impacts have been caused by the Entity's operations, as confirmed during this Audit by annual reports, grievance records and management reviews. The Entity remains dedicated to addressing any reported issues through lawful and effective remediation measures.</p> <p>The Entity's Human Rights Impact Assessment Report is available in the Entity's 2026 ASI Information Disclosure, page 19:  <a href="http://www.hongqiaochina.com/Uploads/File/2026/05/22/%E4%BA%91%E5%8D%97%E5%AE%8F%E7%A0%9A%E3%80%81%E6%99%BA%E9%93%9D%E6%96%B0%E6%9D%90%E6%96%99%E6%9C%89%20%E9%99%90%E5%85%AC%E5%8F%B8ASI%E4%BF%A1%E6%81%AF%E6%8A%AB%E9%9C%B2%EF%BC%882026%EF%BC%89.20260522093625.pdf">http://www.hongqiaochina.com/Uploads/File/2026/05/22/%E4%BA%91%E5%8D%97%E5%AE%8F%E7%A0%9A%E3%80%81%E6%99%BA%E9%93%9D%E6%96%B0%E6%9D%90%E6%96%99%E6%9C%89%20%E9%99%90%E5%85%AC%E5%8F%B8ASI%E4%BF%A1%E6%81%AF%E6%8A%AB%E9%9C%B2%EF%BC%882026%EF%BC%89.20260522093625.pdf</a></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. No complaints regarding gender equity and women's empowerment have been received to date.</p> <p>The Entity discloses its annual Gender Equality and Protection of Female Workers' Rights Report, available in the Entity's 2026 ASI Information Disclosure, page 42:  <a href="http://www.hongqiaochina.com/Uploads/File/2026/05/22/%E4%BA%91%E5%8D%97%E5%AE%8F%E7%A0%9A%E3%80%81%E6%99%BA%E9%93%9D%E6%96%B0%E6%9D%90%E6%96%99%E6%9C%89%20%E9%99%90%E5%85%AC%E5%8F%B8ASI%E4%BF%A1%E6%81%AF%E6%8A%AB%E9%9C%B2%EF%BC%882026%EF%BC%89.20260522093625.pdf">http://www.hongqiaochina.com/Uploads/File/2026/05/22/%E4%BA%91%E5%8D%97%E5%AE%8F%E7%A0%9A%E3%80%81%E6%99%BA%E9%93%9D%E6%96%B0%E6%9D%90%E6%96%99%E6%9C%89%20%E9%99%90%E5%85%AC%E5%8F%B8ASI%E4%BF%A1%E6%81%AF%E6%8A%AB%E9%9C%B2%EF%BC%882026%EF%BC%89.20260522093625.pdf</a></p>
9.3a-i Indigenous Peoples	Not Applicable	This Criterion is not applicable to the Entity, as there are no Indigenous Peoples within the Entity's Area of Influence.
9.4a Free, Prior, and Informed Consent (FPIC) - New Projects or Major Changes	Not Applicable	This Criterion is not applicable to the Entity, as there are no Indigenous Peoples within the Entity's Area of Influence.
9.4b Free, Prior, and Informed Consent (FPIC) - Bauxite Mining	Not Applicable	This Criterion is not applicable to the Entity'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.

