ASI Standards Committee – Minutes – Teleconference

Date: 08 May 2018

Antitrust Statement:

Attendees are kindly reminded that ASI is committed to complying with all relevant antitrust and competition laws and regulations and, to that end, has adopted an Antitrust Policy, compliance with which is a condition of continued ASI participation. Failure to abide by these laws can have extremely serious consequences for ASI and its participants, including heavy fines and, in some jurisdictions, imprisonment for individuals. You are therefore asked to have due regard to this Policy today and in respect of all other ASI activities.

Participants:

Co-Chairs: Annemarie Goedmakers (Chimbo Foundation)
Committee Members: Adam Lee (IndustriALL Global Union), Catherine Athenes (Constellium), Catherine Munger (Rio Tinto), Christophe Boussemart (Nespresso), Rosa Garcia Pineiro (Alcoa), Justin Furness (Council for Aluminium in Building), Justus Kammueller (WWF), Marcel van der Velden (Arconic), Marie-Josee Artist (VIDS - Association of Village Leaders, Suriname), Neill Wilkins (Institute for Human Rights and Business), Nicholas Barla (Odisha Indigenous Peoples Forum, India), Pamela Ravasio (European Outdoor Group), Rolf Varis (IGORA), Stefan Rohrmus (Schueco), Alexey Spirin (Rusal), Steven Bater (EGA), Tom Maddox (Fauna and Flora International), Giulia Carbone (IUCN)
ASI Secretariat: Fiona Solomon, Sam Brumale, Krista West
Alternates and Proxies: Mark Wielga (NomoGaia) as alternate for Kendyl Salcito (NomoGaia).
Apologies: Karl Barth (BMW), Jean-Pierre Mean (Independent anti-corruption expert), Jostein Soreide (Norsk Hydro), Kendyl Salcito (NomoGaia), Hugo Rainey (Wildlife Conservation Society).
Invited: None

Documents circulated:

1. Meeting Agenda (including Meeting Action Log)
2. Minutes of previous meeting 12 April 2018 v1
3. Agenda for Standards Committee face to face meeting 25 – 26 May 2018 (draft 1 May 2018)
4. ASI Oversight Mechanism (draft 3, 1 May 2018)
5. ASI Standards Setting Procedure (version 1, 31 May 2016)
6. Alternate Form [Word]
7. Proxy form for this meeting [Word]

The PowerPoint presentation slides were also circulated.

Meeting objectives:
1. Adopt minutes of the previous meeting.
2. Review and discuss draft ASI Oversight Mechanism (draft 3).
3. Review and discuss final agenda for face to face Standards Committee meeting 25-26 May 2018.
4. Overview/refresher of ASI Standards Setting Procedure (version 1, 31 May 2016).

Items discussed:

1. **Preliminaries**
   a. Welcome to all including the newest members on the Standards Committee:
      - Steven Bater (EGA)
      - Catherine Munger (Rio Tinto)
      - Alexey Spririn (Rusal)
      - Hugo Rainey (Wildlife Conservation Society)
      - Pamela Ravasio (European Outdoor Group)
      - Kendyl Salcito (NomoGaia)
      - Rolf Varis (IGORA)
      - Nicholas Barla, IPAF representative. The second IPAF representative position will be shared among Marie-Josee Artist, Robie Halip, Gina Castelain and Samin Ngach for the next 12 months as part of a transition process and to support regional and gender diversity.
   b. Apologies and proxies received were noted. The Antitrust Compliance Policy was explained for the benefit of new Committee members and further briefing offered where desired.
   c. <u>RESOLVED</u> to accept minutes of previous teleconference meeting held on 12 April 2018 (*version 1*).
   d. Review of Actions Log – see list at end of Agenda with one action currently open.
      - Action 133 - Secretariat to summarise learnings and actions from last year's pilot into a brief report: a paper was circulated to the Committee on 8 May.
      - Action 140 - Reminder to Standards Committee to review and provide any further feedback about the draft Monitoring & Evaluation Plan Action, in advance of discussion at the Perth meeting (Action . This is a requirement for ISEAL membership and a core part of ASI's long-term strategy. See ASI's Theory of Change at https://aluminium-stewardship.org/asi-standards/theory-of-change/.

