

ASI Performance Standard

Version 3.0 Draft 1.0 for Consultation

March 2021

Aluminium Stewardship Initiative (ASI)

ASI is a not-for-profit standards setting and certification organisation for the aluminium value chain.

Our **vision** is to maximise the contribution of aluminium to a sustainable society.

Our **mission** is to recognise and collaboratively foster responsible production, sourcing and stewardship of aluminium.

Our **values** include:

- Being inclusive in our work and decision making processes by promoting and enabling the participation of representatives in all relevant stakeholder groups.
- Encouraging uptake throughout the bauxite, alumina and aluminium value chain, from mine to downstream users.
- Advancing material stewardship as a shared responsibility in the lifecycle of aluminium from extraction, production, use and recycling.

General Enquiries

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Disclaimer

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The official language of ASI is English. ASI aims to make translations available in a range of languages and these will be posted on the ASI website. In the case of inconsistency between versions, reference shall default to the official language version.

ASI Performance Standard

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Introduction

A. Background

The Aluminium Stewardship Initiative (ASI) is a non-profit, multi-stakeholder organisation which exists to administer an independent third-party certification program for the Aluminium value chain. The ASI certification program is centred on providing assurance against two voluntary standards: the **ASI Performance Standard** and the **ASI Chain of Custody Standard**.

The **ASI Performance Standard** (this Standard) defines environmental, social and governance Principles and Criteria, with the aim to address sustainability issues in the Aluminium value chain. ASI Members in Production and Transformation and Industrial Users membership classes are required to have at least one Facility Certified against the **ASI Performance Standard** within two years ~~of the launch of the ASI Certification program, or 2 years~~ of joining ASI, ~~whichever is later~~.

The **ASI Chain of Custody (CoC) Standard** complements the **ASI Performance Standard** and is voluntary for ASI Members. The **CoC Standard** sets out requirements for the creation of a Chain of Custody for CoC Material, including ASI Aluminium, which is produced and processed through the value chain into diverse downstream sectors. For more information, please visit [aluminium-stewardship.org](https://www.aluminium-stewardship.org).

B. Purpose

The ASI Certification program aims to incentivise and support the uptake of the **ASI Performance Standard**, so as to provide independent assurance of responsible production, sourcing and stewardship of Aluminium.

The **ASI Performance Standard** aims to support responsible supply chains by:

- Providing a common standard for the Aluminium value chain on environmental, social and governance performance
- Establishing requirements that can be independently audited to provide Objective Evidence for the granting of ASI Certification
- Reinforcing and promoting consumer and stakeholder confidence in Aluminium
- Serving as a broader reference for the establishment and improvement of responsible production, sourcing and material stewardship initiatives in metals supply chains.

C. Scope

The **ASI Performance Standard** defines requirements to address environmental, social and governance sustainability for Entities and Facilities engaged in the Aluminium value chain. The following aspects are all covered by the Standard:

Governance

1. Business Integrity
2. Policy and Management
3. Transparency
4. Material Stewardship

Environment

5. Greenhouse Gas Emissions
6. Emissions, Effluents and Wastes
7. Water Stewardship
8. Biodiversity and Ecosystem Services

Social

9. Human Rights
10. Labour Rights
11. Occupational Health and Safety

In particular, ~~Version 1 (2014) of~~ the **ASI Performance Standard** identifies the following five critical sustainability impacts in the Aluminium value chain:

- Greenhouse Gas emissions for Alumina Refining and Aluminium Smelting
- Bauxite Residues, Spent Pot Lining (SPL) and Dross for Alumina Refining, Smelting, Aluminium Re-Melting/Refining and Casting
- Biodiversity management for Bauxite Mining
- Human rights, especially gender, labour rights and Indigenous Peoples rights for Bauxite Mining, Alumina Refining and Aluminium Smelting
- Material stewardship for Entities engaged in Semi-Fabrication, Material Conversion, Aluminium Re-Melting/Refining and/or the manufacture or sale of consumer/commercial goods containing Aluminium.

~~Gender was also identified as a cross-cutting issue.~~

D. Status and Effective Date

This is a consultation draft of the Performance Standard. The text below is relevant to the final draft.
This consultation draft is not for implementation.

This is Version ~~32.0~~ of the **ASI Performance Standard** which was approved by the ASI Standards Committee and adopted as an ASI Standard by the ASI Board on ~~12 December 2017~~ Enter date adopted.

