

# ASI Standards Committee

Teleconference Minutes

16 December 2020

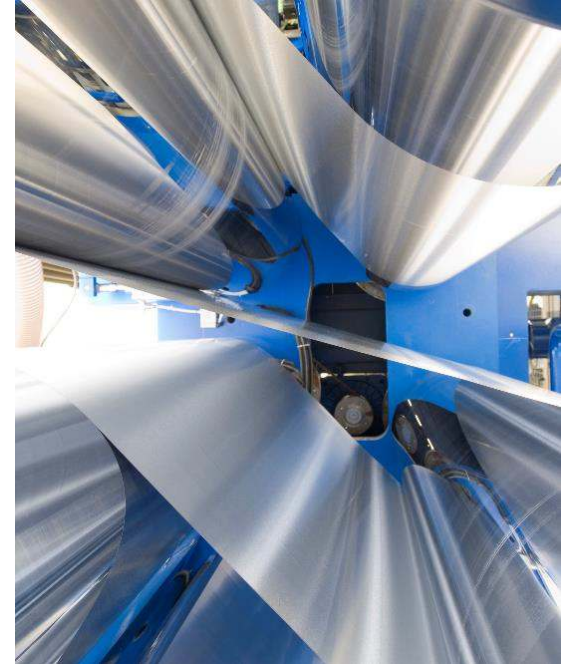
# Antitrust Compliance Policy

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*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

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*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

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*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.*

# Agenda – 16 December 2020

	Topic		Lead	Time
1	<ul style="list-style-type: none"> <li>a. Welcome</li> <li>b. Introduction &amp; Apologies</li> <li>c. Objectives</li> <li>d. Documents Circulated</li> </ul>	<ul style="list-style-type: none"> <li>e. Previous Minutes</li> <li>f. Log of Actions</li> <li>g. Progress/Status Update</li> </ul>	ASI / Chair	5 min
2	<ul style="list-style-type: none"> <li>a. Claims Guide</li> </ul>		ASI / Chair	5 min
3	<ul style="list-style-type: none"> <li>Outstanding CoC Items               <ul style="list-style-type: none"> <li>a. Pre-Consumer Scrap</li> <li>b. Tidying up Definitions</li> <li>c. CoC Documents</li> <li>d. Clarity on Internal Dross</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>d. Platings/Coatings</li> <li>e. Variable Mass of Products</li> <li>f. Criterion 9.3 and Recycled Content</li> <li>g. New Diagram for Criterion 8.1</li> <li>h. New Diagram for 11.1</li> </ul>	ASI / Chair	80 min
4	<ul style="list-style-type: none"> <li>a. Principle 11 Guidance</li> </ul>		ASI	5 min
5	<ul style="list-style-type: none"> <li>a. Agreed upon actions for Committee members</li> </ul>	<ul style="list-style-type: none"> <li>b. Agreed upon actions for the Secretariat</li> <li>c. Close</li> </ul>	Chair	5 min

# 1a,b Welcome, Introduction & Apologies

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**Chair:** Rosa Garcia Pineiro (Alcoa)

**Attendees:** Abdoul Khalighi Diallo (AGEDD - Association Guinéene d'éveil au Développement Durable), Abu Karimu (Settle Ghana), Alexander Leutwiler (Nespresso), Annemarie Goedmakers (Chimbo), Catherine Athenes (Constellium), Gesa Jauck (Trimet), Giulia Carbone (IUCN), Jessica Sanderson (Novelis), Jostein Søreide (Hydro), Kendyl Salcito (Nomogaia), Marcel Pfitzer (Daimler), Samir Whitaker (FFI), Steinunn Steinsen (Nordural), Stefan Rohrmus (Schueco), Tina Bjornestal (Tetrapak).

**ASI:** Cameron Jones (facilitator), Marieke van der Mijn, Camille Le Dornat.

**Apologies:** Anthony Schoedel (Arconic), Gina Castelain (IPAF), Hugo Rainey (WCS), Justus Kammüller (WWF), Louis Biswane (KLIM), Michael Frosch (BMW), Neill Wilkins (IHRB), Nicholas Barla (IPAF).

