

Alliance for Water Stewardship Assessment Report as per AWS Standard Version 2.0

For

HongHengSheng Electronical Technology
(Huai'an) Co., Ltd

No.168, Fushikang Road, Huai'an Economic
and Technological Development Zone, Jiangsu
Province

Prepared by: TÜV Rheinland
Cert. Number: AWS-000239
Date: July 20 2020

Contents

1. Client and Certification Details
2. Executive Summary
3. Scope of Assessment
4. Description of the Catchment
5. Summary of the Stakeholder Meeting
6. Summary of Shared Water Challenges
7. Indicator Checklist
 - Major Non-conformities
 - Minor Non-conformities
 - Observations
8. Summary and Conclusion
9. Opportunity and Recommendation
10. Appendix

1. Client and Certification Details

Client Name:	HongHengSheng Electronical Technology (Huai'an) Co., Ltd
Audit location:	No.168, Fushikang Road, Huai'an Economic and Technological Development Zone, Jiangsu Province
Country:	China
Activities/Processes:	Printed Circuit Board manufacturing
Contact person:	Ms. Zhou Li Li
Contact email:	ha-ee-grp3@avaryholding.com
Company website:	http://www.avaryholding.com/
AWS Reference Number:	AWS-000239
Type of audit:	Conformity Assessment
Audit date(s):	14 th ~16 th July 2020
Audit Standard:	V2.0
Proposed date of next audit:	14 th July 2021
Audit report completed by:	Ian Jiang
Contact email:	ian.jiang@tuv.com

2. Executive Summary

The scope of service covers the conformity assessment of water management and usage for Honghengsheng Electronical Technology (Huai'an) Co., Ltd. (hereinafter referred to as 'Honghengsheng'). The assessment was completed in compliance with the AWS Standard Version 2.0 dated in Mar 2019.

Found in 2008, Honghengsheng located at No.168, Fushikang Road, Huai'an Economic and Technological Development Zone, Jiangsu Province, now the premises has about 1200 employees and occupied about 210,000 square meter. Honghengsheng is mainly engaged in the design, research and development, manufacture, and sales of various kinds of printed circuit boards. Honghengsheng is a subordinate of Avary Holding Group.

A pre-assessment for Honghengsheng's facilities and activities as per AWS Standard (Version 2.0) was performed by TÜV Rheinland on June 10th 2020. During the pre-assessment, TÜV Rheinland conducted the site tour covered the production workshop, wastewater treatment plant, chemical warehouse, hazardous waste storage area, and water purified facilities, document review and interview. Total six minor non-conformities and six observation were raised.

On July 14th – 16th, TÜV Rheinland conducted the on-site conformity assessment for Honghengsheng's facilities and activities as per requirement of the AWS Standard (Version 2.0). During the audit, a half-day stakeholder meeting was held on 16th July. About twenty stakeholders participated the meeting covering government, suppliers, neighbor factory, resident etc. Totally one minor non-conformity and three observations were raised during the onsite audit.

TÜV Rheinland also performed an evaluation for Honghengsheng's performance against the AWS advance criteria. The score of the evaluation is 110 points, which fulfills the AWS's platinum-level's requirement.

Findings summary:

- Total: 4
- Major non-conformities: 0
- Minor non-conformities: 1
- Observation: 3

Client's response:

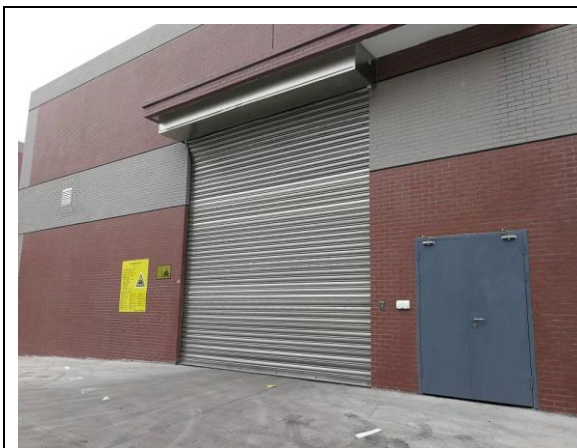
Honghengsheng responded to the findings raised with root cause analysis and action plans. It is confirmed that all corrective action plans are acceptable.

Certification level: Platinum

After thorough evaluation of the non-conformance and observations, in compliance with the AWS Certification Requirement V2.0 TÜV Rheinland auditor team would recommend to reward Honghengsheng AWS Platinum Certified status. Surveillance audit should be conducted on an annual basis.

3. Scope of Assessment

Client factories main products	Printed circuit board
Client factories production processes	Cutting-drilling-exposure-etching- multiband-pressing-electronic plate-pattern transfer-etching-solder mask-surface treatment-molding-testing-packing
Assessment preparations activities include:	Document review, stakeholder comments collecting
Assessment on-site activities includes:	Document review, management interview, employee interview, onsite tour
Assessment follow-up activities includes (in any):	Non-conformity follow up



Hazardous waste warehouse



Online monitoring facilities



Water quality control meter	Discharged water
	
Wastewater treatment	The water purification facilities
	
Rainwater drainage	Neighbour creek

4. Description of the Catchment

Hong Heng Sheng Electronical Technology (Huai'an) Co., Ltd only used the municipal water which supplier by two municipal water plants. The main one is Huai'an Industrial Development Zone Municipal Water Plant, and the source is Old Yellow River. The backup water is from the South City Municipal Water Plant, and the water source is Two River. The Old Yellow River belongs to Old Yellow River sub-catchment and Two River belong to the Two River sub-catchment. Moreover, the water volume and quality may be affected by the Hongze Lake.

For discharged water, the factory adopts the principle of 'Separation of rainwater and wastewater', and the different discharged water flows into different pipeline. The rainwater is discharged into the municipal rainwater pipeline and then finally flows to Si Da Creek.

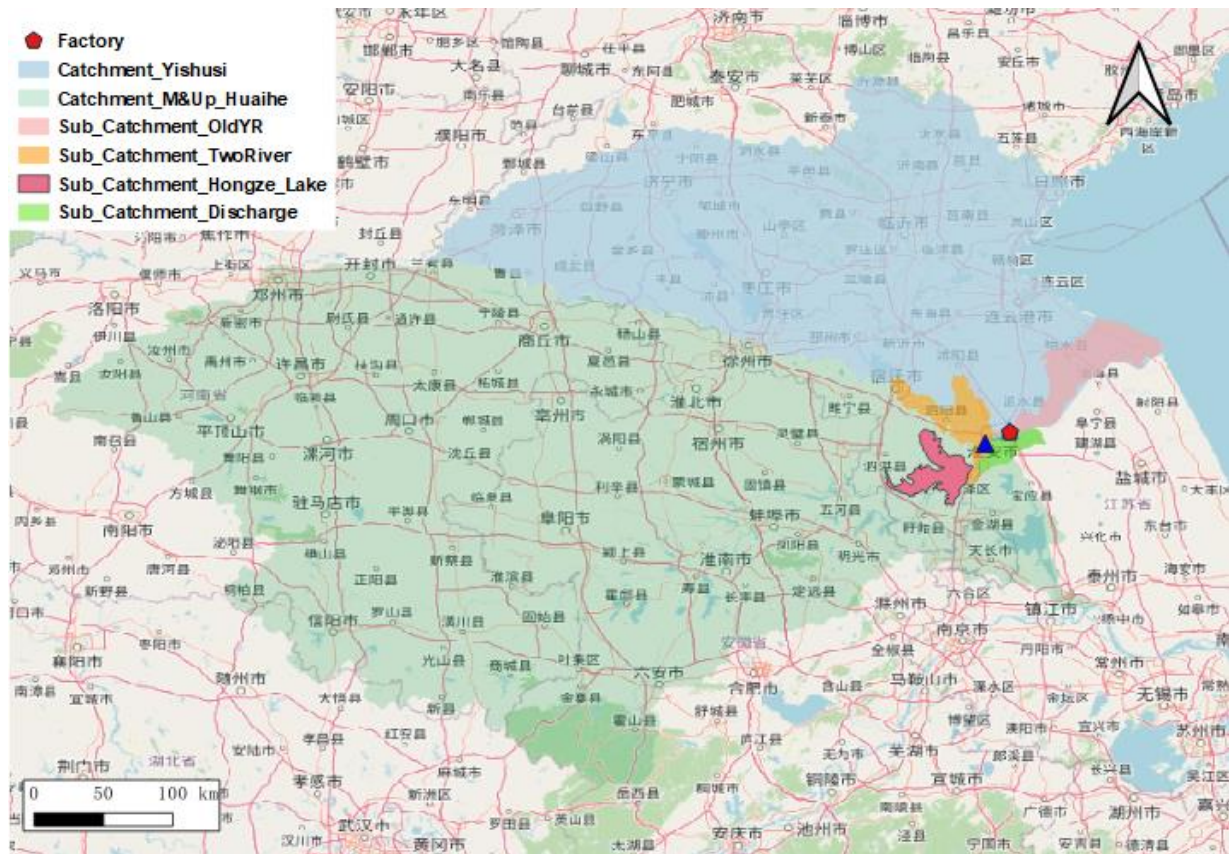
The industrial effluent is treated by the onsite wastewater treatment plant with capacity of 15000m³/d, and domestic sewage is treated by septic tank. After the onsite treatment, all the treated wastewater is discharged to Huai'an Development Zone Wastewater Treatment Plant via municipal plant for further treatment. The wastewater will flow to Qing An River which belongs to Guangaiqu sub-catchment, and then finally goes to the Yellow Sea. The factory is located in the confluence point of a few sub-catchments including Old Yellow River sub-catchment, Two River sub-catchment, Subei Irrigation Channel sub-catchment and Hongze Lake.