Members are required to demonstrate Conformance to v3.0 of the Performance Standard in all Audits conducted from Enter date adopted onwards. Audits conducted between the launch of the new Standard and Enter date adopted plus one year may be against either version of the Standard. ~~Version 2.0 is effective from the date of publication and is the version to be used for ASI Certification~~

E. Standards Development

Development of this Standard has been underpinned by formal and transparent multi-stakeholder processes. ASI is sincerely grateful for the time, expertise and valuable input of the many individuals and organisations who contributed to this Standard.

Version 1 of the Performance Standard was developed by the ASI Standards Setting Group (SSG) under the co-ordination of IUCN, supported by 2 public comment periods in 2014, and published in December 2014.

Version 2 of the Performance Standard was developed as a minor revision under the ASI Standards Committee, supported by input from one public comment period and a pilot program with ASI Members in 2017. The objectives of this minor revision were to integrate the Performance Standard into the broader ASI program, developed during 2015-2017, and to address clarification issues raised during Guidance development and piloting. The main changes to the Standard from V1 to V2 were:

- Layout to meet ASI Style Guide
- Updated introduction
- Expanded **Glossary** and consistent use of defined terms
- Re-structuring of some Criteria into sub-sections to enhance auditability
- Minor clarification of language and intent in some Criteria
- References to the supporting documents and processes that had been developed since V1 of the Standard was published at the end of 2014, including Guidance for this Standard.

Revision 3 of this Standard has been conducted in a formal, collaborative, multi-stakeholder process governed under the ASI Standards Setting Procedure V3.2. This full revision of the Standard was based on feedback on, and experience in, implementing the Standard since it was launched in December 2017. The main changes to the Standard from V2 to V3 are:

- Improved consistency of structure, format and use of defined terms
- Revised Criteria throughout
- Expanded applicability of Criteria for Entities engaged in Material Conversion and/or Other manufacturing or sale of products containing Aluminium.

ASI is a code-compliant ISEAL member and conducts aims to conduct standards development in conformance with the ISEAL Standard-Setting Code of Good Practice for Setting Social and Environmental Standards V6.0 (2014). More information on ASI's Standards development processes can be found at:

<http://aluminium-stewardship.org/standard-setting-process/activities-and-plans/>

F. Application

ASI Members in the Production and Transformation and Industrial Users membership classes are required to achieve **ASI Performance Standard** Certification against applicable requirements, for at least part of their operations within ~~two years of the launch of the ASI certification program, or two years of joining ASI, whichever is later~~. These Members are also encouraged to seek Chain of Custody Certification to add value to their Performance Standard Certification.

The **ASI Performance Standard** applies to Entities engaged in different supply chain activities as follows:

Supply chain activity	Applicability of Performance Standard Criteria										
	1	2	3	4	5	6	7	8	9	10	11
Bauxite Mining											
Alumina Refining											
Aluminium Smelting											
Aluminium Re-melting/Refining											
Casthouses											
Semi-Fabrication											
Material Conversion (<i>Production and Transformation</i>)											
Material Conversion (<i>Industrial Users</i>)											
Other manufacturing or sale of products containing Aluminium											

Code:

Criteria shaded **green** are **generally** applicable to those supply chain activities, where they are within the Certification Scope of the Entity.

A more specific breakdown of applicability at the individual Criteria level is contained in the **Performance Standard Guidance** chapters [and details on the applicability of Criteria for material Conversion and/or Other manufacturing or sale of products containing Aluminium Facilities can be found in the ASI Assurance Manual](#). For more information on defining an Entity's Certification Scope, see the **ASI Assurance Manual**.

Use of the Standard is open to all interested users, however ASI Certification can only be granted to ASI Members or Entities under the Control of ASI Members, on the basis of verification of Conformance by ASI Accredited Auditors.

G. Certification

The **ASI Performance Standard** is designed for use by ASI Accredited Auditors to verify an Entity's Conformance for the purposes of granting ASI Certification.

The Entity's Certification Scope is defined by the Entity seeking Certification. The steps for ASI Certification are laid out in the ASI Assurance Manual and are summarised as follows:

- The Entity prepares for and requests a Certification Audit from an ASI Accredited Auditor.
- During the Certification Audit, the Auditor verifies the Entity has systems in place that conform to the Performance Standard. Non-Conformances will be noted and the Entity will be directed to address them.