**Alternatives:** None

**Proxies:** None



# 1c,d Objectives & Documents Circulated

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## Objectives for todays session:

1. Adopt minutes from the meetings on 1<sup>st</sup> and 2<sup>nd</sup> (GHG only) December (no comments received)
2. Approve Claims Guide
3. Agree on some definition improvements and clarifications re. CoC Standard
4. Discussion and agreement on position re. Pre-consumer scrap
5. Approve Guidance for Principle 11
6. Confirm actions and next meetings

## Documents circulated for todays session:

1. ASI SC Teleconference minutes 1Dec20.pdf
2. ASI SC-GHG Teleconference minutes 2Dec20.pdf
3. Principle 11 TC.docx (*last updated 5 December, 2020*)
4. ASI Claims Guide revision TM 29.9.20.docx
5. ASI - SCMemberApptProxyForm 16Dec20.docx
6. ASI - SCMemberAlternateForm 16Dec20.docx

# 1e Previous Minutes and casual SC vacancy

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## PREVIOUS MINUTES

- Does the SC accept both December 1 and December 2 (GHG) meeting minutes?
- Distributed twice to the SC prior to today's meeting.
- No comments received.
- Resolved to accept December 1 and December 2 meeting minutes.

## SC VACANCY

- Due to Tony Schoedel's retirement (Arconic), a casual vacancy has opened. Nomination received from Arconic, and another nomination also received (Nominations closed today).
- Election to be held, however a second vacancy may open after January 5.
- Details of vacancies and possible election (or not) provided to SC after January 5.



# 1f Log of Actions

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Log of Meeting Actions open or underway since last meeting:

1. The Secretariat to add introductory section on “publicly disclose” to the Performance Standard Guidance **OPEN**
2. Add more clarity in 10.8 Guidance on workers who need to work more than 7 days in a row (+ example) **OPEN**
3. The Secretariat to include a modern slavery statement template in the Guidance. **OPEN**
4. The Secretariat to add guidance on vulnerable groups to Criterion 10.1. **OPEN**
5. Review Guidance re. references to national law and check for consistency throughout **UNDERWAY**
6. Incorporate changes to criteria and Guidance for Principle 9 as agreed in 1 December SC meeting **OPEN**

# 1g Progress/Status Update

	PS 1	PS 2	PS 3	PS 4	PS 5	PS 6	PS 7	PS 8	PS 9	PS 10	PS 11	COC	MS	AM	Claims	Final Review
Standard	✓	✓	✓	✓		✓	✓	✓	✓	✓	✓	✓ T	✓	✓	T	
Guidance	✓	✓	✓	✓	-	✓	✓	✓	✓	✓	T	✓				

## Upcoming Meetings:

- 7 January (GHG 'sub-committee' only – for 5.2a)
- 13 January: PS 5. **All decisions made by this date.**
- 21 January: **Final Review and All documents Approved for Consultation**
- February: Review of consultation documents and planning for SC process for post consultation
- March: Benchmarking/Indicators/Verifiers Discussion

# 1g Discussion

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- One participant expressed wanting to discuss the market credits system, arguing it was a controversial issue in the first round of discussions.
- The Secretariat answered that this topic has been discussed with the CoCWG, and it was recommended that since the market credits have not been used at all so far, it's worth leaving it in for an additional 5 years as people might want to use it in the future and that there is no harm in doing so. It was asked if there was a concern to have it stay in.
- A participant said that the initial agreement was to remove this option after a certain period, the exact timing was decided a while ago. This therefore requires a discussion.
- This was supported by another participant who suggested to include the topic on the agenda.
- The Secretariat will look into the previous minutes and discussions to find out what exactly was decided a few years ago, will discuss this internally and come back to the group. It was suggested to discuss this topic at the January meeting or through emails.
- **ACTIONS** – The Secretariat to investigate archives regarding previous decisions that were made on the market credits system and timelines on removing it as an option from the CoC Standard.

## 2 Claims Guide

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No comments on the Claims Guide received

Agree to the revisions for the Guidance for the Claims Guide.

## 2 Discussion

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- There were no comments, and the changes to the Claims Guide were approved.

