

ASI Standards Committee – Minutes – Teleconference

Date: 4 December 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), Jostein Soreide (Norsk Hydro).

Committee Members: Catherine Athenes (Constellium), Steven Bater (EGA), Tina Björnestål (Tetra Pak), Justin Furness (Council for Aluminium in Building), Justus Kammüller (WWF), Adam Lee (IndustriALL Global Union), Jean-Pierre Mean (Independent anti-corruption expert), Catherine Munger (Rio Tinto), Rosa Garcia Pineiro (Alcoa), Stefan Rohrmus (Schueco), Alexey Spirin (Rusal), Marcel van der Velden (Arconic), Rolf Varis (IGORA), Neill Wilkins (Institute for Human Rights and Business).

Proxy: None.

Alternate: None.

ASI Secretariat: Sam Brumale, Fiona Solomon, Krista West, Thad Mermer

Apologies: Marie-Josée Artist (VIDS - Association of Village Leaders, Suriname), Nicholas Barla (Odisha Indigenous Peoples Forum, India), Karl Barth (BMW), Christophe Boussemart (Nespresso), Carbone (IUCN), Tom Maddox (Fauna and Flora International), Hugo Rainey (Wildlife Conservation Society), Kendyl Salcito (NomoGaia).

Invited: None

Documents circulated:

1. Meeting Agenda (including Meeting Action Log)
2. Minutes of previous meeting 16 October 2018 v2
3. Draft ASI Monitoring and Evaluation Plan (V8, 9 November 2018)
4. ASI M&E Indicators List and Details (9 November 2018) [Excel]
5. Alternate Form [Word]
6. Proxy form for this meeting [Word]

Meeting objectives:

1. Adopt minutes of the previous meeting.
2. Present the Standards Committee 2019 work program.
3. Presentation and discussion about the revised draft ASI Monitoring and Evaluation Plan (v8 9 November 2018) and related M&E Indicators (9 November 2018).

Items discussed:

1. Preliminaries

- a. The Co-Chair opened the meeting and welcomed everyone.
 - Special welcome to the new Committee Member Tina Björnestål (Tetra Pak), filling the Industrial Users casual vacancy.
- b. Apologies and proxies received were noted.

- c. The objectives and approach for the meeting were presented.
- d. **RESOLVED to accept minutes of previous meeting held on 16 October 2018 (version 2).**
- e. Open actions from previous meetings not already covered elsewhere in the meeting shown at end of minutes.

Committee Discussion:

- None.

2. Standards Committee Update:

- a. **ASI Strategy [For Information]-** The ASI Board approved the [ASI Strategic Plan for 2019](#).

Key points for the Standards Committee:

- Next revision of the ASI Standards and normative documents will commence in 2020. The review will cover all parts of the Certification program (Performance Standard and Guidance, CoC Standard and Guidance, Assurance Manual and Claims Guide) for completion by 2021.
- Working Groups, including in the area of biodiversity and ecosystem services, will continue to progress current and new issues during 2019 to prepare for the commencement of the revision process.
- Regarding the Biodiversity and Ecosystem Services Working Group, the Board has noted the following:
 - The issues under discussion are critical to some members. Exploration of the potential implications for bauxite mines in the close vicinity of protected areas should continue to be explored.
 - While all stakeholders are keen to see these resolved as soon as possible, there are limits on how quickly the process can be moved. The stakeholder engagement and dialogue needs to be respectful and done well.
 - Consensus-building is the responsibility of the participants, and the Secretariat's role is to facilitate, enable and support the process. External engagement by ASI members may accelerate the process and help develop clear recommendations to the Standards Committee
 - The sooner the BESWG can reach a position, the sooner the Standards Committee can discuss and formulate a proposal for the 2020 consultation
 - Once the recommendation of the BESWG has been reviewed by the Standards Committee, the upcoming revision changes can be supported by Board-level communications ahead of the consultation process, providing a clear signal to all relevant stakeholders.
- Other points of relevance for the Committee:
 - Two face-to-face Standards Committee meetings are proposed for 2019, a brief one during AGM Week, and a more significant one later in the year, alongside a face-to-face meeting for the relevant Working Group/s. This approach will enable a better separation of meetings that relate to (a) corporate governance and general member and stakeholder engagement (AGM Week) vs (b) deeper topic-based content and standards-setting activities with elected and/or thematically interested participants (Standards Committee and Working Group/s
 - A Governance Review, as set out in ASI's Constitution will commence in April 2019.
- Overview of the timeline for the 2019 ASI Strategy and the process for revising the ASI normative Documents was presented noting the following assumptions:
 - Governance Review completed in 2019
 - Follows the public consultation period noted in the ASI Standards Setting Procedure:

- 60 days for Public Summary & Consultation Plan
- 60 Days first round for ASI Normative Documents
- 30 Days second round for ASI normative Documents
- No allowance for a third consultation period (for ASI Normative Documents).