- Based on the Audit Report, ASI can issue Certification for up to three years. ASI ~~reviews~~ completes Oversight on all Audit Reports for completeness and clarity and follows up with Auditors where required before issuing Certification.
- Depending on the Entities Overall Maturity Rating, there may be a Surveillance Audit of the Certified Entity within six to eighteen months ~~, the Auditor conducts a Surveillance Audit of the Certified Entity~~ to verify that systems are still working effectively. Any Minor Non-Conformances found during the Certification Audit must be addressed prior to the Surveillance Audit.
- After the Certification Period of three years, a Re-Certification Audit would be required to renew the Certification, followed again, depending on the Certified Entities Overall Maturity Rating, by a Surveillance Audit within six to eighteen months.

H. Supporting Documents

The following documents provide supporting information to assist with implementing the ASI Performance Standard:

- ASI Performance Standard – Standards Guidance
- ASI Assurance Manual
- ASI Claims Guide
- ASI Glossary

The ASI assurance platform, *elementAI* is designed to provide a portal for Members and Auditors to access documentation and streamline the certification process.

I. Review

ASI undertakes to formally review this version of the Standard by Enter date adopted plus five years, five years after publication, or earlier as required. Proposals for revisions or clarifications can be submitted by interested parties at any time, and ASI will document these for consideration in the next review process. ASI will continue to work with stakeholders and Members to ensure that these Standards are relevant and achievable.

J. Measuring Impacts

The ASI Monitoring and Evaluation (M&E) program is designed to assess the impact of ASI Certification. Impacts are long-term changes in the sustainability areas that the Standard aims to address and are critical for standards programs to be able to understand and demonstrate. ASI's M&E program ~~will seek to measure~~ s short and medium-term changes s in order to understand how ~~these~~ these ~~can~~ contributes to long-term impacts, and also identify iesy how ASI's certification program can be improved over time.

In ~~developing and~~ implementing this program, ASI ~~intends to comply~~ iesy with the ISEAL Code of Good Practice for Assessing the Impacts of Social and Environmental Standards V2.0 (2014). ASI is bound by its **Anti-Trust Compliance Policy** and **Confidentiality Policy** in dealing with commercially sensitive

information. These policies are available on the [ASI website](https://aluminium-stewardship.org/about-asi/legal-finance-policies/), at <https://aluminium-stewardship.org/about-asi/legal-finance-policies/>

K. How to Read the Standard

Please note the following:

- The **ASI Performance Standard** contains 11 Principles organised into 3 parts (Governance, Environment and Social).
- *Italicised text provides the Principle but is not normative.*
- Auditable Criteria are numbered in each Principle (for example '1.1').
- All capitalised common terms and acronyms (for example 'Entity') are defined in the [ASI Glossary](#) ~~at the end of this document.~~

The 3 parts and 11 Principles are grouped as follows:

Governance	Environment	Social
1. Business Integrity	5. Greenhouse Gas Emissions	9. Human Rights
2. Policy and Management	6. Emissions, Effluents and Waste	10. Labour Rights
3. Transparency	7. Water Stewardship	11. Occupational Health and Safety
4. Material Stewardship	8. Biodiversity <u>and Ecosystem Services</u>	

ASI Performance Standard

A. Governance (Principles 1-4)

1. Business Integrity

Principle: The Entity shall conduct its Business according to a high level of integrity and Compliance.

- 1.1 **Legal Compliance.** The Entity shall have systems in place to maintain awareness of and ensure Compliance with Applicable Law.
- 1.2 **Anti-Corruption.** The Entity shall work against Corruption in all its forms, including Extortion and Bribery, consistent with Applicable Law and prevailing international Standards.
- 1.3 **Code of Conduct.** The Entity shall:
 - a. Implement a Code of Conduct or similar instrument including principles relevant to environmental, social and governance performance.
 - b. Regularly review the effectiveness of the Code of Conduct and, where required, identify and implement improvements.

2. Policy and Management

Principle: The Entity is committed to sound management of its environmental, social and governance processes.

- 2.1 **Environmental, Social, and Governance Policy.** The Entity shall:
 - a. Implement and maintain integrated or stand-alone Policies consistent with the environmental, social, and governance practices included in this Standard.
 - b. Have senior management endorse, support through provision of resources and regularly review the Policies.
 - c. Communicate the Policies internally, and externally as appropriate.
- 2.2 **Leadership.** The Entity shall nominate at least one senior Management Representative as having overall responsibility and authority for ensuring Conformance with this Standard.
- 2.3 **Environmental and Social Management Systems.** The Entity shall document and implement integrated or stand-alone:
 - a. Environmental Management Systems.
 - b. Social Management Systems.
- 2.4 **Responsible Sourcing.** The Entity shall:
 - a. Implement a responsible sourcing Policy covering environmental, social and governance issues.
 - b. Regularly review the effectiveness of the responsible sourcing Policy and, where required, identify and implement improvements.
- 2.5 **Environmental and Social Impact Assessments.** The Entity shall:
 - ~~e~~-a. Conduct an environmental and social Impact Assessment for New Projects or Major Changes to existing Facilities.
 - ~~d~~-b. Ensure that Impact Assessments consider how baseline conditions are affected by Historic Aluminium Operations.