Figure of the Municipal Water Plant, Discharged Point, the water source and discharge point

All these rivers belongs to the Huaihe River Catchment. With 700km length and width 400km, Huaihe

River catchment covered about 270 thousand km² across four provinces including Henan, Anhui, Jiangsu and Shangdong. Generally, it is divided into two basins, the north one is Yishusi basin, the south one is Huaihe River basin. Huai'an Located at Huaihe River basin, and its main water source are Old Yellow River and Two River. Due to natural factors and water conservancy projects, the other water bodies are supplied by Hongze Lake, except for Huaihe River. When water is insufficient, it is supplied through the water transfer from the north to the Yangtze River or from Yi to the Huai River.



The figure of Huaihe River Catchment

5. Summary of the Stakeholder meeting

During audit, a stakeholder meeting was conducted to collect their feedback. The meeting was held on the morning in 16th July 2020, total 11 stakeholders of six types of stakeholder group has participated the meeting. Following is the list.

Stakeholder name	Stakeholder type	Summary
Mr. Wu	Government	Expressed compliment for Honghengsheng's actively engagement in water efficiency project and water conservation initiatives, and Honghengsheng's quick actions on soil and ground water investigation in respond to government. And he also confirmed that no complaint is raised to Honghengsheng.

Mr. Xiao	Wastewater treatment plant	With routine and close communication with Honghengsheng, for any technical questions and difficulties.
Mr. Jiang	Neighbor factory	Closed communicate with Honghengsheng, and held water-protection activities with the Honghengsheng.
Ms. Liu	Employee	Learnt about water stewardship in many aspects, and awareness of water increased.
Mr. Yang	Sibling company	Closed communicate with Honghengsheng, and work with Honghengsheng on any water activities including training, exhibition and survey etc..
Mr. Zhou	Employee	Helped to introduce the AWS system. Participated in AWS training. Establish AWS system can meet customer requirement, it also has a good development for the factory.
Mr. Zhang	Employee	Helped to introduce the AWS system. Participated in AWS training. Establish AWS system can meet customer requirement, it also has a good development for the factory.
Ms. Wu	Local resident	Participated the survey sent by Honghengsheng, and observation the water-related protection exhibition held by Honghengsheng.
Mr. Kong	Local resident	Participated the survey sent by Honghengsheng, and observation the water-related protection exhibition held by Honghengsheng.
Mr. Zhou	Supplier	Took part in the water-related training provided by Honghengsheng, finalized the water survey. He also expressed to cooperate with Honghengsheng on water-saving project and communicate good water governance approaches.
Mr. Song	Supplier	Took part in the water-related training provided by Honghengsheng, finalized the water survey. He also expressed to cooperate with Honghengsheng on water-saving project and communicate good water governance approaches.
Ms. Xu and Ms. Ge	AWS representative	Attended as observers, NA

6. Summary of Shared Water Challenges

Honghengsheng has identified and prioritized the shared water challenges as below (1 is the highest):

Water-related challenges	Initiatives by related public institutions	Relevance to stakeholders	Relevance to site	Priority	Reason for prioritization
Water quality deterioration caused by pollutants such as N, P and heavy metals	1. The city's "four measures" to implement water pollution prevention and control work 2. "Notice of the Provincial Department of Ecology and Environment on Sticking to the Problem Orientation and Resolutely Fighting the Yangtze River Protection and Restoration Campaign" 3. "Special Law Enforcement Action Plan for Jiangsu Province to Win the Blue Sky Defense War"	Water quality may affect the residents' living environment of surrounding communities.	More parameters of pollutants may be controlled, and stricter discharged standards may be implemented.	1	If the failure of control, there is a significant risk of disrupting or slowing down the plant operations.
Soil and Groundwater Contamination	1. The State Council Action Plan for Soil Pollution Prevention and Control 2. Notice on strengthening the soil environmental management of key soil pollution supervision units 3. Notice on Doing a Good Job in	The supply chain shall pay attention to the quality of soil and groundwater at its site.	Increase in costs	1	The quality of groundwater and soil at the site may directly affect its long-term planning.

	Preliminary Sampling and Investigation of Soil Pollution Status of Key Supervised Enterprises Huaihuan Development				
Stricter standards for water use efficiency/pollution discharge	1. Huai'an City Urban Drainage Management Measures 2. "Notice of the Provincial Department of Ecology and Environment on the Investigation and Rectification of Formalism in Rural Domestic Sewage Treatment" 3. Management Measures for Pollution Discharge Permits (Trial)	Higher requirements for water use and wastewater discharge of supply chain	Increase in costs of wastewater treatment and reuse	1	If the failure of control, there is a significant risk of disrupting or slowing down the plant operations.
Extreme climate change such as flooding	1. Order of the Ministry of Environmental Protection for the Emergency Management Measures for Sudden Environmental Incidents 2. Emergency plan for environmental emergencies in Huaian City 3. Emergency plan for natural disaster relief in Jiangsu Province	Affecting residents' normal life and disrupting production	Restricting or interrupting production	3	At present, both the government authorities and the company have completed emergency mechanisms.