CRITERION	RATING	COMMENT
9.5a Cultural and Sacred Heritage – Identification	Conformance	The Entity has established a procedure to identify sacred or cultural heritage sites within its Area of Influence. In compliance with regulatory requirements, the Entity conducted an Environmental Impact Analysis (EIA) and obtained approval from the local authority prior to initiating the development of a new project. According to the assessment results, there are no locations of cultural or sacred heritage within the Entity's Area of Influence that will be impacted by its activities.
9.5b Cultural and Sacred Heritage – Impacts	Not Applicable	This Criterion is not applicable to the Entity, as there are no Indigenous Peoples, their lands, or sacred and cultural heritage sites within the Entity's Area of Influence.
9.6a-i Displacement	Not Applicable	This Criterion is not applicable to the Entity as it is located within an industrial area designated by the local government, and the Entity's projects do not cause any Displacement.
9.7a-h Affected Populations and Organisations	Conformance	<p>The Entity's sustainability management framework, including its stakeholder engagement mechanism, is centrally managed by its parent company, Hongqiao Group. Through this framework, the Entity identifies affected communities and institutions, as well as identifying Stakeholder concerns, which it addresses by implementing management plans, allocating resources, and organising community engagement activities.</p> <p>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, ensuring continuous improvement and alignment with stakeholder expectations and sustainability goals.</p> <p>The Human Rights Impact Assessment Report which addresses such impacts is available in the Entity's 2026 ASI Information Disclosure, page 19:  <a href="http://www.hongqiaochina.com/Uploads/File/2026/05/22/%E4%BA%91%E5%8D%97%E5%AE%8F%E7%A0%9A%E3%80%81%E6%99%BA%E9%93%9D%E6%96%B0%E6%9D%90%E6%96%99%E6%9C%89%20%E9%99%90%E5%85%AC%E5%8F%B8ASI%E4%BF%A1%E6%81%AF%E6%8A%AB%E9%9C%B2%EF%BC%882026%EF%BC%89.20260522093625.pdf">http://www.hongqiaochina.com/Uploads/File/2026/05/22/%E4%BA%91%E5%8D%97%E5%AE%8F%E7%A0%9A%E3%80%81%E6%99%BA%E9%93%9D%E6%96%B0%E6%9D%90%E6%96%99%E6%9C%89%20%E9%99%90%E5%85%AC%E5%8F%B8ASI%E4%BF%A1%E6%81%AF%E6%8A%AB%E9%9C%B2%EF%BC%882026%EF%BC%89.20260522093625.pdf</a></p>
9.8a Conflict-Affected and High-Risk Areas - Strong management systems	Conformance	<p>The Entity has established and implemented comprehensive Management Systems to ensure effective supply chain governance. These systems include a Supply Chain Policy, clearly defined responsibilities and resource allocations, mechanisms for gathering relevant information and supplier engagement processes. The Entity's ASI policy, which incorporates the Purchasing Policy and Grievance Channel, is transparently disclosed through the Supply Chain Code of Conduct and includes the Stakeholder Complaint Handling Procedure.</p> <p>The Supplier Code of Conduct and Purchasing Policies are available in the Entity's 2026 ASI Information Disclosure, page 8:  <a href="http://www.hongqiaochina.com/Uploads/File/2026/05/22/%E4%BA%91%E5%8D%97%E5%AE%8F%E7%A0%9A%E3%80%81%E6%99%BA%E9%93%9D%E6%96%B0%E6%9D%90%E6%96%99%E6%9C%89%20%E9%99%90%E5%85%AC%E5%8F%B8ASI%E4%BF%A1%E6%81%AF%E6%8A%AB%E9%9C%B2%EF%BC%882026%EF%BC%89.20260522093625.pdf">http://www.hongqiaochina.com/Uploads/File/2026/05/22/%E4%BA%91%E5%8D%97%E5%AE%8F%E7%A0%9A%E3%80%81%E6%99%BA%E9%93%9D%E6%96%B0%E6%9D%90%E6%96%99%E6%9C%89%20%E9%99%90%E5%85%AC%E5%8F%B8ASI%E4%BF%A1%E6%81%AF%E6%8A%AB%E9%9C%B2%EF%BC%882026%EF%BC%89.20260522093625.pdf</a></p>

CRITERION	RATING	COMMENT
9.8b Conflict-Affected and High-Risk Areas - Identify and assess risks	Conformance	The Entity conducts periodic risk assessments to identify and evaluate risks within its supply chain. It has confirmed that 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 identified as currently present in the supply chain.
9.8c Conflict-Affected and High-Risk Areas - Strategy to respond to risks	Conformance	As demonstrated in the Entity's risk assessment record, no 'conflict minerals' are used, no materials are sourced from CAHRAs, and no critical Human Rights issues including Child Labour or Forced Labour are identified as currently present in the supply chain.
9.8d Conflict-Affected and High-Risk Areas - Audit of due diligence	Conformance	The Entity's risk assessment record and supplier audit reports were reviewed during this ASI Audit. No critical issues identified, and the overall risk level is considered 'low'.
9.8e Conflict-Affected and High-Risk Areas - Report annually	Conformance	The Entity compiles its annual Supply Chain Due Diligence Report that describes its Policy and the implementation of its management processes regarding conflict minerals and the performance achieved.  The Supply Chain Due Diligence Report is available in the Entity's 2026 ASI Information Disclosure, page 122: <a href="http://www.hongqiaochina.com/Uploads/File/2026/05/22/%E4%BA%91%E5%8D%97%E5%AE%8F%E7%A0%9A%E3%80%81%E6%99%BA%E9%93%9D%E6%96%B0%E6%9D%90%E6%96%99%E6%9C%89%20%E9%99%90%E5%85%AC%E5%8F%B8ASI%E4%BF%A1%E6%81%AF%E6%8A%AB%E9%9C%B2%EF%BC%882026%EF%BC%89.20260522093625.pdf">http://www.hongqiaochina.com/Uploads/File/2026/05/22/%E4%BA%91%E5%8D%97%E5%AE%8F%E7%A0%9A%E3%80%81%E6%99%BA%E9%93%9D%E6%96%B0%E6%9D%90%E6%96%99%E6%9C%89%20%E9%99%90%E5%85%AC%E5%8F%B8ASI%E4%BF%A1%E6%81%AF%E6%8A%AB%E9%9C%B2%EF%BC%882026%EF%BC%89.20260522093625.pdf</a>
9.9 Security practice	Conformance	The Entity employs all security guards directly and upholds a strict commitment to respecting Human Rights in all security-related activities. Body searches are strictly prohibited, and security guards are required to perform their duties in a humane and professional manner, with a clear understanding of their responsibilities. To date, no grievances or complaints related to security activities have been reported.
<b>10. LABOUR RIGHTS</b>		
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 the Applicable Law related to Freedom of Association and Collective Bargaining in China.
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 Workers' rights to Freedom of Association and Collective Bargaining. Workers' representatives are elected through a democratic process every five years. To foster transparent communication and meaningful dialogue, the Entity convenes monthly meetings between these representatives and senior management. During these meetings, employees' concerns and issues are appropriately reviewed and addressed.
10.2a-c Child Labour	Conformance	In China, Child Labour is strictly prohibited, and the legal minimum working age is 16 years old. The Entity has developed and implemented a robust policy to prevent Child Labour and safeguard the rights of young Workers, including a documented age verification in the recruitment process. As identified during the Audit, no Child Labour or 'young Workers' are currently employed by the Entity. The Entity actively communicates its expectations to suppliers, requiring