- e.c. Develop and implement an environmental and social impact management plan to prevent, mitigate and, where required, remediate any significant impacts identified.
- f.d. Regularly review the effectiveness of the environmental and social impact management plan and, where required, identify and implement improvements.
- g.e. Publicly disclose the environmental and social Impact Assessment, the environmental and social impact management plan and the review.

2.6 Human Rights Impact Assessments. The Entity shall:

- a. Conduct a Human Rights Impact Assessment, including a gender analysis, for New Projects or Major Changes to existing Facilities.
- b. Ensure that Impact Assessments consider how baseline conditions are affected by Historic Aluminium Operations.
- c. Develop and implement a Human Rights impact management plan to prevent, mitigate and, where required, remediate any significant impacts identified.
- d. Regularly review the effectiveness of the Human Rights impact management plan and, where required, identify and implement improvements.
- e. Publicly disclose the Human Rights Impact Assessment, the Human Rights impact management plan and the review.
- h.f. Where Indigenous Peoples are involved: ensure the Human Rights Impact Assessment includes the assessment of Indigenous Peoples' rights.

2.52.7 Emergency Response Plan. The Entity shall:

- a. Have site specific emergency response plans developed in collaboration with ~~potentially Workers~~, Affected Populations and Organisations ~~stakeholders groups such as Communities, Workers and their representatives~~, and relevant agencies.
- b. Regularly review the effectiveness of the emergency response plans and, where required, identify and implement improvements.

2.62.8 Suspended Operations. The Entity shall:

- a. Develop a business resilience plan which takes into account significant adverse environmental, social and governance impacts to address situations where it may have to suspend or significantly alter operations through factors outside its control, such as conflict, pandemic or natural disaster.
- b. Regularly review the effectiveness of the business resilience plan and, where required, identify and implement improvements.

2.9 Mergers and Acquisitions. The Entity shall:

- a. Due Diligence: Review environmental, social and governance issues, including those associated with Historic Aluminium Operations, in the Due Diligence process for mergers and acquisitions.
- b. Post-merger or acquisition: Where engaged in Bauxite Mining, Alumina Refining and/or Aluminium Smelting:
 - i. Share information regarding the significant impacts of Historic Aluminium Operations.
 - ii. In Consultation and in cooperation with Affected Populations and Organisations develop an impact mitigation plan to mitigate any identified significant impacts of the Historic Aluminium Operation.
 - h.iii. Share progress against the impact mitigation plan with Affected Populations and Organisations annually.

2.72.10 Closure, Decommissioning and Divestment. The Entity shall:

- a. Review environmental, social and governance issues in the planning process for closure, decommissioning and divestment.
- b. In Consultation and in cooperation with Affected Populations and Organisations, develop a program for managing significant environmental, social and governance impacts, including Legacy Impacts, associated with the closure, decommission or divestment.

3. Transparency

Principle: The Entity shall be transparent in alignment with internationally recognized reporting Standards.

- 3.1 **Sustainability Reporting.** The Entity shall publicly disclose its governance approach and its material environmental, social and economic impacts.
- 3.2 **Non-compliance and Liabilities.** The Entity shall publicly disclose information on significant fines, judgments, penalties and non-monetary sanctions for failure to comply with Applicable Law.
- 3.3 **Payments to Governments.** The Entity shall:
 - a. Only make, or have made on its behalf, payments to governments on a legal and/or contractual basis.

Where engaged in Bauxite Mining:

 - b. Publicly disclose payments to governments, building on existing audit and assurance systems.
 - c. Publicly disclose the value and beneficiaries of financial and in-kind political contributions, whether made directly or through an intermediary.
- 3.4 **Stakeholder Complaints, Grievances and Requests for Information.** The Entity shall:
 - a. Implement accessible, transparent, understandable and culturally and gender sensitive, Complaints Resolution Mechanisms, adequate to address stakeholder complaints, grievances and requests for information relating to its operations.
 - b. ~~The Complaints Resolution Mechanisms shall be~~ Share the Complaints Resolution Mechanisms with Affected Populations and Organisations during Consultations required by this Standard.

