

ASI Standards Committee

Teleconference

18 February 2019

asi Aluminium
Stewardship
Initiative

Antitrust Compliance Policy

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 a Competition 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.



Acknowledgement of Indigenous People

ASI acknowledges Indigenous Peoples and their connections to their traditional lands where we and our members operate. We aim to respect cultural heritage, customs and beliefs of all Indigenous people and we pay our respects to elders past, present and emerging.



ASI Ways of Working



ASI is a multi- stakeholder organisation. Dialogue is at the heart of everything we do. It is critical to ensure that the organisation delivers on its mission. We welcome all participants and value the diversity of backgrounds, views and opinions represented in this meeting. We recognise that we have different opinions; that is the heart of healthy debate and leads to better outcomes. To ensure our meetings are successful, we need to express our views and hear the views of others in a respectful and professional way, protecting the dignity and safety of all participants and enabling full participation from all attendees.



1a,b,c Welcome, Apologies and Objectives

a) Welcome from Co-Chair who acknowledged that this will be the last teleconference meeting from this Standards Committee.

b) Co-Chair: Jostein Soreide (Hydro),

Participants: Alexey Spirin (Rusal), Catherine Athenes (Constellium), Christophe Boussemart (Nespresso), Giulia Carbone (IUCN), Hugo Rainey (WCS), Justus Kammüller (WWF), Kendyl Salcito (Nomogaia), Marcel van der Velden (Arconic), Maria Lee (WOCAN), Neill Wilkins (IHRB), Rosa Garcia Pineiro (Alcoa), Samir Whitaker (FFI), Stefan Rohrmus (Schuco), Steven Bater (EGA).

ASI Secretariat: Cameron Jones, Krista West, Camille Le Dornat, Kamal Ahmed, Marieke van der Mijn

Apologies: Annemarie Goedmakers (Chimbo Foundation), Catherine Munger (RTA), Karl Barth (BMW), IPAF Second Seat, Justin Furness (CAB), Nicholas Barla (IPAF), Rolf Varis (IGORA), Tina Björnestål (Tetra Pak).

Proxies: Jostein Soreide for Jean-Pierre Mean (independent anti-corruption expert)

Alternatives: Samir Whitaker (FFI) for Tom Maddox (FFI)

Invited: Mark Annandale (University of the Sunshine Coast, IPAF Support)

c) Objectives

1. Adopt minutes of the previous meeting
2. Close open action items
3. Adopt Terms of Reference for Chain of Custody Working Group
4. Review the 2019-2020 workplan (present to July 2020)
5. Close the 'impacts' discussions which were held during the previous SC meeting in Cambridge



1d,e Previous Minutes and Log of Actions

d) Previous meeting minutes draft (version 2)

Resolve to accept version 2 of the minutes of previous in-person 25-26 September 2019, subject to any agreed amendments.

Version 2 of the 25-26 September meeting minutes were sent out three weeks ago with Committee package. No comments were received. **RESOLVED**

- Minutes will be published on the ASI website.

e) Log of Meeting Actions

#	Meeting	Subject	Action	Assigned to:	Due Date	Status
156	25 – 26 Sept 2019	Public Summary Audit Reports	Secretariat to follow up with data on who is accessing public summary reports.	Secretariat	09 December 2019	To be closed this meeting: item 1e
155	25 – 26 Sept 2019	Impacts Workshop Discussion	The suggested impacts to be reviewed next meeting with a focus on what can be accomplished through Standard Revision.	Secretariat	09 December 2019	To be closed this meeting: item 4
153	25 – 26 Sept 2019	Code of Conduct	Clarity on Item 1 in the ASI Code of Conduct to be provided	Secretariat	09 December 2019	To be closed this meeting: item 1e
154	25 – 26 Sept 2019	IBAT tool	Schedule a webinar on the IBAT tool related to No Go Areas for auditors and members post-Standard approval.	Secretariat	09 December 2019	Closed – added to schedule
157	25 – 26 Sept 2019	Public Summary Audit Report	Standard Committee members to submit examples of good public headline statements to the Secretariat within two weeks.	Standards Committee	23 October 2019	Closed

The Secretariat provided an update on the Log of Meeting Actions.

1d,e Previous Minutes and Log of Actions

It was asked during the last Standards Committee meeting if ASI has insight into who is accessing Public Summary Reports. The Secretariat doesn't have access to this information as it is in PDF format. This could change as we are moving more data into elementAI but it is currently not available.

1e Log of Actions: Code of Conduct Item 1

- Appendix 1 of the ASI Governance Handbook v2
- A.1 We are prepared to **accept** consensus decisions that seek to balance the interests of all stakeholders.
- B.9 **Accept and respect** the consensus decisions of the Committee or Working Group, and of the ASI Board, including those which required a voting process.
 - Applies to all decisions, even those which are made by vote
- Some definitions from Appendix 1 in the Code of Conduct were explained.