2. **Standards Committee Update:**
   a. **Co-Chairs Nominations / Elections**
      - There are two Co-Chairs of the Standards Committee: one 'industry' and one 'non-industry'.
      - Committee members are invited to express interest in these roles. The Co-Chairs elected in 2016 are also invited to re-nominate.
      - Agree Co-Chairs or next steps such as nominations and election process by email.

      <u>Committee Discussion:</u>
      - It was agreed that the Committee would open up nominations for the Co-Chair positions, acknowledging that there was one position for industry and one for non-industry.

      ACTION: The Secretariat to receive nominations from interested Standards Committee Members for co-chairs and co-ordinate election process.

   b. **AGM Week update including Standards Committee Meeting [For Information]:**
      - In 2018, the AGM session on Tuesday will include a Standards Committee panel (30 minutes), in addition to a Directors panel which was initiated in 2017. Proposal:
        o All Committee members (and alternates) attending participate in the panel (to be moderated by the CEO)
        o An initial 1-2 prepared questions be asked by the moderator to the Standards Committee Co-Chairs to initiate the discussion, then questions opened to the audience where all Committee members may respond.

- Final draft of the face to face Committee meeting 25-26 May 2018 agenda circulated. It includes the requested extra time on the Saturday morning, to allow more time to discuss biodiversity WG status for communication to the Board.
- Reminder that ASI provides travel support to a CSO and IPAF representatives on the Standards Committee. For Working Group participants, travel support is also provided to one representative from a CSO or from IPAF.
  - If the CSO representative is both a SC member and a WG participant, then travel support is offered to one other WG participant from the same CSO.

c. Accredited Auditor and Registered Specialist Update [For Information]:
- Accredited Audit Firms:
  - Two new firms accredited – International Associates and GUTcert (AFNOR Group). There are ten additional auditors put forward by one accredited audit firm.
  - Review of two applications in progress (ERM CVS and DNV). One of these applications is more global in scope.

Committee Discussion
- One member asked about the nature of the auditor training. The Secretariat noted that at this point ASI was directly providing mandatory training to each auditor either in-person or through on-line webinars. A 'train the trainer' model was not in use. Recorded webinars, including the 'fundamentAl' series that forms part of the auditor training, is available at: https://aluminium-stewardship.org/educational-asi-learning-centre/
- One member asked how ASI were communicating the Geographic Scope of audit firms. The Secretariat responded that each firm's scope was listed on the website. A search function will be added in future.
- One member asked how Geographic Scope was determined. The Secretariat responded that because ASI uses a 'proxy accreditation' model, the scope corresponds to the scope of the relevant existing accreditation/s (such as ISO 9001 or 14001), as well as the geographic experience of the individual auditors accredited.
- One member asked if ASI was in communication with APSCA. The Secretariat responded that they were and that one ASI representative is part of an APSCA Working Group. ASPCA have around 2500 auditors now in their database and are establishing competency requirements for social auditing. Pilots of their training and assessments processes have recently been completed in several countries.

3. 2018 Committee Activities:
   a. ASI Oversight Mechanism [For Information and action]:
   - ASI Oversight Mechanism (draft 3, May 2018) circulated for final comment.
   - Oversight mechanism aligns with oversight requirements in *ISO/IEC 17011:2006 Conformity assessment – General Requirements for Accreditation bodies accrediting conformity assessment bodies* and the *ISEAL Codes of Good Practice for Assuring Compliance with Social and Environmental Standards*.
   - Changes since draft 2 includes:
     - Reference to the internal procedure ASI Certification Audit Report Oversight Assessment
     - Clarification about witness audits on ASI Accredited Auditors including recognition of witness assessment conducted by the audit firms accreditation body (part of the proxy model)
     - Clarification about the outcome from the independent ARP review including a cross reference to the ASI Complaints Mechanism