4. Material Stewardship

Principle: The Entity is committed to take a life cycle perspective and to promote resource efficiency, collection and recycling of Aluminium within its operations as well as within the value chain.

- 4.1 **Environmental Life Cycle Assessment.** The Entity shall:
 - a. Evaluate life cycle impacts of its major Product lines for which Aluminium is considered or used.
 - b. Upon customer request, provide adequate cradle-to-gate Life Cycle Assessment (LCA) information on its Aluminium (containing) product(s).

- c. Ensure any public communication on LCA includes public access to the LCA information and its underlying assumptions including system boundaries.
- 4.2 **Product Design.** The Entity, where engaged in Semi-Fabrication, Material Conversion and/or manufacture or sale of consumer/commercial goods containing Aluminium, shall integrate clear sustainability objectives in the design and development process for Products or components ~~to enhance sustainability, including the environmental life cycle impacts of the end-product of the end Product to enhance Circular Economy outcomes.~~
- 4.3 **Aluminium Process Scrap.** The Entity, where engaged in Aluminium Smelting, Aluminium Re-melting/Refining, operating a Casthouse, Semi-Fabrication, Material Conversion, and/or other manufacturing or sale of products containing Aluminium, shall:
 - a. Minimise the generation of Aluminium Process Scrap within its own operations and, where generated, target 100% of scrap for collection, recycling and/or re-use.
 - b. Seek to separate Aluminium alloys and grades for recycling.

This Criterion does not apply to Bauxite Mining and Alumina Refining.

- 4.4 **Collection and Recycling of Products at End of Life.** The Entity, where engaged in Material Conversion and/or other manufacturing or sale of products containing Aluminium, shall:
 - a. Implement a recycling strategy, including specific timelines, activities and targets.
 - b. Regularly evaluate the effectiveness of the recycling strategy, and where required, identify and implement improvements.

Where engaged in Aluminium Re-melting/Refining, operating a Casthouse, Semi-Fabrication, Material Conversion, and/or other manufacturing or sale of products containing Aluminium:

- ~~a-c.~~ Engage with local, regional or national collection and recycling systems to support accurate measurement and efforts to increase recycling rates in their respective markets for their Products containing Aluminium.

This Criterion excludes Products containing Aluminium where comparative Life Cycle Assessment demonstrates that material recycling is not the best option for the environment.

B. Environment (sections 5-8)

5. Greenhouse Gas Emissions

Principle: Recognizing the ultimate objective established under the UN Framework Convention on Climate Change, the Entity is committed to reducing its Greenhouse Gas (GHG) emissions from a lifecycle perspective to mitigate its impact on the global climate.

- 5.1 **Disclosure of GHG Emissions and Energy Use.** The Entity shall:
 - a. Account for and publicly disclose material GHG emissions and energy use by source on an annual basis.
 - ~~a-b.~~ Ensure that all publicly disclosed GHG emissions data are independently verified.
- 5.2 **Aluminium Smelter Performance**
 - a. Where an Entity is engaged in Aluminium Smelting and where the Aluminium Smelter is in production up to and including 2020, the Entity shall demonstrate that Mine to Metal Emissions from the production of Aluminium:

- i. Are at a level below 12 tonnes CO₂-eq per metric tonne Aluminium per metric tonne Aluminium. Or
 - ii. If at a level above 12 tonnes CO₂-eq per metric tonne Aluminium, demonstrate a minimum 10% reduction of 'mine to metal'[#] emissions over the previous three-year period.
- a-b. Where an Entity is engaged in Aluminium Smelting and where the Aluminium Smelter started production after 2020, the Entity shall demonstrate that all Mine to Metal Emissions from the production of Aluminium are at a level below 12 tonnes CO₂-eq per metric tonne Aluminium.
- 5.2 **GHG emissions reductions.**
- 5.3 The Entity shall publish time bound GHG emissions reduction targets and implement a plan to achieve these targets. The targets shall cover the material sources of Direct and Indirect GHG Emissions.
 - a. Where an Entity is engaged with Aluminium Smelting and where the Aluminium smelter has Mine to Metal Emissions from the production of Aluminium above 12 tonnes CO₂-eq per metric tonne Aluminium, establish GHG emissions reduction pathway targets that ensures Mine to Metal Emissions are at a level below 16 tonnes CO₂-eq per metric tonne Aluminium by end 2025 and below 12 tonnes CO₂-eq per metric tonne Aluminium by end 2030.