Water Shortage	1. "Regulations on Water Conservation of Jiangsu Province" 2. "Special Law Enforcement Action Plan for Jiangsu Province to Win the Blue Sky Defense War" 3. "Implementation Plan for Water Saving Action in Jiangsu Province"	Affecting residents' normal life and interruption of enterprises' production; and Water affairs department strengthens water resources management.	Restricting or interrupting production	3	The plant now has two water sources, and current Huai'an water supply is sufficient.
Insufficient infrastructure	1. "Implementation Rules for the Credit Management of Water Conservancy Project Construction in Huai'an City" 2. "Notice on Printing and Distributing the Three-year Construction Plan (2018-2020) of Jiangsu Province's Ecological Environment Monitoring and Monitoring System" 3. "Notice of the Municipal Ecological Environment Bureau on Doing a Good Job in the Construction of Pollution Source Monitoring Facilities"	Infrastructure management department needs to continuously improve infrastructure construction.	Drainage restrictions influence production.	4	Infrastructure has been improved and seamless connection with municipal facilities have been performed by the company.
Fragile	1. "Measures for	Poor overall	The	4	Cooperation

ecosystem	<p>the Management and Protection of Rural Rivers in Jiangsu Province"</p> <p>2. "Notice on Issuing the Three-Year Construction Plan (2018-2020) of Jiangsu Province's Ecological Environment Monitoring and Monitoring System"</p> <p>3. Notice on the issuance of the "Interim Measures for the Administration of Water Conservancy Planning of Huai'an City"</p>	environmental conditions in the region	preliminary treatment of wastewater is quite important for a factory.		with government authorities in ecological restoration and protection work
Increased water and wastewater costs	<p>1. Huai'an City Water Conservation Management System</p> <p>2. Implementation plan of water saving action in Jiangsu Province</p> <p>3. Huai'an City's implementation plan for the progressive price increase system over quota and plan</p>	Increase in residents' living costs, and increase in enterprises' production costs	Increase in production costs	3	Internal control

7. Indicators Checklists

Per requirements set from the AWS certification requirements V2.0, below is a checklist of all the CORE AWS indicators. The documents reviewed/ processes reviewed are also indicated.

Criteria	Documents Reviewed
STEP 1: Gather and Understand	
<p>1.1 Define the physical scope:</p> <p>1.1.1 Map site boundaries;</p> <p>1.1.2 Water-related infrastructure, including piping network, owned or managed by the site or its parent organization</p> <p>1.1.3 Any water sources providing water to the site that are owned or managed by the site or its parent organization</p> <p>1.1.4 Water service provider (if applicable) and its ultimate water source</p> <p>1.1.5 Discharge points and waste water service provider (if applicable) and ultimate receiving water body or bodies</p> <p>1.1.6 Catchment(s) that the site affect(s) and is reliant upon for water</p>	<p> <input checked="" type="checkbox"/> Documentation or map of the site's boundaries <input checked="" type="checkbox"/> Names and location of water sources <input checked="" type="checkbox"/> Names and location of effluent discharge points <input type="checkbox"/> Other : </p> <p>Honghengsheng has collected the information and summarized as the catchment report that included the Huaihe River Catchment, the sub-catchment, the site, the water providers and its ultimate water source, wastewater treatment plant and ultimate receiving water body.</p> <p>Evidences: Catchment Report-Honghengsheng</p>
<p>1.2 Understand relevant stakeholders:</p> <p>1.2.1 Stakeholders and their water-related challenges shall be identified. The process used for stakeholder identification shall be identified</p> <p>1.2.2 Current and potential degree of influence between site and stakeholder shall be identified</p>	<p> <input checked="" type="checkbox"/> List of stakeholders <input checked="" type="checkbox"/> Water-related challenges <input checked="" type="checkbox"/> Current and potential degree of influence <input type="checkbox"/> Other : </p> <p>Honghengsheng has established a stakeholder engagement procedure, including establishing internal and external communication channels with stakeholders.</p> <p>Honghengsheng also established a stakeholder list and influence analysis, covering the information including the communication channel and responsible person. Stakeholder's water-related interests and challenges were collected during the engagement.</p> <p>Evidences: Process for Communication Management (ST-3B0-041), Stakeholder list and influence analysis.</p>

1.3 Gather water-related data for the site:

- 1.3.1 Existing water-related incident response plans
- 1.3.2 Site water balance, including inflows, losses, storage, and outflows
- 1.3.3 Site water balance, inflows, losses, storage, and outflows, including indication of annual variance in water usage rates. An indication of annual high and low variances shall be quantified for risky water-related challenge
- 1.3.4 Water quality of the site's water source(s), provided waters, effluent and receiving water bodies. An indication of annual, and where appropriate, seasonal, high and low variances shall be quantified for risky water-related challenge
- 1.3.5 Potential sources of pollution, including chemicals used or stored on site
- 1.3.6 Mapping on-site Important Water-Related Areas, including a description of their status including Indigenous cultural values
- 1.3.7 Annual water-related costs, revenues, and a description or quantification of the social, cultural, environmental, or economic water-related value
- 1.3.8 Levels of access and adequacy of WASH at the site

- ☒ Water-related incident response plans
- ☒ Site water balance (in Mm3 or m3)
- ☒ Water quality of the site's water source(s), provided waters, effluent and receiving water bodies, such as water test reports
- ☐ Other :

Honghengsheng has developed several water-related incident response plans, including: Environmental Emergency Response Plan covering leakage accident; Special Emergency Response Plan for El Nino; a series of operation procedure for different water-related scenarios including water suspension, wastewater emergency and natural disasters etc.. Honghengsheng has established a comprehensive metering system to record the water input and output daily.

Honghengsheng installed the online monitoring system to monitor the discharged water, and conduct routine internal and external testing to control the quality of discharged water.

Honghengsheng has mapped the potential sources of pollution on the layout map, and no IWRA identified in the site.

Honghengsheng conduct the cost analysis monthly, which covered the water-related costs such as direct water cost, water purification and treatment cost.

Water purifiers are installed at office buildings and all workshops, and regularly drinking water reports are attached next to the purifiers. Sufficient toilets are provided onsite with the hand wash and regularly cleaning. Honghengsheng also conducted WBCSD self-assessment to evaluate the level of onsite WASH.

Evidences:

Honghengsheng's Environmental Emergency Response Plan, Special Emergency Response Plan for El Nino, Wastewater Treatment Emergency Preparedness of Environmental Engineering Operation Section (EB9-NY07-001F)

The test report of water balance of Honghengsheng

Criteria	Documents Reviewed
	Wastewater Online Monitoring report, wastewater testing report covered rainwater, discharged water, Industrial Zone Wastewater Treatment Plant etc.. Map of Potential Pollution source of Honghengsheng. Cost analysis report WBSCD self-assessment sheet
1.4 Gather data on the site's indirect water use: 1.4.1 The embedded water use of primary inputs, including quantity, quality and level of water risk within the site's catchment 1.4.2 The embedded water use of outsourced services shall be identified, and where those services originate within the site's catchment, quantified	<input checked="" type="checkbox"/> List of primary inputs <input checked="" type="checkbox"/> List of outsourced services <input type="checkbox"/> Other : Honghengsheng screened and identified the suppliers accounted for 5 percent of the cost, and then sent the questionnaires to investigate their indirect water consumption. Moreover, by using WWF's map of water risk filter, Honghengsheng also evaluated the water related risk level in the catchment where its suppliers are located. Evidences: Supplier questionnaires Indirect water investigation summary report. WWF Water Risk Filter

Criteria	Documents Reviewed
<p>1.5 Gather water-related data for the catchment:</p> <p>1.5.1 Water governance initiatives shall be identified, including catchment plan(s), water-related public policies, major publicly-led initiatives under way, and relevant goals to help inform site of possible opportunities for water stewardship collective action</p> <p>1.5.2 Applicable water-related legal and regulatory requirements shall be identified, including legally-defined and/or stakeholder-verified customary water rights</p> <p>1.5.3 The catchment water-balance, and where applicable, scarcity, shall be quantified, including indication of annual, and where appropriate, seasonal, variance</p> <p>1.5.4 Water quality, including physical, chemical, and biological status, of the catchment shall be identified, and where possible, quantified</p> <p>1.5.5 Important Water-Related Areas shall be identified, and where appropriate, mapped, and their status assessed including any threats to people or the natural environment, using scientific information and through stakeholder engagement</p> <p>1.5.6 Existing and planned water-related infrastructure shall be identified, including condition and potential exposure to extreme events</p> <p>1.5.7 The adequacy of available WASH services within the catchment</p>	<p><input checked="" type="checkbox"/> Water governance initiatives</p> <p><input checked="" type="checkbox"/> Applicable water-related legal and regulatory requirements</p> <p><input checked="" type="checkbox"/> Catchment water balance (in Mm³ or m³)</p> <p><input checked="" type="checkbox"/> Documentation identifying Important Water-Related Areas (IWRA)</p> <p><input type="checkbox"/> Other :</p> <p>Honghengsheng has established a legislation and regulatory requirement collection system named “Legal Knowledge Network”. Through this system, Honghengsheng can identify the catchment plan(s), water-related public policies, major publicly-led initiatives, and legal requirements.</p> <p>Honghengsheng collected the water resource public report of Huai’an and water quality public report of Huai’an via the related authority website, which contained the water-balance and water quality information of the catchment.</p> <p>Honghengsheng collected the Huai He River Ecological Economic Belt Development Plan, Ecological, Environmental Protection Plan of Jiangsu Province and related documents, and those contained the IWRA in the catchment.</p> <p>According to the Huai’an Economic Development Zone Planning Report, the Huai’an City has 5 municipal water plants and 20 wastewater treatment plants. Based on the Huai’an Statistical Yearbook, in Huai’an, the public water coverage rate is 99.77%, the wastewater Treatment Rate is 94.2%. It indicates that the WASH services in the Huai’an are adequate.</p> <p>Evidences:</p> <p>Background Report for Water Risks, Opportunities and Challenges of Huaihe River Catchment in Huai’an City 2019 (Contained extraction of information from previous mentioned catchment report and plan)</p>