## 3a Pre-Consumer Scrap

ASI seeks input during this consultation on the allowance of pre-consumer scrap as a CoC Material. The ASI Standards Committee Proposes that Pre-Consumer Scrap that was designated CoC Material and that can be traced through closed-loop recycling from a Facility in the Entity's Certification Scope through to an uncertified Facility and back to a Facility within the Entity's Certification Scope be designated as Eligible Scrap.

### Questions for Consultation:

If a business: What would be the impact of this change on your operation?

If a stakeholder: What impact does this change have on your perception of CoC Material being 'responsible'?

~~All: For the second option: If ASI allowed Pre-Consumer Scrap to enter the ASI system with Due Diligence do you feel that it should be limited to a certain proportion of Material Inputs?~~

- LATE CORRECTION (16/12): Second option was left in the above by error.

## 3a Discussion

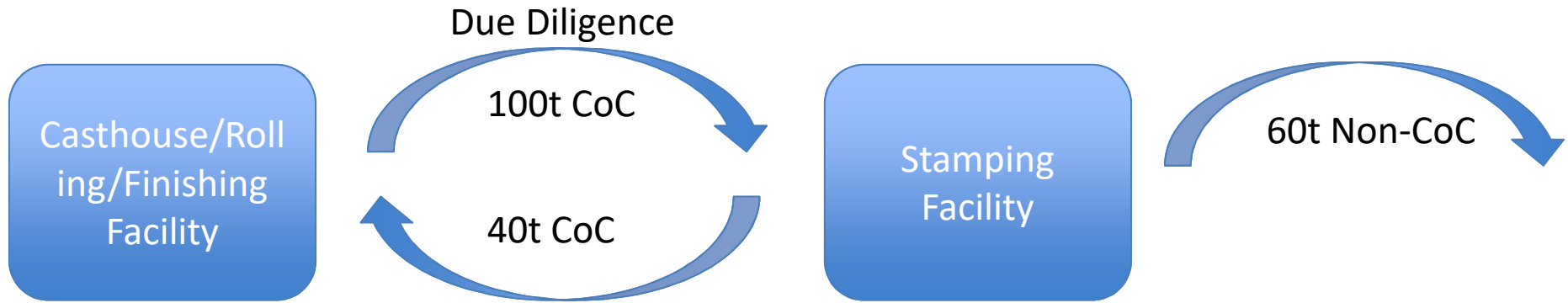
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- One participant was comfortable with this proposal going out for consultation. This was supported by another participant, arguing that the proposal is a good compromise and reflects well the previous discussions.
- Another participant asked if allowing an uncertified Facility into the system was compensated by the 'closed-loop recycling' component. The Secretariat replied that this is correct, the 'closed-loop recycling' provides that level of guarantee and assurance.
- It was suggested to define the 'closed-loop recycling' in the guidance. This was agreed.
- A participant asked whether due diligence would be part of the closed-loop recycling for uncertified Facilities. It was replied that due diligence is currently being undertaken for non-CoC Eligible Scrap and that closed-loop recycling would leverage off the due diligence.
- This was agreed to go out for consultation.
- **ACTIONS** – The Secretariat to add language on closed-loop recycling in the guidance.