Committee Discussion:

- One member asked for more information on plans for outreach and implementation in China. The Secretariat noted that China represents more than half of global production and consumption of aluminium and ASI currently has 7 members in China, nearly one quarter of Production and Transformation members. ASI has organised Chinese translations and a local Chinese speaking contact to ensure a consistent approach to implementation and provide a bridge to Secretariat support. China is a member of the International Accreditation Forum (IAF) and ASI are also liaising with China-based accreditation and auditing bodies.
- One member commented that there was still an unresolved issue around no-go for mining in protected areas which has not been resolved as quickly as was hoped. The member stated that the environmental NGOs have drafted a proposal to resolve the issue and that the proposal will be ready to share by around 7 December 2018.
- One member asked about how learning from the first implementation of the Standards since the launch in 2017 would be incorporated into the revision process. The ASI Secretariat described how ongoing learnings are captured in a range of ways including a log of suggestions, post-audit feedback calls of both members and auditors, the elemental FAQ and help desk, and one-on-one Q&A, and that all of these will be used to inform the discussions for the revision.

b. ASI Secretariat Team Planning Retreat [For Information]- The ASI Secretariat held its first team planning retreat in late October in Melbourne to discuss:

- Actions arising from the Strategic Plan with a particular focus on Internal Systems, Monitoring and Evaluation (M&E) and China:
 - Internal systems to support the credibility, integrity, effectiveness and resilience of ASI's programs
 - Internal systems to support the M&E area
 - Support for further and targeted outreach and training opportunities, engagement mechanisms, and exploration of local legal registration options
 - Support for ISEAL Codes assessments noting that the ISEAL Board approved ASI Associate Membership (1 December 2018).
- ASI's inaugural Management Review and covered a range of strategic and operational activities to find ways to improve systems, procedures and overall effectiveness.
- A key goal for the next 12 months is to embed people and systems into our implementation activities, enabling ASI to more efficiently scale up as membership and expectations continue to grow.

Committee Discussion:

- None.

c. Certification and elemental Update [For Information]:

- The 12th audit report was recently submitted to ASI Secretariat for oversight assessment.
- Two new certifications announced since last Committee meeting:
 - Tetra Pak (Performance Standard – Material Stewardship), October 2018
 - Hydro Hoogezand Extrusions (Performance Standard), November 2018

- Three more currently subject to the ASI oversight assessment
- Work in elementAI is continuing on the Member, Auditor and Secretariat Dashboards:
 - Members able to fact check an audit report before it's submitted to ASI for oversight assessment
 - Auditors able to complete all reporting fields noted in the ASI Assurance Manual directly into elementAI
 - Fields added (e.g. Entity name for Certification and Entity Certification Scope for Certificate) to better identify and streamline information that gets included on the ASI Certificate.

Committee Discussion:

- One member stated that they had sent in a question regarding whether they can limit user access to elementAI to read-only for some users. The member added that they had found elementAI to be a really useful tool and talk about it as a great value-add for ASI members.
- The ASI Secretariat responded that the request was logged in the development plans and would be addressed in due course.

d. Member and Auditor Training Update [For Information]:

- Training held in:
 - Chicago: 24 October for Auditors and Members/companies (9 participants)
 - Dubai: 14 November for Auditors and Members/companies (26 registrants)
 - Kuala Lumpur (5-6 November 2018) for ASI Accredited Auditors International Associates (16 participants).
- Five new modules added to the educational online learning platform. This includes the recorded webinar on the Integrated Biodiversity Assessment Tool (IBAT).
- A 'mirror' of the YouTube modules has been created on a QQ site to enable access in China.
- Development of the training program (development and delivery) for 2019 is underway.