1e Log of Actions: Code of Conduct Item 1

- Appendix 1 of the ASI Governance Handbook v2

Accept & Respect	NOT Accept & Respect
You can continue constructive engagement even though the decision is not that which you preferred.	Continue to raise the same issue when it has been resolved, unless new information has become available.
You can raise a complaint – formally or informally – if you felt ASI's due process wasn't followed in making a decision.	Complain publicly that due process was not followed without first raising the complaint with ASI to review, and address if appropriate.
You can choose to no longer participate in the process eg in the SC or WG if you are very unhappy with direction.	Make public statements criticizing decisions made when ASI's due process was followed.
Your organisation could even choose to leave ASI, if interests no longer seemed aligned. Note lack of interests aligning or being unhappy with a decision or direction is different than a lack of due process.	Place your own objectives above those of ASI as a whole. Pressure other stakeholders in the process, or within ASI's governance, to seek reversal of duly made decisions.

Discussion Summary

- There was discussion on the 3rd bullet point in the righthand column: 'Make public statements criticizing decisions made when ASI's due process was followed.'
- It was mentioned that it is understood why this has been included, however for some civil society organisations it is hard to implement. An example was given: some civil society organisations have public statements on, for example, deforestation, however if ASI would certify a company that is involved in deforestation then a public statement would be made about it. If that would not be accepted anymore under this Code of Conduct, the organisation would have to withdraw its membership of ASI in that situation. It was said that it is almost impossible not to criticize, but it is often not meant to be disrespectful. Perhaps a middle ground can be found.
- It was mentioned that this item is about how things are done, and how it is phrased. It should not sound as criticism.
- It was also discussed that this item is more about respecting the process (of standard-setting). If something has been agreed by consensus or vote, and the process has been duly followed, then this shouldn't then be [publicly] criticised because it has been agreed through consensus and you were part of it. However it is understood that sometimes help is needed on how to then communicate it.

Discussion Summary (2)

- The discussion that followed focussed on two things: respecting the process and the right to 'criticise'. If the final version of a criterion in the Standard is not good enough for an organisation, and efforts to achieve a desired outcome through the standards revision process have failed, it should not be the aim [of this Code of Conduct] that the organisation needs to step away from the Standards Committee or ASI.
- It was mentioned that the way it is currently phrased in the Governance Handbook, the organisation can still respect the process and outcomes that were followed, even if the organisation believes in something bigger.
- This in-depth discussion was valued by the Committee and it was agreed that ASI brings forward some additional guidance as there are many nuances. This will be particularly important as new Committee members join and considering the Standards Revision process ahead.
- ACTION ITEM: Additional examples on what is meant by "Make public statements criticizing decisions made when ASI's due process was followed." as an example of not 'Accept and Respect' from Item B9 in the Code of Conduct.

2 Adopt CoCWG TOR

1. TOR was reviewed by the CoCWG at the November 21, 2019 meeting.
2. CoCWG recommends the addition of one additional objective:

Discuss and make recommendations for which activities at the end of the supply chain require certification in order to make on-product claims. For instance, is the brand or retailer of a beverage container required to be ASI certified in order to make on-product claims and is there a difference between different types of products.

Resolve to accept version 2 of the CoCWG Objectives, subject to any agreed amendments.

Discussion Summary

- It was suggested to look at adding the OECD Due Diligence Guidance, UNGPs and Women's Empowerment Principles within the existing ToR.
- It was recommended to provide clarity on what kind of responsibility companies at the end of the value chain have, especially in relation to the claims they make and recycling. It was agreed that the Secretariat draft some language around this and bring it forward to the next Standards Committee meeting.
- ACTION ITEM: Incorporate OECD Due Diligence and Women's Empowerment Principles within the Existing TOR. Include additional objective for responsibilities of downstream entities related to recycling and claims.

3a Thank you



All Standards Committee members and Co-Chairs were sincerely thanked for their hard work over the last two years.