Criteria	Documents Reviewed
<p>1.6 Understand current and future shared water challenges in the catchment:</p> <p>1.6.1 Shared water challenges shall be identified and prioritized from the information gathered</p> <p>1.6.2 Initiatives to address shared water challenges</p>	<p><input checked="" type="checkbox"/> List of shared water challenges</p> <p><input checked="" type="checkbox"/> Other :</p> <p>Background Report for Water Risks, Opportunities and Challenges of Huaihe River Catchment in Huai'an City identified 7 shared challenges in the catchment, and addressed initiatives are also established.</p> <p>Evidences: Background Report for Water Risks, Opportunities and Challenges of Huaihe River Catchment in Huai'an City 2019.</p>
<p>1.7 Understand the site's water risks and opportunities:</p> <p>1.7.1 Water risks faced by the site shall be identified, and prioritized, including likelihood and severity of impact within a given timeframe, potential costs and business impact</p> <p>1.7.2 Water-related opportunities shall be identified, including how the site may participate, assessment and prioritization of potential savings, and business opportunities</p>	<p><input checked="" type="checkbox"/> List of water risks</p> <p><input checked="" type="checkbox"/> List of water-related opportunities</p> <p><input type="checkbox"/> Other :</p> <p>Honghengsheng has identified its water risks in 12 respects covering water governance, sustainable water balance and water quality. Based on risk analysis, Honghengsheng has prioritized its water risks according to potential impact, likelihood within a given time and difficulty of detection. Meanwhile, corresponding response strategies to mitigate water risks are developed. Seven water opportunities including government support, customer encouragement and self-improvement was also identified.</p> <p>Evidences: List of Shared Water Challenges in the Catchment</p>
<p>1.8 Understand best practice towards achieving AWS outcomes:</p> <p>1.8.1 Relevant catchment best practice for water governance</p> <p>1.8.2 Relevant sector and/or catchment best practice for water balance (either through water efficiency or less total water use)</p> <p>1.8.3 Relevant sector and/or catchment best practice for water quality, including rationale for data source</p> <p>1.8.4 Relevant catchment best practice for site maintenance of Important Water-Related Areas</p> <p>1.8.5 Relevant sector and/or catchment best practice for site provision of equitable and adequate WASH services</p>	<p><input checked="" type="checkbox"/> Relevant catchment best practices</p> <p><input type="checkbox"/> Other :</p> <p>Honghengsheng has identified relevant catchment best practice for water governance, water balance, water quality, IWRA and WASH.</p> <p>Evidences: Best practice for water governance, water balance, water quality, IWRA and WASH, including the benchmarking standard.</p>
STEP 2: Commit and Plan	

Criteria	Documents Reviewed
<p>2.1 Commit to water stewardship:</p> <p>2.1.1 A signed and publicly disclosed site statement OR organizational document</p>	<p><input checked="" type="checkbox"/> Statement</p> <p><input type="checkbox"/> Other :</p> <p>A water stewardship commitment to follow all the AWS core criteria has been signed by both Avary Holding's CEO and Environmental Supervisor. The commitment has been displayed on Avary's website. (Note: Honghengsheng is a subordinate of the Avary Holding Group)</p> <p>Evidences:</p> <p>Avary Holding Commitment to Water Stewardship.</p>
<p>2.2 Develop and document a process to achieve and maintain legal and regulatory compliance:</p> <p>2.2.1 The system to maintain compliance obligations for water and wastewater management shall be identified</p>	<p><input checked="" type="checkbox"/> Documented description of system</p> <p><input type="checkbox"/> Other :</p> <p>Honghengsheng has established a procedure to ensure the operation of Honghengsheng to meet the provisions of relevant laws, regulations and other requirements.</p> <p>Evidences:</p> <p>Procedure for Compliance Evaluation of Laws and Other Requirements</p>

Criteria	Documents Reviewed
<p>2.3 Create a water stewardship strategy and plan:</p> <p>2.3.1 A water stewardship strategy shall be identified that defines the overarching mission, vision, and goals of the organization towards good water stewardship in line with this AWS Standard</p> <p>2.3.2 A water stewardship plan shall be identified</p>	<p><input checked="" type="checkbox"/> Water stewardship strategy</p> <p><input checked="" type="checkbox"/> Water stewardship Plan</p> <p><input type="checkbox"/> Other :</p> <p>Honghengsheng has developed a water stewardship strategy. The strategy follows the idea of “Avery Holding Seven Greens”, e.g. green innovation, green procurement, green production, green operation, green service, green recycling and green living, and 6 approaches are identified, including:</p> <ul style="list-style-type: none"> • Make great efforts to cooperate with stakeholders in an open and transparent manner; • Comply with laws, regulations and other requirements; • Actively coordinate and support government authorities to develop water-related plans and policies; • Try our best to use water in a high-efficient way and reduce water loss; • Try our best to reduce pollution and promote the reduction, reuse, recycling and appropriate disposal of wastes; and • Strengthen internal communication and facilitate the understanding of water-related policies. <p>Honghengsheng also developed a Water Stewardship Plan (Year 2020), which specifies targets, required actions, measurement, cost and benefit, accountable and responsible persons, deadline, performance evaluation, etc.</p> <p>Evidences:</p> <p>Avery Holding Water Stewardship strategy</p> <p>2020 Water Stewardship improvement plan</p>

Criteria	Documents Reviewed
<p>2.4 Demonstrate the site's responsiveness and resilience to respond to water risks:</p> <p>2.4.1 A plan to mitigate or adapt to identified water risks developed in co-ordination with relevant public-sector and infrastructure agencies</p>	<p><input checked="" type="checkbox"/> Water risk mitigation plan</p> <p><input type="checkbox"/> Other :</p> <p>Honghengsheng has identified its water risks in 12 respects covering water governance, sustainable water balance and water quality. Based on risk analysis, Honghengsheng has prioritized its water risks according to potential impact, likelihood within a given time and difficulty of detection. Meanwhile, corresponding response strategies to mitigate water risks are developed.</p> <p>Evidences: List of Shared Water Challenges in the Catchment</p>
STEP 3: Implement	
<p>3.1 Implement plan to participate positively in catchment governance:</p> <p>3.1.1 Evidence that the site has supported good catchment governance</p> <p>3.1.2 Measures identified to respect the water rights of others including Indigenous peoples, that are not part of 3.1</p>	<p><input checked="" type="checkbox"/> Good catchment governance evidence</p> <p><input checked="" type="checkbox"/> Identified measures</p> <p><input type="checkbox"/> Other :</p> <p>Honghengsheng actively participated the water-governance meeting held by the government. They also applied for a few water-related programs issued by local authority, and awarded as 'Jiangsu Provincial Water-efficiency Leader', and 'Water-saving Enterprise' in 2019.</p> <p>Honghengsheng also established the 'Process for AWS' Management to strengthen the internal water stewardship management.</p> <p>Evidences: Process for AWS Management(SG-2B0-001EFH) The notification of public the list of 'Huai'an Water-efficiency Leader'. The notification of public the list of 'Huai'an Water-saving enterprise'. Meeting Record for catchment governance meetings.</p>