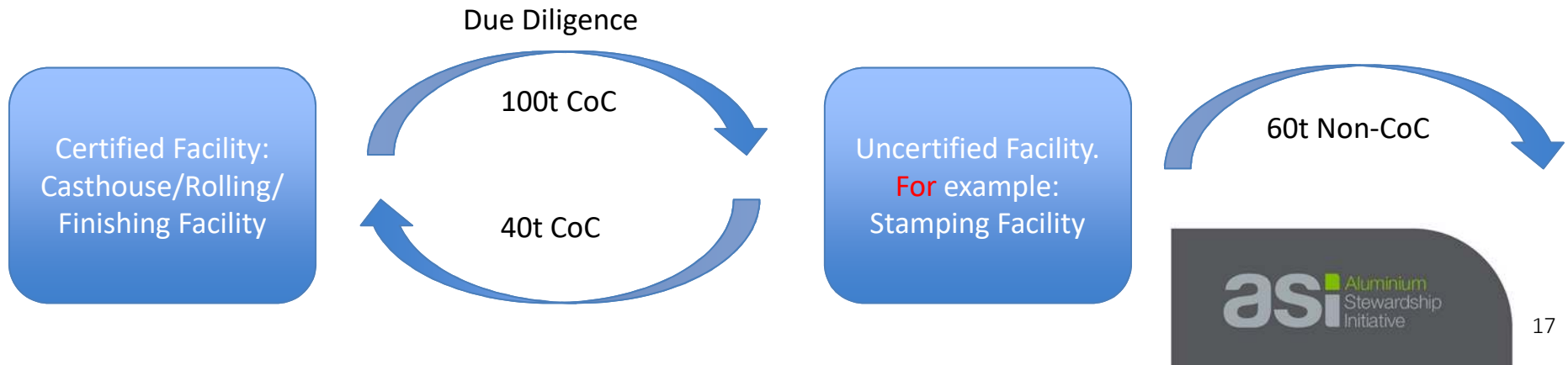
# 3a Pre-Consumer Scrap

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# 3a Discussion

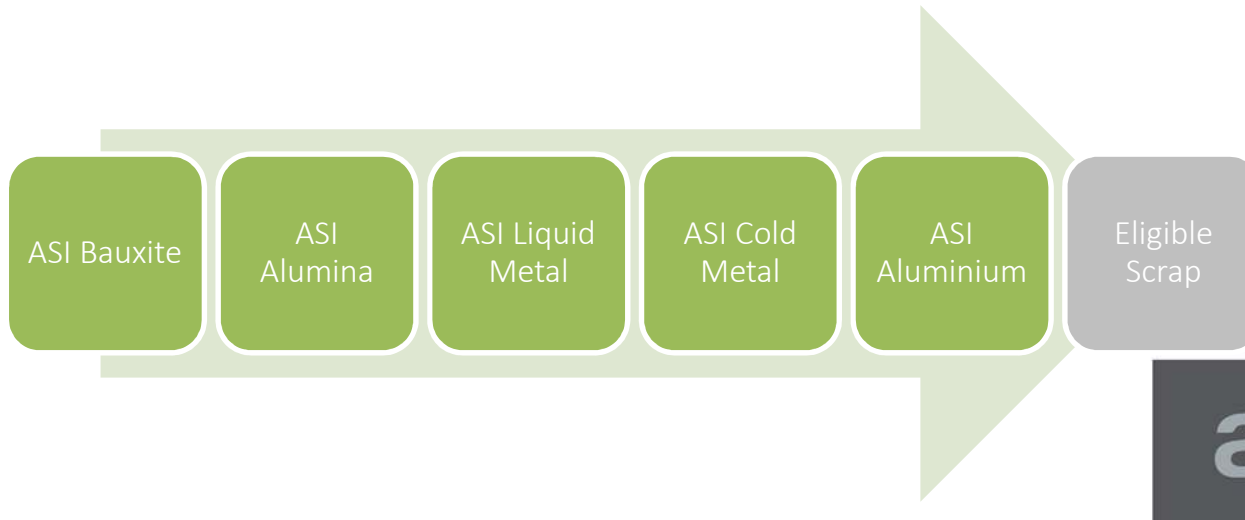
- One participant asked whether the Stamping Facility was the uncertified Entity and the Casthouse/Rolling/Finishing Facility the certified one; and whether the 40t CoC became Eligible **Material** through due diligence. This was confirmed.
- It was suggested to add 'Certified' and 'Uncertified' before the Facility types, and 'for example' before the stamping facility because this is just one example of a Facility that material goes to, there are many different types of facilities.
- The diagram was approved with the above changes, reflected below:



# 3b Tidying up of Definitions

**Intro to Standard (page 5):** CoC Material is a collective term for ASI Bauxite, ASI Alumina, ASI Liquid Metal, ASI Cold Metal and ASI Aluminium produced by ASI CoC Certified Entities in accordance with the CoC Standard.

At various points in the CoC Standard, the term 'CoC Material' may be used to mean any of these, or one of the specific terms above may be used instead. ASI Liquid Metal and ASI Cold Metal are specific forms of ASI Aluminium. Eligible Scrap is another kind of input, but is not CoC Material until it is designated ASI Aluminium following ~~by the Aluminium Re-melter/Refiner Re-Melting and/or Refining~~.