3b Update on Committee Nominations

- All Standard Committee positions are up for re-election
- Nomination forms were distributed January 20th to Primary Contacts
- Nominations were due by February 7th
- Where nominations exceed vacancies, elections held February 10-21
- New Board and Standard Committee members will be announced the week of February 20th
- Inaugural meeting of the new Standards Committee will be in-person in Cambridge
- Call for nominations of new Co-chairs will be prior to the April in-person meeting; an election will be held electronically if there are more nominations than vacancies

3b Update on Committee Nominations

New Standards Committee Members (still pending election of PT Members)

- Michael Frosch (BMW)
- Marcel Pfitzer (Daimler)
- Alexander Leutwiler (Nestlé Nespresso)
- Anthony Schoedel (Arconic)
- Louis Biswane (Organisation of Kalina and Lokono Indigenous Marowijne – KLIM)
- Abu Karimu (Settle Ghana)
- Maria Lee (WOCAN – Women Organizing for Change in Agriculture and Natural Resource Management)
- Samir Whitaker (Fauna & Flora International)

New Board Members (still pending election of PT Members)

- Marcel van der Sluijs Hermeta Metaalwaren BV)
- Jan Boekelman (Chimbo Foundation)

It was explained that nominations for new Co-Chairs will take place as soon as the new Standards Committee is announced – the call to nominate will come out next week, with elections shortly after so Co-Chairs are well into their roles ahead of the SC meetings in Cambridge.

3b Update on Committee Nominations

Outgoing Standards Committee Members (still pending election of PT Members)

- Karl Barth (BMW)
- Christophe Boussemart (Nespresso)
- Justin Furness (Council for Aluminium in Building)
- Thomas Maddox (Fauna and Flora International)
- Jean-Pierre Méan (Independent Anti-Corruption Expert)
- Marcel van der Velden (Arconic)
- Rolf Varis (IGORA)

Outgoing Board Members

- Kenneth Willings (Aleris)
- Gerard Bos (IUCN)



3c Standards Committee Training

- **Section 12d of the ASI Governance Handbook v2**

- For candidates seeking election to the ASI Standards Committee: ASI's online training must be undertaken before nominating for election. If you are considering nominating for the ASI Standards Committee in future, and have not yet undertaken ASI training, make sure you give yourself time to complete the training before January/February of a given election year.
- For nominees from the Indigenous Peoples Advisory Forum (IPAF): If not previously completed, training should be undertaken as soon as possible following nomination to the Committee.
- Preference will be given to nominees who have completed the training. Training is available:
 - **Online always available (<https://asi-educational.thinkific.com/courses/asi-sc-course>).**
 - **In-person training in London, UK (London, April 6-7).**



3d April In-Person Meeting Focus

1. Greenhouse Gas (GHG) Working Group meeting March 30
2. Chain of Custody (CoC) Working Group meeting March 31
3. Standards Committee meeting April 1-3 with focus on:
 - Governance
 - Approval of the Public Summary and Consultation Plan
 - Including revision scope
 - Revisions to the Assurance Manual and
 - Principles 1-4 of the Performance Standard

*attendance will be in-person only, teleconferencing will not be available

- It was explained that the SC will be held at the same location in Cambridge as September 2019, from 9-5pm each day.
- The Working Group agendas will be distributed 2 weeks in advance.
- ASI will not block a number of rooms for the whole Standards Committee so unless ASI covers your travel costs, please proceed with making your own arrangements.



4 Objectives of Standards Revision Process

Indigenous Peoples	
There is inclusive empowerment in planning, decision-making and execution	<ul style="list-style-type: none">- Logged for further discussion during review of Performance Standard and Assurance Manual- Ongoing work with IPAF and Director of Impacts and Partnerships
IPs get more involved in benefit sharing on their land	
Greater involvement in M&E, including access to the ASI reports that are relevant to their lands.	

- The following sections describe what was seen as the (high-level) impacts that the Committee would like to see coming out of the Standards Revision Process, following the discussions in Cambridge last year.
- The left-hand column shows the objectives, the righthand column shows what it means for the Secretariat.



4 Objectives of Standards Revision Process

Waste

Best practice sharing

Appropriate waste storage before processing (especially relative to dross)

Partnerships with nearby facilities that can process and use waste products.

- Logged for further discussion during review of Performance Standard
- Post revision the SC and ASI can review options for creating tools for members (in particular SMEs)
- Ongoing webinars on best practices

Discussion Summary

- It was asked what the aim is of the second items on the left. It was explained that this item is logged for further discussion during revision process.
- It was asked what the second bullet point on the right means. Does it mean that no work is done on SMEs? It means that there are tools we can include in Standards Revision Process. However development of any bigger tools are parked until the Standards Revision process is completed.

4 Objectives of Standards Revision Process

GHG

Aluminium industry that is consistent with a 1.5 degree target

Sufficient demand for zero emission aluminium to drive demand, acknowledging that there will be increase use of aluminium in a 1.5 degree world:

- Transparency in reporting GHG, an ASI can track GHG emissions through the supply chain and that a company has goals that are consistent with this
- Sufficient demand
- Government policy to support that through a transition (purchasing requirements and trade policy).