Criteria	Documents Reviewed
<p>3.2 Implement system to comply with water-related legal and regulatory requirements:</p> <p>3.2.1 A process to verify full legal and regulatory compliance</p> <p>3.2.2 Where water rights are part of legal and regulatory requirements, measures identified to respect the water rights of others including Indigenous peoples</p>	<p><input checked="" type="checkbox"/> Legal and regulatory compliance verification process</p> <p><input type="checkbox"/> Identified measures (if applicable)</p> <p><input type="checkbox"/> Other :</p> <p>Honghengsheng has established a procedure to ensure the operation of Honghengsheng to meet the provisions of relevant laws, regulations and other requirements. They also conducted the regularly review to assess the most updated regulations and its compliance status.</p> <p>Evidences:</p> <p>Procedure for Compliance Evaluation of Laws and Other Requirements</p> <p>Evaluation Report for Compliance with Laws and Regulations Issued.</p>
<p>3.3 Implement plan to achieve site water balance targets:</p> <p>3.3.1 Status of progress towards meeting water balance targets set in the water stewardship plan</p> <p>3.3.2 Where water scarcity is a shared water challenge, annual targets to improve the site's water use efficiency, or if practical and applicable, reduce volumetric total use shall be implemented</p> <p>3.3.3 Legally-binding documentation, if applicable, for the re-allocation of water to social, cultural or environmental needs</p>	<p><input checked="" type="checkbox"/> Status of progress</p> <p><input checked="" type="checkbox"/> Water use efficiency annual target (if applicable)</p> <p><input type="checkbox"/> Legally-binding documentation (if applicable)</p> <p><input type="checkbox"/> Other :</p> <p>Honghengsheng has set the target for water quantity of unit product and water reuse rate. To achieve the targets, they adopted some approaches including:</p> <p>Reuse the RO condensed water in cooling tower.</p> <p>Install a new set of water recycle equipment.</p> <p>Adopt the technology of UF+RO to recycle the wastewater.</p> <p>Evidences: Water stewardship improvement plan of 2020.</p> <p>Monthly water consumption review report.</p>

Criteria	Documents Reviewed
<p>3.4 Maintain or improve site water quality:</p> <p>3.4.1 Status of progress towards meeting water quality targets set in the water stewardship plan</p> <p>3.4.2 Where water quality is a shared water challenge, continual improvement to achieve best practice for the site's effluent shall be identified and where applicable, quantified</p>	<p><input checked="" type="checkbox"/> Status of progress</p> <p><input type="checkbox"/> Site's effluent best practice (if applicable)</p> <p><input type="checkbox"/> Other :</p> <p>Honghengsheng has developed an environmental monitoring program that included wastewater. The random check of monitoring records showed all testing results fully complied with relevant national or local standards.</p> <p>For internal control, Honghengsheng has defined the stricter discharge limits for its effluent, which are 80% of the permitted discharge levels. The testing report showed that all testing results are far lower than 80% of the internal standards.</p> <p>Evidences: Environmental Monitoring Program (Year 2020) Wastewater testing report. Monthly water quality summary report.</p>
<p>3.5 Implement plan to maintain or improve the site's and/or catchments IWRAs:</p> <p>3.5.1 Practices set in the water stewardship plan to maintain and/or enhance the site's IWRAs shall be implemented</p>	<p><input type="checkbox"/> Practices set in the water stewardship plan</p> <p><input type="checkbox"/> Other :</p> <p>There are no Important Water-Related Areas in the site. In addition, the site has little influence on the Important Water-Related Areas in the catchment. So it is not applicable.</p> <p>Evidences: NA</p>

Criteria	Documents Reviewed
<p>3.6 Implement plan to provide access to WASH:</p> <p>3.6.1 Evidence of the site's provision of adequate access to safe drinking water, effective sanitation, and protective hygiene (WASH) for all workers onsite shall be identified and where applicable, quantified</p> <p>3.6.2 Evidence that the site is not impinging on the human right to safe water and sanitation of communities through their operations, and that traditional access rights for indigenous and local communities are being respected, and that remedial actions are in place where this is not the case, and that these are effective</p>	<p><input checked="" type="checkbox"/> Evidence of site's provisions of WASH</p> <p><input type="checkbox"/> Evidence of site operations not affecting water rights of surrounding environment</p> <p><input type="checkbox"/> Other :</p> <p>Water purifiers are installed at office buildings and all workshops, and regularly drinking water reports are attached next to the purifiers. Sufficient toilets are provided onsite with the hand wash and regularly cleaning. Honghengsheng also conducted WBCSD self-assessment to evaluate the level of onsite WASH.</p> <p>Evidences: Potable water testing report. Statistics of WASH Installations. WBSCD self-assessment sheet.</p>
<p>3.7 Implement plan to maintain or improve indirect water use within the catchment:</p> <p>3.7.1 List of suppliers and service providers, along with the actions they have taken as a result of the site's engagement relating to indirect water use</p> <p>3.7.2 Evidence of engagement with suppliers and service providers, as well as, when applicable, actions they have taken in the catchment as a result of the site's engagement related to indirect water use, shall be identified</p>	<p><input checked="" type="checkbox"/> List of suppliers and service providers</p> <p><input checked="" type="checkbox"/> Evidence of engagement with suppliers and service providers</p> <p><input type="checkbox"/> Other :</p> <p>Honghengsheng screened the suppliers to identify the supplier account for 5 percent of the cost, and then sent the questionnaires to investigate their indirect water consumption.</p> <p>Honghengsheng provided training of the AWS to the suppliers in suppliers conference, and encouraged them to adopt the AWS system.</p> <p>Evidences: Supplier questionnaires Indirect water investigation summary report. AWS seminar record Supplier conference record</p>

Criteria	Documents Reviewed
<p>3.8 Notify the owners of shared water-related infrastructure of any concerns:</p> <p>3.8.1 Evidence of engagement, and the key messages relayed with confirmation of receipt</p>	<p><input checked="" type="checkbox"/> Evidence of engagement</p> <p><input type="checkbox"/> Other :</p> <p>Honghengsheng keeps close contact with local water-related infrastructure owners through many ways such as Wechat, e-mail, phone call or written letter. Based on the communication records, main issues included the consultation of the water price, the wastewater discharge standard, the municipal drainage facilities and floor control facilities, etc.</p> <p>Evidences: Records of communicating with local water-related infrastructure owner</p>
<p>3.9 Implement actions to achieve best practice towards AWS outcomes:</p> <p>3.9.1 Actions towards achieving best practice, related to water governance</p> <p>3.9.2 Actions towards achieving best practice, related to targets in terms of water balance</p> <p>3.9.3 Actions towards achieving best practice, related to targets in terms of water quality</p> <p>3.9.4 Actions towards achieving best practice, related to targets in terms of the site's maintenance of IWRAs</p> <p>3.9.5 Actions towards achieving best practice, related to targets in terms of WASH</p>	<p><input checked="" type="checkbox"/> Actions related to water governance</p> <p><input checked="" type="checkbox"/> Actions related to water balance</p> <p><input checked="" type="checkbox"/> Actions related to water quality</p> <p><input type="checkbox"/> Actions related to IWRAs</p> <p><input checked="" type="checkbox"/> Actions related to WASH</p> <p><input type="checkbox"/> Other :</p> <p>Honghengsheng has collected the best practices for AWS outcomes, and established a plan to achieve these outcomes. In the plan, the actions, cost, benefit, responsible person, timeline and status are listed, and the progress will be reviewed regularly.</p> <p>Evidences: Water Stewardship Plan - Improvement Action List (Year 2020)</p>
STEP 4: Evaluate	