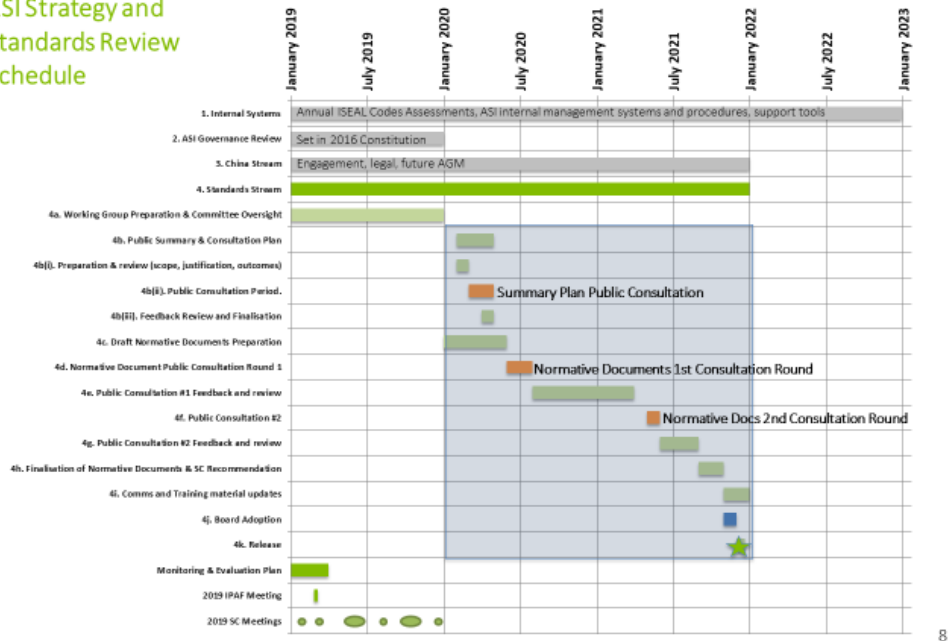
Committee Discussion:

- None.

3. Standards Committee 2018 Work Program Update:

- 2019 Work Program Planning [For Information and action]** – A gantt chart incorporating key actions in the 2019 Strategic Plan and would outlook for the Standards Committee and Working Group was presented (see below):

ASI Strategy and Standards Review Schedule



Work program for the Committee includes:

- Completion and implementation of the M&E Plan.
- IPAF and Working Groups to have additional input on applicable M&E indicators in Q1 2019.
- Other Working Group activities during 2019 include:
 - Biodiversity & Ecosystem Services Working Group: Complete the work for the integration of ecosystem services and revision of the protected areas criteria in preparation for the next major revision of the Performance Standard
 - Human Rights Working Group:
 - Finalise the HRIA guidance
 - Development of additional guidance on Human Rights due diligence
 - Review the Human Rights criteria for areas that may require enhancement (e.g. Migrant Workers) in preparation for the next major revision of the Performance Standard.
 - Standards Benchmarking and Harmonisation Working Group:
 - Document ASI's procedure for Standards Benchmarking and Harmonisation (ISEAL improvement opportunity)
 - Review additional external certification standards and parallel initiatives for recognition (for example, ISO 45001-2018 for OHS Management Systems; IFC Performance Standards, Initiative for Responsible Mining Assurance, once the assurance model is defined).
 - Recycling and Material Stewardship Working Group:
 - Work with European Aluminium to develop guidance to assist integration of SME's including due diligence requirements for responsible sourcing
 - Provide general guidance on good industry practice for collection, segregation and recycling initiatives.
 - Greenhouse Gas Working Group
 - Address the implications of the COP21 agreement to review what a 1.5 degree GHG emissions trajectory would look like for the aluminium sector

- Guidance and methodologies to support Entities throughout the supply chain to establish context based and meaningful GHG reduction targets, based on scientific rationale.
 - Environmental impacts Working Group
 - Guidance and methodologies to help Entities establish context based and meaningful targets to reduce air, water and waste emissions and to improve air, water quality based on supply chain activities.
- Indigenous Peoples Advisory Forum (IPAF)
 - Meeting in Ranchi, Jharkand, India, 25 February-6 March, 2019 to cover:
 - ASI Monitoring and Evaluation Plan, in the area of evaluating outcomes and impacts of ASI Standards for Indigenous peoples
 - ASI Governance Review, with regards to the IPAF terms of reference in the ASI Governance Handbook and Constitution
 - Discussion on the IPAF-related candidate for the ASI Independent Accreditation Review Panel before appointment by the Board.
- Preliminary dates for 2019 teleconferences and in-person meetings:
 - Teleconference – Tuesday 12 February 2019
 - Teleconference – Tuesday 16 April 2018 Teleconference
 - In-Person Meeting – May/June 2019 AGM Week in-person (½ -1 day)
 - Teleconference – Tuesday 6 August 2019
 - In-Person Meeting – October/November 2019 (2-3 days)
 - Teleconference – Tuesday 3 December 2019.
- The 2019 ASI Annual General Meeting Week has been booked for Molde, Norway (about an hour's flight from Oslo) at the Scandic Seilet. Preliminary schedule as follows:
 - AGM and conference 4-5 June, smelter visit on 6 June and Standards Committee meeting on 7 June
 - Training (members and auditors) on Monday 3 June
 - Please mark the date in your calendars, and we will open registrations in early 2019.