## 3b Tidying up of Definitions

**Intro to Standard (page 5):** Criteria 4.2 defines Eligible Scrap as:

- Post-Consumer Scrap that is assessed by the Entity to be post-consumer in origin and subject to supplier Due Diligence and/or
- Pre-Consumer Scrap that is designated as CoC Material supplied directly from a CoC Certified Entity: either another Entity or internally generated in your own operations.



## 3b Tidying up of Definitions

**Intro to Standard (page 5):** Criteria 4.2 defines Eligible Scrap as:

- Pre-Consumer Scrap that is designated as CoC Material supplied directly from a CoC Certified Entity: either another Entity or internally generated in your own operations and/or
- Aluminium recovered from Dross and treated Dross residues that is subject to supplier Due Diligence as per section 7 and/or
- Post-Consumer Scrap that is assessed by the Entity to be post-consumer in origin and subject to supplier Due Diligence.



## 3b Discussion

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- It was raised that this addition comes from audit findings related to 'how to consider dross'.
- This addition was approved.

# 3b Tidying up of Definitions

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## Definitions

Eligible Scrap: Post-Consumer Scrap and/or Pre-Consumer Scrap that is designated as CoC Material supplied directly from a CoC Certified Entity. Eligible Scrap is a subset of all Recyclable Scrap Material.

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~~Eligible Scrap: Post-Consumer Scrap and/or Pre-Consumer Scrap that is designated as CoC Material supplied directly from a CoC Certified Entity. Eligible Scrap is a subset of all Recyclable Scrap Material.~~

- Pre-Consumer Scrap that is designated as CoC Material supplied directly from a CoC Certified Entity: either another Entity or internally generated in your own operations and/or
- Aluminium recovered from Dross and treated Dross residues that is subject to supplier Due Diligence as per section 7 and/or
- Post-Consumer Scrap that is assessed by the Entity to be post-consumer in origin and subject to supplier Due Diligence.



## 3b Discussion

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- This change was approved.

## 3b Tidying up of Definitions

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There are discrepancies in the definition of CoC Material and Eligible Scrap

**Criteria 4.2 Eligible Scrap.** An Entity engaged in Aluminium Re-Melting/Refining shall account for Eligible Scrap in their Material Accounting System as only:

- a. Pre-Consumer Scrap that is designated as CoC Material supplied directly from a CoC Certified Entity: **either another Entity or internally generated in your own operations and/or**
- b. Aluminium recovered from Dross and treated Dross residues that is subject to supplier Due Diligence as per section 7; and/or
- c. Post-Consumer Scrap that is subject to supplier Due Diligence as per section 7 and is assessed by the Entity to be post-consumer in origin.

## 3b Discussion

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- Regarding b., one participant asked what was meant by “supplier”, because dross is often treated in-house/internally.
- The Secretariat suggested to take out “supplier” in the wording to address this concern.
- It was said that this does not fully address the question regarding dross that is treated internally, as it would not be subject to supplier due diligence since it is from a certified Entity.
- The Secretariat will revise the wording to clarify between internal and external dross.
- It was suggested to add “CoC Certified” before Entity in the blue text, for clarity. This was agreed.
- **The current wording is revised as below.**
  - a. Pre-Consumer Scrap that is designated as CoC Material supplied directly from a CoC Certified Entity: **either another CoC Certified Entity or internally generated in your own operations and/or**
- **ACTIONS - The Secretariat to revise wording to clarify between internal and external dross.**

## 3b Combination of 8.4 and 8.5

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There are discrepancies in the definition of CoC Material and Eligible Scrap

**Criteria 8.4 Input Percentage.** The Entity shall calculate and record the Input Percentage for a given Material Accounting Period using the following formula (except where 8.5 is applicable):

$$\text{Input Percentage} = \frac{(\text{Input Quantity of CoC Material}) \times 100}{(\text{Input Quantity of CoC Material}) + (\text{Input Quantity of Non-CoC Material})}$$

The units used in the numerator and the denominator must be the same.

**Criteria 8.4 Aluminium Re-Melting/Refining Input Percentage.** An Entity engaged in Aluminium Re-Melting/Refining shall calculate and record the Input Percentage for a given Material Accounting Period using the following formula:

$$\text{Input Percentage} = \frac{(\text{Input Quantity of Eligible Scrap}) \times 100}{(\text{Input Quantity of Recyclable Scrap Material})}$$

The units used in the numerator and the denominator must be the same. The Input Quantity of Eligible Scrap and Recyclable Scrap Material shall be based on an assessment of aluminium content.