Criteria	Documents Reviewed
<p>4.1 Evaluate the site's performance:</p> <p>4.1.1 Performance against targets in the site's water stewardship plan and the contribution to achieving water stewardship outcomes shall be evaluated</p> <p>4.1.2 Value creation resulting from the water stewardship plan shall be evaluated</p> <p>4.1.3 The shared value benefits in the catchment shall be identified and where applicable, quantified</p>	<p><input checked="" type="checkbox"/> Performance against targets</p> <p><input checked="" type="checkbox"/> Value creation</p> <p><input type="checkbox"/> The shared value benefits (if applicable)</p> <p><input type="checkbox"/> Other :</p> <p>As per the Water Stewardship plan (2020), Honghengsheng has established 8 targets covered the water governance, water balance, water quality and WASH. Until the audit day, the Honghengsheng has complete:</p> <p>Established the AWS management system.</p> <p>Complete the survey of indirect water consumption of the suppliers.</p> <p>Testing water quality of the neighbour river/creek.</p> <p>Achieve the target(Year 2019) of water consumption of the unit products: 2.12m³/m²</p> <p>Honghengsheng analysed its costs and value creation resulting from the implementation of water stewardship plan. In 2019, Honghengsheng saved about 3.9 million on water.</p> <p>Evidences:</p> <p>Water Stewardship Plan - Improvement Action List (Year 2020)</p> <p>Management review of the environmental performance(Year 2019)</p> <p>Water-saving achievement report</p>

Criteria	Documents Reviewed
<p>4.2 Evaluate the impacts of water-related emergency incidents:</p> <p>4.2.1 A written annual review and (where appropriate) root-cause analysis of the year's emergency incident(s) shall be prepared and the site's response to the incident(s) shall be evaluated and proposed preventative and corrective actions and mitigations against future incidents shall be identified</p>	<p><input checked="" type="checkbox"/> A written annual review and root-cause analysis</p> <p><input type="checkbox"/> Other :</p> <p>No water-related emergencies and extreme events occurred at the site in recent years.</p> <p>Honghengsheng has developed several water-related incident response plans, which contained the analysis and improvement procedure.</p> <p>Evidences:</p> <p>Honghengsheng's Environmental Emergency Response Plan, Special Emergency Response Plan for El Nino, Wastewater Treatment Emergency Preparedness of Environmental Engineering Operation Section(EB9-NY07-001F)</p>
<p>4.3 Evaluate the stakeholders' consultation feedback:</p> <p>4.3.1 Consultation efforts with stakeholders on the site's water stewardship performance shall be identified</p>	<p><input checked="" type="checkbox"/> Stakeholder feedback</p> <p><input type="checkbox"/> Other :</p> <p>Honghengsheng performed an online satisfaction survey regarding its water stewardship. A Stakeholder Evaluation and Analysis Report in 2019 was generated. The survey results showed that about 80% of the interviewees are very satisfied or satisfied with Honghengsheng's performance.</p> <p>During onsite audit, the meeting with stakeholders also showed their satisfaction of Avary Shenzhen's water stewardship.</p> <p>Evidences:</p> <p>Summary of satisfaction survey</p>
<p>4.4 Evaluate and updated the site's water stewardship plan:</p> <p>4.4.1 The site's water stewardship plan shall be modified and adapted to incorporate any relevant information and lessons learned from the evaluations in this step and these changes shall be identified</p>	<p><input type="checkbox"/> Modification of water stewardship plan</p> <p><input type="checkbox"/> Other :</p> <p>This is the initial assessment. Not applicable.</p> <p>Evidences: NA</p>
STEP 5: Communication and Disclosure	

Criteria	Documents Reviewed
<p>5.1 Disclose water-related internal governance of the site's management:</p> <p>5.1.1 The site's water-related internal governance, including positions of those accountable for compliance with water-related laws and regulations shall be disclosed</p>	<p><input checked="" type="checkbox"/> Summary of governance</p> <p><input type="checkbox"/> Other :</p> <p>Honghengsheng Organization Chart of Integrated Management System clearly shows the manager representative of environment and water stewardship, the responsible department and person. The Organization Chart is available on Avary Holding's website: http://www.avaryholding.com/upload/file/2020-07-08/2ed63ed1-1a7a-484b-a6aa-a811bb02ecd0.pdf</p> <p>Evidences: Avary Holding website</p>
<p>5.2 Communicate the water stewardship plan with relevant stakeholders:</p> <p>5.2.1 The water stewardship plan, including how the water stewardship plan contributes to AWS Standard outcomes, shall be communicated to relevant stakeholders</p>	<p><input checked="" type="checkbox"/> Documented evidence of communicating</p> <p><input type="checkbox"/> Other :</p> <p>The water stewardship plan is available on Avary Holding's website. http://www.avaryholding.com/upload/file/2020-07-08/2ed63ed1-1a7a-484b-a6aa-a811bb02ecd0.pdf</p> <p>Evidences: Avary Holding website</p>
<p>5.3 Disclose annual site water stewardship summary:</p> <p>5.3.1 A summary of the site's water stewardship performance, including quantified performance against targets, shall be disclosed annually at a minimum</p>	<p><input checked="" type="checkbox"/> Water stewardship performance summary</p> <p><input type="checkbox"/> Other :</p> <p>Water stewardship performance summary is available on Avary Holding's website. Also the CSR and annual report will disclose the water stewardship performance.</p> <p>http://www.avaryholding.com/upload/file/2020-07-17/dfb149c7-e559-4d8d-b534-d15520a85b4f.pdf</p> <p>Evidences: Avary Holding website</p>

Criteria	Documents Reviewed
<p>5.4 Disclose efforts to collectively address shared water challenges:</p> <p>5.4.1 The site's shared water-related challenges and efforts made to address these challenges shall be disclosed</p> <p>5.4.2 Efforts made by the site to engage stakeholders and coordinate and support public-sector agencies shall be identified</p>	<p><input checked="" type="checkbox"/> Disclosure evidence</p> <p><input type="checkbox"/> Other :</p> <p>Efforts to collectively address shared water challenges are available on Avary Holding's website. http://www.avaryholding.com/upload/file/2020-07-17/dfb149c7-e559-4d8d-b534-d15520a85b4f.pdf</p> <p>Evidences: Avary Holding website</p>
<p>5.5 Communicate transparency in water-related compliance:</p> <p>5.5.1 Any site water-related compliance violations and associated corrections shall be disclosed</p> <p>5.5.2 Necessary corrective actions taken by the site to prevent future occurrences shall be disclosed if applicable</p> <p>5.5.3 Any site water-related violation that may pose significant risk and threat to human or ecosystem health shall be immediately communicated to relevant public agencies and disclosed</p>	<p><input checked="" type="checkbox"/> List of water-related compliance violations with corresponding corrective actions</p> <p><input type="checkbox"/> Other :</p> <p>No water-related compliance violations occurred at the site to date.</p> <p>Evidences: Avary Holding website</p>