- o Matters relating to review of sensitive, commercially and confidential information reviewed during witness audits and/or ARP reviews.
- It was also noted that ASI has submitted its ISEAL Associate Membership application. The ISEAL review process is expected to conclude in early October.
- <u>Committee requested to provide final comments/feedback so that the Procedure can be finalised and adopted by the ASI Board.</u>

b. **Biodiversity and Ecosystems Working Group Update [For Information]** – Meeting minutes and actions arising circulated to committee (separately). Summary of key highlights include:
  - Scope and Objectives in the WG Terms of reference reviewed. Some follow-up clarification about the wording of Objective 2 required (in relation to the studies associated with the expansion of no-go commitment).
  - Initial discussion about a WWF study of an overlay between protected areas and key biodiversity areas, and location of bauxite mines claims and active bauxite mines
  - The agenda for the in-person meeting on 24 May 2018 accommodates two main sessions:
    - o Morning to focus on concepts of ecosystem services (ToR Objective no. 1)
    - o Afternoon to focus on protected areas (ToR Objective no. 2)
  - Goals and approach for the in-person WG meeting:
    - o Review relevant studies and information
    - o Overview of existing biodiversity-related criteria in the ASI Performance Standard
    - o Discuss pro's and con's of changes, if any, to the Performance Standards biodiversity criteria
    - o Prepare a status report for the Standards Committee and the ASI Board including progress to date, any sticky issues and next steps.
  - Outcome of the in-person meeting to be reported back to the Standards Committee by Secretariat and SC members present at the WG meeting. A Board teleconference on May 28 will also discuss the progress during AGM Week.

<u>Committee Discussion</u>
  - One member asked if it were possible for a member to bring a proposal dealing specifically with the no-go areas to the Perth meeting for recommendation to the group. The Secretariat responded that it were possible and that the Standards Committee would consider it, however the Committee also needs time to discuss it and take into account the Working Group process which has been endorsed by the Board. It was confirmed by the Secretariat and Co-Chair that the goal was to try to achieve consensus through these processes.
  - While voting can take place in the absence of consensus, it was noted that following the debates and voting of late 2017, the Board is specifically seeking participants to work towards consensus. The process requirements of ASI's Standards Setting Procedure, including public consultation, will also apply.

c. **ASI Standards Setting Procedure [For Information]** – An overview of the ASI Standards Setting process was provided (refresher for continuing members / orientation for newly elected members).
  - The ASI Standards Setting procedure (circulated and [available online](#)), describes the process for the development, approval, publication and revision of ASI Standards and commits to:
    - o be open and transparent in its standards development and review process
    - o encourage input from a wide range of stakeholders
    - o treat input from stakeholders with integrity and respect

- o report publicly on submissions received, including how comments have been addressed in subsequent drafting
- o align with the ISEAL Codes of Good Practice (Standards Setting Code, Impacts Code and the Assurance Code).
- The process is designed to provide the best opportunity for consensus building and reaching consensus about standards setting and revision.

<u>Committee Discussion:</u>
- One member asked if, for the no-go areas discussion, are we in the 'Preparatory Stage'. The Secretariat confirmed that was the case through the convening of the Working Group (though the timing of a revision process had not yet been decided by the Board). It was noted that the slide was trying to summarise 5 pages of procedure.
- One member asked if only the Secretariat can bring forward proposals. The Secretariat confirmed that any member can bring forward a proposal, which the Secretariat would then review and prepare for the Board's review. This is covered in Section 5.1 of the Procedure.
- One member asked what the timeline was for the ISEAL review and decision on our Associate Member application. The Secretariat responded that the ISEAL internal process takes about six months and includes review by their Secretariat, Membership Committee, comment from current ISEAL members and Board review. Once Associate Membership is achieved, there is an approximately one year transition period to Full Membership, during which time remaining areas should move into conformance where required. For example, as ASI is at an early stage of development, impact evaluations cannot yet be conducted, but will be in future. The Standards Committee's current work on the M&E Plan is part of ASI's work on ISEAL compliance with the Impacts Code.

4. AOB
    a. One member noted the publication of a commentary piece between Kendyl Salcito, Executive Director of NomoGaia and ASI Standards Committee member, and the ASI CEO, Fiona Solomon. The link is: https://www.ihrb.org/focus-areas/commodities/human-rights-and-the-aluminium-stewardship-initiative-a-conversation

5. Next Committee teleconference – *Face to face meeting on 25-26 May 2018 in Perth, Australia*