## 3b Combination of 8.4 and 8.5

There are discrepancies in the definition of CoC Material and Eligible Scrap

**Criteria 8.4 Input Percentage.** The Entity shall calculate and record the Input Percentage for a given Material Accounting Period using the following formula (except where 8.5 is applicable):

$$\text{Input Percentage} = \frac{(\text{Input Quantity of CoC Material} + \text{Input Quantity of Eligible Scrap}) \times 100}{(\text{Input Quantity of CoC Material}) + (\text{Input Quantity of Recyclable Scrap Material}) + (\text{Input Quantity of Non-CoC Material})}$$

The units used in the numerator and the denominator must be the same.

~~**Criteria 8.5 Aluminium Re-Melting/Refining Input Percentage.** An Entity engaged in Aluminium Re-Melting/Refining shall calculate and record the Input Percentage for a given Material Accounting Period using the following formula:~~

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~~$$\text{Input Percentage} = \frac{(\text{Input Quantity of Eligible Scrap}) \times 100}{(\text{Input Quantity of Recyclable Scrap Material})}$$~~

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~~The units used in the numerator and the denominator must be the same. The Input Quantity of Eligible Scrap and Recyclable Scrap Material shall be based on an assessment of aluminium content.~~

## 3b Discussion

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- This change was approved.

# 3c CoC Documents

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Many companies send batch CoC Documents; this isn't covered in the Guidance.

## **Guidance Criterion 9.2**

- Where batch or mass invoices/documents are used it is acceptable to have on mass/batch CoC Document sent to the customer so long as there is a clear link between the shipments and the batch CoC Document.



# 3c Discussion

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- It was said to add a coma after “used” and to change “on” by “a”.
- The guidance was approved with the above changes, reflected below:

## Guidance Criterion 9.2

- Where batch or mass invoices/documents are used, it is acceptable to have ~~on~~ a mass/batch CoC Document sent to the customer so long as there is a clear link between the shipments and the batch CoC Document.

# 3 Clarity on Internal Dross

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Members have been uncertain whether Aluminium recovered from internally generated Dross can be counted as Eligible Scrap.

## **Guidance Criterion 4.2**

- Dross which is generated within the Certification Scope and remelted at an Aluminium Re-Melter/Refiner within the same Certification Scope can be considered 100% Eligible Scrap.

## 3c Discussion

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- It was raised that this addresses the concern about dross treated internally discussed earlier.
- It was said that this is very clear, and **this addition was approved.**

# 3 Coatings

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How does ASI account for product coatings. Current Guidance is unclear.

## **Guidance Principle 8/Criterion 8.1**

- Other metals contained in alloys, platings, coatings, laminates or product components, and other materials such as plastics, glass, paints and agricultural products, that may be found in combination with CoC Material or Eligible at one or more stages of the value chain, are outside the scope of the ASI CoC Standard and are treated as neutral materials.
- Thus, any necessary mass calculations do not need to take into account the variable purity of CoC Material inputs or outputs (but as noted above, must be net mass of Aluminium, not counting packaging or other materials).

## **Guidance Principle 8/Criterion 8.1**

Note that for the purposes of material accounting, alloys **and coatings** are considered neutral materials. This is because the other alloying elements **and coatings** are not within the scope of the CoC Standard. Thus, any necessary mass calculations do not need to take into account the variable purity of CoC Material inputs or outputs (but as noted above, must be net mass of Aluminium, not counting packaging or other materials).

# 3c Discussion

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- This change was approved.

# 3 Variable Mass of Products

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Sometimes the mass of a product is variable, and shipments are per unit items. There is no Guidance on this.

## **Guidance Criterion 8.1**

- When the mass of a product is variable (i.e. as may be the case in can production) an average weight of the product may be used for the CoC documentation.