Advance indicators

Criteria	Evidences	Score
<p>1.4.3</p> <p>The embedded water use of primary inputs in catchment(s) of origin shall be quantified. (7 points)</p>	<p>Honghengsheng screened the suppliers to identify the supplier account for 5 percent of the cost, and then sent the questionnaires to investigate their indirect water consumption. Moreover, by using WWF's map of water risk filter, Honghengsheng also evaluated the water related risk level in the catchment where its suppliers are located.</p> <p>Evidences: Supplier questionnaires Indirect water investigation summary report. WWF Water Risk Filter</p>	7
<p>1.5.8</p> <p>Efforts by the site to support and undertake catchment level water-related data collection shall be identified. (4-7 points)</p>	<p>Honghengsheng's rainwater discharges via the municipal pipeline, and flows to the Si Da Creek which is not far from the Honghengsheng. To know the water quality of Si Da Creek, Honghengsheng has conducted the river's water quality testing on a monthly basis. Two monitoring points are selected which respectively located at downstream and upstream from the site. The testing parameters consist of pH, total copper, TP, COD and NH3-N. Also, Honghengsheng will report the testing result to the Local Environmental Bureau.</p> <p>Evidences: Water testing report of Sidagou Creek</p>	6
<p>1.5.9</p> <p>The adequacy of WASH provision within the catchments of origin of primary inputs shall be identified. (4 points)</p>	<p>By search on the Statistic Yearbook of different provinces, Honghengsheng has identified adequacy of WASH provision within the catchments of origin of primary inputs including the coverage of safety drinking water supply, the coverage of wastewater treatment, the rate of security disposal of municipal solid waste, and public facilities and environmental sanitation in urban districts.</p> <p>Evidences: Identification of embedded water use of primary inputs</p>	4
<p>1.6.3</p> <p>Future water issues shall be identified, including anticipated impacts and trends. (3 points)</p>	<p>Honghengsheng has collect the information of future water issues, anticipated impacts and trends in the of the Special Emergency Response Plan for El Nino. The main challenge is that the increasing population required more water, but the future water diversion project and technology improvement may counteract the impact.</p> <p>Evidences: Special Emergency Response Plan for El Nino</p>	3

<p>1.6.4</p> <p>Potential water-related social impacts from the site shall be identified, resulting in a social impact assessment with a particular focus on water. (4 points)</p>	<p>Honghengsheng has conducted the social impact evaluation report. The report identified its potential water-related social impacts to local water resource and water quality of water body. The response actions are also analyzed and included in the report.</p> <p>Evidences: The social impact evaluation report</p>	4
<p>2.1.2</p> <p>A statement that explicitly covers all requirements set out in Indicator 2.1.1 and is signed by the organization's senior-most executive or governance body and publicly disclosed shall be identified. (1 point)</p>	<p>A water stewardship commitment to follow all the AWS core criteria has been signed by both Avary Holding's CEO and Environmental Supervisor. The commitment has been displayed on Avary's website. (Note: Honghengsheng is a subordinate of the Avary Holding Group)</p> <p>Evidences: Avary Holding Commitment to Water Stewardship.</p>	1
<p>2.3.3</p> <p>The site's partnership/water stewardship activities with other sites within the same catchment (which may or may not be under the same organisational ownership) shall be identified and described. (4 points)</p>	<p>Honghengsheng works with Qing Ding Precision Electronics (Huai'An) Co., Limited (Another Subordinate of Avary Holding Group) located in Huai'an Economic Development Zone, Jiangsu Province in the promotion of water management in accordance with the AWS standards.</p> <p>Evidences: Communication record with Qing Ding.</p>	4
<p>2.3.4</p> <p>The site's partnership/water stewardship activities with other sites in another catchment(s) (either under same corporate structure or with another corporate site) shall be identified. (4 points)</p>	<p>Honghengsheng works with Avary Holding (Shenzhen) Co., Ltd (HQ of the Avary Holding Group) which is located in Shenzhen, Guangdong Province, and shares the experiences and knowledge during implementation of the AWS system.</p> <p>Evidences: Communication record with Qing Ding.</p>	4
<p>2.3.5</p> <p>Stakeholder consensus shall be sought on the site's water stewardship plan. Consensus should be achieved on at least one target. A list of targets that have consensus and in which stakeholders are involved shall be identified. (7 points)</p>	<p>In 5th June 2020, Honghengsheng held the activity of '5th June Environmental Day' aiming at raising the environmental protection awareness of the public. During the activity, Honghengsheng introduced the water stewardship plan to the representative of Environmental Bureau, Development Zone Authority and neighbour factory, target included conduct soil contamination and underground water investigation, continuously concerned on the water quality of neighbour water body etc.,. The plan obtained their recognition.</p> <p>Evidences: Photo, record of the '5th June Environmental Day'</p>	7
<p>2.4.2</p>	<p>Honghengsheng has developed a Special Emergency Response Plan for El Niño, which focuses on mitigation or adaption to water risks</p>	6

<p>A plan to mitigate or adapt to water risks associated with climate change projections developed in co-ordination with relevant public-sector and infrastructure agencies shall be identified. (6 points)</p>	<p>associated with climate change projections. The plan provides climate change projections regarding typhoon, rainstorm and extreme high-temperature based on the analysis of past events, introduces the early warning signals and risk factors of different events related to climate change and develops a response action plan.</p> <p>Evidences: Special Emergency Response Plan for El Nino</p>	
<p>3.1.3 Evidence of improvements in water governance capacity from a site-selected baseline date shall be identified. (2 points)</p>	<p>Honghengsheng established the 'Process for AWS' Management to strengthen the internal water stewardship management.</p> <p>Evidences: Process for AWS Management (SG-2B0-001EFH)</p>	2
<p>3.1.4 Evidence from a representative range of stakeholders showing consensus that the site is seen as positively contributing to the good water governance of the catchment shall be identified. (2 points)</p>	<p>One of Honghengsheng's customers praised the Honghengsheng's contribution on water governance and used it as a model example in their CSR report.</p> <p>Evidences: Apple SR 2019 Progress Report.</p>	2
<p>3.6.3 A list of actions taken to support the provision to stakeholders in the catchment of access to safe drinking water, adequate sanitation and hygiene awareness shall be identified. (5 points)</p>	<p>Honghengsheng has taken series of actions to support the provision to stakeholders in the catchment of access to safe drinking water, adequate sanitation and hygiene awareness, including:</p> <ul style="list-style-type: none"> • Provide free drinking water for sanitation workers and delivery men (A notice of providing safe drinking water for sanitation workers and delivery men is posted at the guard room adjacent to the road); • Provide free drinking water and adequate sanitation and hygiene facilities for all external staff such as external construction workers and operators. <p>Evidences: Notice of providing safe drinking water for sanitation workers and delivery men Notification of External Construction Workers and Operators</p>	5
<p>3.7.3 Actions taken to address water related risks and challenges related to indirect water use outside the catchment shall be documented and evaluated. (5-7 points)</p>	<p>Honghengsheng screened the suppliers to identify the supplier account for 5 percent of the cost, and then sent the questionnaires to investigate their indirect water consumption. Moreover, by using WWF's map of water risk filter, Honghengsheng also evaluated the water related risk level in the catchment where its suppliers are located.</p> <p>Honghengsheng organized a supplier seminar and invited its suppliers and service providers(included inside and outside the catchment) to</p>	6

	<p>attend. Honghengsheng provided a training about the AWS standard, and shared its water stewardship plan and encouraged its suppliers and service providers to improve their water stewardship. All these actions may improve the suppliers' indirect use performance outside the catchment in future.</p> <p>Evidences: Training materials for its suppliers and service providers</p>	
<p>3.9.6</p> <p>Achievement of identified best practice related to targets in terms of good water governance shall be quantified. (8 points)</p>	<p>Honghengsheng applied for a few water-related programs issued by local authority, and awarded as 'Jiangsu Provincial Water-efficiency Leader', and 'Water-saving Enterprise' in 2019.</p> <p>Honghengsheng also established the 'Process for AWS' Management to strengthen the internal water stewardship management.</p> <p>Evidences: Process for AWS Management(SG-2B0-001EFH) The notification of public the list of 'Huai'an Water-efficiency Leader'. The notification of public the list of 'Huai'an Water-saving enterprise'. Meeting Record for catchment governance meetings.</p>	8
<p>3.9.7</p> <p>Achievement of identified best practice related to targets in terms of sustainable water balance shall be quantified. (8 points)</p>	<p>According to the national "Cleaner Production Standard for Printed Circuit Board Manufacturing (HJ-450-2008)" issued by the Ministry of Environmental Protection, the quantity of water intake for unit product of PCB manufacturing is defined as three levels. The first level represents the advanced international level, the second level represents advanced domestic level, and the third level means the average domestic level.</p> <p>Based on Cleaner Production Audit Report issued in April 2019, Honghengsheng's performance was graded as level one, indicating it's high standard of sustainable water balance.</p> <p>Evidences: Cleaner Production Audit Report of Honghengsheng</p>	8
<p>3.9.8</p> <p>Achievement of identified best practices related to targets in terms of water quality shall be quantified. (8 points)</p>	<p>For internal control, Honghengsheng has defined the stricter discharge limits for its effluent, which are 80% of the permitted discharge levels. The testing report showed that all testing results are far lower than 80% of the internal standards.</p> <p>Based on the statistic report, in 2019, the amount of pollutant that discharged from the wastewater comply with the Pollutant Discharged Permit of Honghengsheng.</p>	8