Committee Discussion:

- One member commented that smaller entities can feel overwhelmed by the number of criteria but also the 'management systems' terminology of policies, procedures required to fulfil the criteria. SME's may not have formal systems in place though they have the practices in place. The member suggested that there needs to be a 'translation' of the Standard to SME's and that this 'translation' should be a packaging exercise, not one of changing the requirements of the Standard.
- One member stated that the timelines required for the GHG Working Group to address the objectives within its scope can be long. The ASI Secretariat noted that the GHG Working Group's work may be off to a quicker start as the International Aluminium Institute has carried out some baseline studies which they will present to the WG in February.
- The Secretariat noted that there is a lot of preparatory work to do over the next 12 months in advance of the 2020 revision process commencing. In 2019, in addition to what is noted in the Gantt chart, this includes ongoing supporting the implementation of the ASI certification program, oversight processes, implementation support and M&E activities, all of which have implications for future revisions.
- One member suggested that the Secretariat keep the Saturday of the AGM week open for potentially more time to be devoted to the Standards Committee as was done in 2018.

- b. ASI Monitoring and Evaluation Plan [For Information and action]** – Presented and discussed changes in Draft 8 of ASI’s Monitoring and Evaluation Plan, as circulated for discussion:
- Comments received about the Human Rights related sections and indicators:
 - Reworded description of goal B4 (Practices that implement business’ responsibility to respect human rights)
 - Added reference to SDG 16 (Anti-corruption) and SDG 9 (Industry, Innovation and Infrastructure) against relevant indicators
 - Added study on gender under goal B4 (ref XIX).
 - Comments also received to include greater focus on labour rights, beyond the original ‘hotspots’ issues:
 - Added new indicator (23) on Nature of non-conformances relating to Freedom of Association/Right to Collective Bargaining.
 - M&E will be a major focus for 2019, in accordance with our commitments associated with membership of the ISEAL Alliance. Plans include:
 - A new person focused on M&E will join the ASI Secretariat in January 2019
 - Work will include:
 - To develop more detailed protocols to support the quality, reliability and accuracy of data used for monitoring and evaluation (to address ISEAL Impacts Code 8.4)
 - Updates to the elementAI Secretariat dashboard to implement internal protocols and reporting functions
 - Implementation of the M&E Plan and Indicator protocols, including data collection cycles, studies and analyses for public reporting.
 - The Committee was invited to provide any further comments/feedback about the revised draft M&E Plan Indicators (draft 8), particularly in relation to focus areas for the Working Groups.

Committee Discussion:

- One member asked for clarification regarding which M&E items were automatically collected versus those which were reported by members, noting that reporting was an additional burden for SMEs. The ASI Secretariat responded that the 22 Level 1 indicators are already required by the Standard, some of which are required reporting criteria within the Standards (i.e. Criteria 1.7 of the CoC Standard). A detailed data collection and reporting protocol still needs to be developed for each indicator and this will be completed by the new staff person beginning in 2019.
- One member asked if ASI had run a ‘dummy’ report yet? The ASI Secretariat noted that other ISEAL members have developed impact reports and ASI would learn from their work. The Secretariat also noted that they work closely with the ASI Legal Committee to ensure that reporting protects commercial confidentiality even where aggregated. ASI is looking at innovative reporting that, for some indicators, report in real-time versus, or in addition to, the annual compilation model that is traditionally used by organizations for reporting impacts.
- The Committee discussed the International Aluminium Institute (IAI) mass flow models, noting that ASI have collaborating with IAI to incorporate ASI data once it becomes available. Projections in the model were presented at the 2018 AGM in Perth to illustrate the format. Other visualisation approaches are also being explored. It was noted that the IAI model brings long-term historical data that help provide valuable context for ASI impact going forward.
- One member asked what is the zero situation - the first report or some other time prior to the first report. The ASI Secretariat responded that it would depend on the

criteria and that is would likely be a mix of both. The Secretariat is already collecting some pre-certification data during the post-audit feedback calls conducted with Members and Auditors.

- One member stated that several members of the WG had sent in suggestions for the biodiversity indicator but that none of these suggestions were reflected in today's slide. The ASI Secretariat responded that those suggestions were high-level and have been included in the M&E Plan for discussion by the BESWG. They have not yet resulted in a specific indicator for the indicator list.

4. AOB, and closing remarks

- One member brought attention the following two documents (with web links) that had just been released related to human rights:

- [Guidance on Implementing the UN Guiding Principles on Business and Human Rights](#)

- [Corporate Human Rights Benchmark 2018 Key Findings](#)

It was noted that Rio Tinto was recognized for their human rights work and that these reports were further evidence of the need for companies to know and show their responsibilities to protecting human rights.

- The Secretariat thanked everyone for their input during 2018 and wished the Committee the best for the festive season and a happy 2019.

5. Next Committee teleconference – *TBC* with continued focus on the revised draft M&E Plan.