CRITERION	RATING	COMMENT
		them to comply with legal standards regarding Child Labour and young Workers.
10.3a-c Forced Labour	Conformance	<p>The Entity has implemented Policies that prohibit the use of Forced Labour and Human Trafficking, and that require compliance by both it and its suppliers with relevant regulations. No instances of illegal wage withholding, debt bondage, retention of personal identification documents or other indications of Forced Labour were identified during the Audit.</p> <p>The Entity's annual Modern Slavery Statement is available in the Entity's 2026 ASI Information Disclosure, page 50:  <a href="http://www.hongqiaochina.com/Uploads/File/2026/05/22/%E4%BA%91%E5%8D%97%E5%AE%8F%E7%A0%9A%E3%80%81%E6%99%BA%E9%93%9D%E6%96%B0%E6%9D%90%E6%96%99%E6%9C%89%20%E9%99%90%E5%85%AC%E5%8F%B8ASI%E4%BF%A1%E6%81%AF%E6%8A%AB%E9%9C%B2%EF%BC%882026%EF%BC%89.20260522093625.pdf">http://www.hongqiaochina.com/Uploads/File/2026/05/22/%E4%BA%91%E5%8D%97%E5%AE%8F%E7%A0%9A%E3%80%81%E6%99%BA%E9%93%9D%E6%96%B0%E6%9D%90%E6%96%99%E6%9C%89%20%E9%99%90%E5%85%AC%E5%8F%B8ASI%E4%BF%A1%E6%81%AF%E6%8A%AB%E9%9C%B2%EF%BC%882026%EF%BC%89.20260522093625.pdf</a></p>
10.4a-c Non-Discrimination	Conformance	<p>The Entity is fully committed to maintaining a policy of non-Discrimination in all aspects of its operations. No cases of Discrimination have been reported. A review of recruitment advertisements, personal files and training plans indicates that all employment decisions are made solely based on the candidate's ability to meet the job's requirements, without consideration of personal characteristics such as race, gender, age, religion or other factors.</p> <p>Recruitment advertisements and training plans explicitly state the Entity's commitment to non-Discrimination. Workers interviewed during this Audit have confirmed that they feel treated both equally and fairly within the Entity.</p>
10.5 Communication and engagement	Conformance	<p>The Entity maintains regular and open communication with Workers and their representatives to promote transparency and to effectively resolve workplace concerns. Clear communication channels have been made available to employees, enabling them to report complaints or raise issues related to working conditions, conflict resolution, compensation, and other matters. These channels are used freely without fear of retaliation, intimidation or harassment, creating a supportive and secure environment for open dialogue.</p>
10.6a-g Violence and Harassment	Conformance	<p>The Entity develops and effectively enforces robust 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 the verbal abuse of employees.</p> <p>No instances of Violence and Harassment have been reported or identified to date.</p> <p>The Policy is integrated into the Code of Conduct and the Entity's 2026 ASI Information Disclosure, page 3 and page 42:  <a href="http://www.hongqiaochina.com/Uploads/File/2026/05/22/%E4%BA%91%E5%8D%97%E5%AE%8F%E7%A0%9A%E3%80%81%E6%99%BA%E9%93%9D%E6%96%B0%E6%9D%90%E6%96%99%E6%9C%89%20%E9%99%90%E5%85%AC%E5%8F%B8ASI%E4%BF%A1%E6%81%AF%E6%8A%AB%E9%9C%B2%EF%BC%882026%EF%BC%89.20260522093625.pdf">http://www.hongqiaochina.com/Uploads/File/2026/05/22/%E4%BA%91%E5%8D%97%E5%AE%8F%E7%A0%9A%E3%80%81%E6%99%BA%E9%93%9D%E6%96%B0%E6%9D%90%E6%96%99%E6%9C%89%20%E9%99%90%E5%85%AC%E5%8F%B8ASI%E4%BF%A1%E6%81%AF%E6%8A%AB%E9%9C%B2%EF%BC%882026%EF%BC%89.20260522093625.pdf</a></p>