## 3c Discussion

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- A participant suggested “should be used” instead of “may be used”. The Secretariat suggested “shall” to align with the language in the rest of the Standard.
- It was raised that there are no other options than using average weight, so the should/shall addition is not relevant. Can makers are sourcing a tonnage of aluminium but are selling cans, not aluminium. In order to go back to tonnage for CoC accounting, they do so based on the quantity and average weight of cans sold. It was raised that this would need to be checked with a can maker.
- The Secretariat will follow up with can makers.
- Another participant said that this is not only related to can production; most of the aluminium products in cars have a variable mass for each car. The average weight is multiplied by the number of units and in the end, it provides the total weight. It therefore makes sense to use the average method explained in this Guidance wording for all Entities.
- **This Guidance was approved for consultation.**



# 4 Guidance for Principle 11

## New additional Guidance text for 11.2 OH&S Management System:

Identify relevant health and safety leading and lagging indicators, according to specific industry guidance, and monitor performance relating to these indicators on a regular basis.

Lagging indicators are the traditional safety metrics used to measure the reactive nature of safety performance. Lagging indicators include injury frequency and severity, lost time and workers compensation costs. For example, consider the following ones:

**Number of serious injury cases**

**Number of recordable cases**

**Number of recognised occupational illness**

**Recordable Case Rate**

**Medical Treatment Case Rate    Lost Time Injury Case Rate**

**Days Lost Rate**

**Fatality Case Rate**

**Hours worked without recordable/lost time accident (LTI free days)**

**Medical Treatment**

**Restricted Work Case**

**Lost Time Injury**

(Secretariat note: 'case' is interchangeable with 'frequency' in some regions)

- Absolute numbers versus frequency rates?
- Please note – the above in **bold** is the heading only. The Guidance provides more description on calculations and formulae.

# 4 Guidance for Principle 11

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**No comments received on the Guidance for Principle 11**

**Agree to the revisions for the Guidance for Principle 11.**

## 3c Discussion

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- One participant raised that some companies report case numbers while others report frequency numbers, and this makes it difficult to conduct analyses if they don't report with the same type of indicators. It was added that from a data analysis perspective, frequency data are easier to benchmark.
- It was thus suggested to add a sentence in the Guidance to indicate preference for frequency data.
- Another participant added that some companies include their subcontractors in their case numbers, while others include them separately, so this can somehow overestimate the case rates. It was said that ideally we would agree on key metrics, so that all ASI certified Entities provide the same results.
- It was thus suggested to include an extra sentence in the guidance, “for comparative purposes...”, and also state what the denominator is.
- The Secretariat asked the group if they wanted to highlight a handful of metrics.
- One participant shared the 3 key metrics in her company: the absolute number of serious injuries, the recordable case rate and, in case of fatalities, the fatality case rate; clarifying that this also accounts for the contractors working on site. This prevents subcontracting the most dangerous tasks and getting away with safety reports.

## 3c Discussion

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- It was asked whether “serious injury” was a defined term, as “serious” is subjective.
- The Secretariat will look into this definition.
- A civil society participant asked companies whether they were also reporting on near misses. A participant replied that yes, and that this is a lagging indicator that is quite different: the more you have the better. It was said that it is good to include this in the guidance, but not to communicate it externally because it can prevent people from reporting on it.
- Another participant replied that it is useful to report near misses; it shows the company has implemented a safety culture. The participant advocated for lost time injury frequency, near misses and fatality as top 3 indicators.
- It was said that publicly reporting near misses can backfire because this can be wrongly interpreted by some stakeholders as having more issues, and it could push people to not report their near misses. It was therefore suggested to include it as indicator in the guidance, but not to mandate the reporting of it.
- **The Guidance was approved, with the suggestions mentioned above.**

## 3c Discussion

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- **ACTIONS** – The Secretariat to add wording on preference for frequency data, explain the comparative purposes, state the denominator, mention near misses, include the top 3 indicators: absolute number of serious injuries, recordable case rate and fatality case rate, and define “serious” injury.

# 5 Agreed Upon Actions & Close

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- a. Agree actions
- b. Chairs and Secretariat thanks to all participants and close of meeting
- c. Upcoming Meetings:
  - 7 January (GHG 'sub-committee' only – for 5.2a)
  - 13 January: PS 5. **All decisions made by this date.**
  - 21 January: **Final Review and All documents Approved for Consultation**
  - February: Review of consultation documents and planning for SC process for post consultation
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Thank you

**asi** Aluminium  
Stewardship  
Initiative