	<p>Evidences:</p> <p>Environmental Monitoring Program (Year 2020)</p> <p>Wastewater testing report.</p> <p>Monthly water quality summary report.</p>	
<p>3.9.10</p> <p>Achievement of identified best practices related to targets in terms of WASH shall be quantified. (8 points)</p>	<p>Water purifiers are installed at office buildings and all workshops, and regularly drinking water reports are attached next to the purifiers. The 'process for drinking machine management' and 'process for the maintenance of drinking water machine system' were established to specify the requirements of routine maintenance and cleaning. Sufficient toilets are provided onsite with the hand wash and regularly cleaning. Honghengsheng also conducted WBCSD self-assessment to evaluate the level of onsite WASH, and the result revealed that WASH was met the requirement..</p> <p>Honghengsheng also conduct a gap analysis with "Hygienic Standards for the Design of Industrial Enterprises" (GBZ 1-2010), and the result showed that the requirements were fulfilled.</p> <p>Evidences:</p> <p>WBCSD self-assessment sheet</p> <p>Gap analysis report</p>	4
<p>3.9.11</p> <p>A list of efforts to spread best practices shall be identified. (3 points)</p>	<p>Honghengsheng spreads its best practices through the experience exchange meeting held by the government.</p> <p>Evidences:</p> <p>Meeting photo and record of the experience exchange meeting</p>	3
<p>3.9.12</p> <p>A list of collective action efforts, including the organizations involved, positions of responsible persons of other entities involved, and a description of the role played by the site shall be identified. (8-14 points)</p>	<p>Honghengsheng took part in many activities related to water and environment, such as the environmental photo exhibition, public service movie making in Huai'an. Honghengsheng has established a list to record the purpose, participant, time and responsible person of the activities</p> <p>Evidences:</p> <p>Environmental activities list.</p>	8
<p>4.1.4</p> <p>A governance or executive-level review, including discussion of shared water challenges, water risks, and opportunities, and any water-related cost savings or benefits realized, and any relevant</p>	<p>Honghengsheng has developed a "Procedure for Management Review", One of the management review contents is to review the common water challenges identified by the site AWS system, water risks and opportunities, water-related cost savings or benefits achieved, and any related events.</p> <p>Honghengsheng conducts management review on 14 January 2020, including discussion of shared water challenges, water risks, and opportunities, and any water-related cost savings or benefits realized.</p>	3

incidents shall be identified. (3 points)	Evidences: Procedure for Management Review	
<p>4.3.2</p> <p>The site's efforts to address shared water challenges shall be evaluated by stakeholders. This shall include stakeholder reviewing of the site's efforts across all five outcome areas, and their suggestions for continual improvement. (6 points)</p>	<p>Honghengsheng has completed stakeholders' satisfaction survey regarding water stewardship. Based on the Stakeholder Evaluation and Analysis Report, some suggestions for continual improvement is gave by stakeholders. The following actions will be taken:</p> <ul style="list-style-type: none"> • Source reduction and recycling; • Further promotion of wastewater treatment and management level; • Promotion suppliers and industry's environmental awareness-raising; • Participation in ecological restoration and catchment governance; and • Strengthening of external environmental promotion. <p>Evidences: Stakeholder satisfaction survey summary report.</p>	6
<p>5.3.2</p> <p>The site's efforts to implement the AWS Standard shall be disclosed in the organization's annual report. (1 point)</p> <p>Benefits to the site and stakeholders from implementation of the AWS Standard shall be quantified in the organization's annual report.(1 points)</p>	<p>Avary's CSR report and CDP report annually disclose Honghengsheng's implementation of water stewardship against the AWS Standard.</p> <p>Evidences: Avary holding 2019 CSR Report CDP Water Security 2019 Questionnaire</p>	1
Total		110
AWS Level		Platinum

Assessment Non-conformities:

During audit. One non-conformity was raised, and three observations were identified.

Minor non-conformities:

NO.	AWS Expectations	Description of non-conformity	Client's response and Documentation provided	Auditors' assessment
1	1.3.8	As per site tour, about 80% of the inspected toilet does not provide the tissue, which can't meet the requirement of WASH.	<p>Root cause analysis: Because the onsite workers dispose the tissues into the toilet pit, the septic tank will often overflow. Therefore, the tissue in toilet is withdrawn.</p> <p>Corrective actions:</p> <ol style="list-style-type: none"> 1. On the premise of avoiding waste, regularly distribute the tissue to workers personally. Instead of put the tissue in toilet. 2. Strength the education to the employees, to promote the awareness of saving tissue and water. <p>Proposed finished time: 30th August 2020</p>	Accepted.

Observations:

NO.	Description of observation	Client's response and Documentation provided	Auditors' assessment
1	A flush tank for cleaning the filter screen is installed near the emission treatment device on the roof. The cleaning wastewater is discharged to the wastewater treatment plant through the diversion ditch, and the filter waste is deposited in the diversion ditch. It may pollute rainwater when it rains, and the diversion ditch is used as emergency equipment and should not be used as a drainage.	NA	NA
2	The emergency shower (above the eyewash)	NA	NA

	may be equipped with facilities for collecting shower wastewater.		
3	Nitrogen, phosphorus and heavy metals are the main pollution indicators of the water bodies in the basin. Currently, Honghengsheng set 80% of the discharge standards (ammonia nitrogen: 28, total phosphorus: 4, total copper: 1.6) as the internal control standard. In order to further improve the water quality of the basin, it is recommended to adopt set stricter emission standards, for example, the GB21900-2008 Table 2 as the internal control standard for these parameters.(ammonia nitrogen: 15, total phosphorus, 1, total copper: 0.5).	NA	NA

8. Summary and Conclusion of the Assessment

In assessment of the water stewardship performance of the Honghengsheng Electronical Technology (Huai'an) Co., Ltd, it is apparent that the sites put considerable efforts to adopt the AWS standard into the management system.

One minor non-conformity was identified in this audit. Honghengsheng has been requested to make some improvement plans to address the Non-conformity to be fully compliant to the standard.

Three observations were issued during this audit. Auditors pointed out the areas that to be considered for improvement in the following implementation, however, no action is demanded during the audit cycle.

All evidences provided to TÜV Rheinland to address the non-conformity was reviewed and evaluated to ensure the compliance to the AWS standard. All actions were accepted as sufficient to close the non-conformity. Therefore, all AWS core criteria are satisfied.

The advance-level criteria evaluation was performed and the score is 110 point, which fulfils the requirement of Platinum Level (80 or more points).

In conclusion, Honghengsheng Electronical Techonology (Huai'an) Co.,Ltd met the AWS Standard (Version 2.0) Platinum Level.

9. Opportunity and Improvement

Honghengsheng has finished the indirect water consumption of the suppliers, and has an overview on its supplier chain's water consumption. In next step, Honghengsheng may select some core suppliers in the same catchment to improve the indirect water use. Such as to raise their awareness about water environmental protection, encourage them to implement water-saving activities and share the good water-governance practise and experience.