CRITERION	RATING	COMMENT
10.7a-c Remuneration	Conformance	The Entity has implemented a management procedure to ensure Workers' wages meet the applicable legal requirements, and Overtime compensation meets all regulatory requirements. Employees are provided with mandatory allowances and are fully enrolled in the social insurance program and house fund. Salaries are paid on time via bank transfer, accompanied by detailed pay statements outlining wages, allowances, overtime payments and any deductions. This information is readily accessible through the internal Office Automation system, fostering clarity and transparency.
10.8a-c Working Time	Conformance	The Entity ensures Compliance with legal requirements and supports employee well-being by accurately recording and monitoring working hours. Office staff work eight hours per day, five days a week, whilst production Workers follow a 'four groups, three shifts' 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 on working days equals eight hours, demonstrating adherence to these standards.
10.9a-b Informing Workers of Rights	Conformance	The Entity ensures that Workers are informed of their rights, and it has established effective cooperation and communication channels with Workers across all its operational Facilities. The Entity provides training courses on Worker's rights in the orientation training when Workers commence working at the Entity and repeats this training periodically. The employee handbook has a specific section to describe Worker's rights. The handbook is distributed to all Workers.
<b>11. OCCUPATIONAL HEALTH AND SAFETY</b>		
11.1a Occupational Health and Safety (OH&S) Management System	Conformance	The Entity has developed, implemented and maintained an Occupational Health and Safety (OH&S) Management System in accordance with ISO 45001:2018, that is continuously improved over time. Based on on-site observations, document reviews including external audit reports, and interviews with management and Workers conducted during this Audit, the effectiveness of the OH&S Management System has been confirmed.
11.1b-e Occupational Health and Safety (OH&S) Management System - Reviews and disclosure	Conformance	<p>The Entity periodically evaluates the performance of its OH&amp;S Management System through monthly safety meetings, annual legal compliance evaluations, internal audits and management review meetings. If any indication of a control gap arises, a review is conducted to determine whether corrective and/or preventive actions are necessary.</p> <p>The performance of the OH&amp;S Management System, including leading and lagging indicators as well as comparative analyses with peer businesses and industry leaders, is available in the Entity's 2026 ASI Information Disclosure, pages 110-113:  <a href="http://www.hongqiaochina.com/Uploads/File/2026/05/22/%E4%BA%91%E5%8D%97%E5%AE%8F%E7%A0%9A%E3%80%81%E6%99%BA%E9%93%9D%E6%96%B0%E6%9D%90%E6%96%99%E6%9C%89%20%E9%99%90%E5%85%AC%E5%8F%B8ASI%E4%BF%A1%E6%81%AF%E6%8A%AB%E9%9C%B2%E6%BC%882026%E6%BC%89.20260522093625.pdf">http://www.hongqiaochina.com/Uploads/File/2026/05/22/%E4%BA%91%E5%8D%97%E5%AE%8F%E7%A0%9A%E3%80%81%E6%99%BA%E9%93%9D%E6%96%B0%E6%9D%90%E6%96%99%E6%9C%89%20%E9%99%90%E5%85%AC%E5%8F%B8ASI%E4%BF%A1%E6%81%AF%E6%8A%AB%E9%9C%B2%E6%BC%882026%E6%BC%89.20260522093625.pdf</a></p>

CRITERION	RATING	COMMENT
11.2 Employee engagement on Health and Safety	Conformance	The Entity has established a Health and Safety Management Committee that holds regular meetings to oversee Facility Health and Safety conditions and drive improvements. To gather employee feedback on OH&S issues, the Entity provides communication channels like suggestion boxes and Workers' representative assemblies, encouraging employees to report and actively participate in resolving Health and Safety concerns.

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**DOCUMENT CONTROL AND VERSION HISTORY**

REVISION	DATE	NOTES
0	22 June 2026	Initial Certification Audit – Full Certification