- Logged for further discussion during review of Performance Standard
- ASI members encouraged to participate in national and regional fora to support energy transition initiatives

Discussion Summary

- It was mentioned that this will be a challenging discussion, in particular how we define criteria that build on the 1.5 degree target, and what it means for ASI.
- It was said that the 1.5 degree target question is not just about demand, also about supply.
- It was explained that IAI are also addressing this – Chris Bayliss from IAI will be attend the GHGWG meeting on Monday in Cambridge. IAI keen to collaborate with ASI on this moving forward, and there is lots of material available.



4 Objectives of Standards Revision Process

Material Stewardship

To move from current recycling to keep alloy or families of alloys properties (e.g. The 5000 series alloys remains within the 5000 series)

A zero waste/100% recycling pre and post consumer

Zero waste/100% recycling pre and post consumer

Design for circular economy principles

Best practice sharing on recycling strategies – how do we get to 100% Partnerships.

- Logged for further discussion during review of Performance Standard
- Post revision the SC and ASI can review options for creating tools for members (in particular SMEs)
- Webinars on best practices

4 Objectives of Standards Revision Process

Human Rights (Labour and Gender)

UNGPs: state duty to protect human rights, a corporate responsibility to respect human rights. Important to demonstrate there are processes below the policies to human rights objectives

Political engagement: what is the role of ASI and its members in advocacy to have an impact outside of ASI membership

Gender needs to be examined - it isn't just about women, a vision for ASI to have outside consultant come in to do an audit to look for ways of our operation can enhance the way we operate, language that we use.

- Logged for further discussion during review of Performance Standard
- ASI does not engage in political advocacy, but is engaging in research projects such as OHCHR Accountability and Remedy Project III
- As part of the revision, in addition to looking at gender issues for Member and Audit Guidance, ASI's own systems will aim to capture and address relevant insights.

Discussion Summary

- It was noted that Modern Slavery reporting is logged for discussion during the Standards Revision process.
- It was asked when applicability of the Performance Standard (for Material Conversation supply chain activity) will be discussed. It was answered that this will be added to the agenda of the next SC meeting.
- There was a question whether witness audits have started. It was explained that one witness audit took place last year, and more details on this area of work will be provided soon. An update on the internal oversight work that has been carried out by the Secretariat over the last few weeks was also provided.
- There was also a question on whether the calibration work has been done. An update on the oversight process was given.

4 Objectives of Standards Revision Process

Biodiversity

That responsibly produced aluminium is valued. ASI received proper recognition from the customer, throughout the entire value chain that ASI Aluminium is valuable. i.e. there is a value for biodiversity.

ASI is in the global consciousness so there is a level playing field.

Define the global standard and create common understanding in the value chain.

Show leadership: be recognized and acknowledged for what is done and increase transparency on what is not being well done.

Within the global culture of distrust, we can be an example of where collaboration sharing and understanding and having real discussions can lead to real impact.

Setting targets through scientific approaches rather than just minimizing negative impacts.

Influencing the whole industry...raises the level for everyone in aluminium and even outside this industry.

We get to the point when people understand that buying aluminium helps biodiversity.

- Building a sound certification system that drives demand for ASI aluminium and influences
- Continue to develop M&E for transparency and showing impact = communicating the impacts of responsible sourcing
- Logging items for Performance Standard Revision (transparency and scientific targets)

Discussion Summary

- The Secretariat will send the Log of items (more than 200 at the moment) to the Committee. If you don't see an item in there please contact Krista (the earlier the better).
- It was mentioned that a brainstorm exercise of topics took place in Molde, and it was asked if the outcomes of that discussion can be circulated. It was explained that this has been included in the Log but will be checked.
- ACTION ITEM: Review the meeting minutes from Molde in-person meeting to ensure that all items are logged.
- The agenda for BESWG has not been sent out yet. It was clarified that the language that was discussed at the last BESWG meeting in Cambridge has been agreed and won't be edited until it goes out for consultation unless new information comes out. The main work of BESWG is to now work on the Guidance but this is not on the agenda for Cambridge, but will be on the agenda at the next in-person meeting in the second half of 2020.

5 2019-20 Revision Workplan

- Workplan was circulated in advance
- Goal is:
 - Agree on Public Summary and Consultation Plan for standards revision for consultation July 2020
 - Draft documents ready for consultation (following legal review and translations) for January 2021



12a,b,c Agreed Upon Actions & Reflections

- a. Agree any final post-meeting actions and timeframes by Committee members
 - b. Agree actions by Secretariat
 - c. Chairs and Secretariat thanks to all participants and close of meeting
 - d. Next Meeting – In-Person Meeting **April 1-3 Cambridge, UK**
- The Committee welcomed the opportunity to have 2 weeks this year to come together.
 - It was explained that meeting minutes will from now on be circulated in the Powerpoint slides.
 - The Secretariat and Co-Chair once again thanked all Committee members and Co-Chair for their hard work over the last few years.

Thank you

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