All Entities shall:

 - b. Establish a GHG emissions reduction plan using ASI endorsed methodologies, if available, that ensures a reduction pathway consistent with a below 1.5 degree warming scenario.
 - c. Ensure that the reduction pathway includes an intermediate reduction target covering a period no greater than five years. The target must:
 - i. Address all emissions from mine to saleable Product.
 - ii. Be developed using a science-based approach endorsed by ASI, if available.
 - iii. Be publicly disclosed.
 - a-d. Publicly disclose progress against this target annually.
 - 5.3 **Aluminium Smelting.** An Entity engaged in Aluminium Smelting shall:
 - a. Demonstrate that they have put in place the necessary Management System, evaluation procedures, and operating controls to limit the Direct GHG emissions.
 - b. For Aluminium smelters in production up to and including 2020, demonstrate that the Scope 1 and Scope 2 GHG emissions from the production of Aluminium is at a level below 8 tonnes CO₂-eq per metric tonne Aluminium by 2030.
 - c. For Aluminium smelters starting production after 2020, demonstrate that the Scope 1 and Scope 2 GHG emissions from the production of Aluminium is at a level below 8 tonnes CO₂-eq per metric tonne Aluminium.
 - 5.4 **GHG Emissions Management.**

The Entity shall demonstrate implementation of the necessary Management System, evaluation Procedures, and operating controls to achieve performance aligned to the targets developed in 5.3(a) and (b).

6. Emissions, Effluents and Waste

Principle: The Entity shall minimize emissions and effluents that have the potential to adversely impact human health and safety or that of the environment, and manage Waste according to the Waste Mitigation Hierarchy.

- 6.1 **Emissions to Air.** The Entity shall:
 - a. Quantify and publicly report-disclose Emissions to Air that have adverse effects on humans or the environment and implement plans to minimise these adverse impacts.
 - ~~a.b.~~ Regularly review the effectiveness of the plan and, where required, identify and implement improvements.
- 6.2 **Discharges to Water.** The Entity shall:
 - a. Quantify and publicly report-disclose Discharges to Water that have adverse effects on humans or the environment and implement plans to minimise these adverse impacts.
 - ~~a.b.~~ Regularly review the effectiveness of the plan and, where required, identify and implement improvements.
- 6.3 **Assessment and Management of Spills and Leakage.** The Entity shall:
 - a. Conduct an assessment of major risk areas of operations where Spills and Leakage may contaminate air, water and/or soil.
 - b. Following completion of this assessment, have a management and external communication plans, compliance controls and a monitoring programme in place to prevent and detect these Spills and Leakage.
- 6.4 **Reporting of Spills.** The Entity shall:
 - a. Disclose to affected parties the volume, type and potential impact of significant Spills and Leakages immediately after an incident.
 - b. Publicly disclose Impact Assessments of the Spills and Leakages and remediation actions taken, ~~and report publicly~~ on an annual basis.
- 6.5 **Waste Management and Reporting.** The Entity shall:
 - a. Implement a Waste management strategy that is designed in accordance with the Waste Mitigation Hierarchy.
 - b. Publicly disclose, on an annual basis, the quantity of Hazardous and Non-Hazardous Waste generated by the Entity, and associated Waste disposal methods.
- 6.6 **Bauxite Residue.** The Entity, where engaged in Alumina Refining, shall:
 - a. Have constructed storage areas in a manner that effectively prevents the release of Bauxite Residue and leachate to the environment.
 - b. Perform regular checks and controls, including those conducted by third parties, to ensure the integrity of the Bauxite Residue storage.
 - c. Control and neutralise water discharge from Bauxite Residue storage, to minimise impacts to the environment.
 - ~~d.~~ Assess the impact of the water discharge from Bauxite Residue storage and mitigate any material potential impacts to the environment.
 - ~~d.e.~~ Not discharge Bauxite Residue to ~~marine and~~ aquatic environments.
 - ~~e.f.~~ Establish a timeline and a roadmap for the elimination of Bauxite Residue lagooning in favour of state of the art technologies for Bauxite Residue storage or re-use of the Bauxite Residue. Any Alumina Refining Facility starting production after 2020 shall only

use state of the art technologies for Bauxite Residue storage or re-use of the Bauxite Residue.

~~f.g.~~ Remediate the Bauxite Residue area after closure of the Alumina Refining Facility to a state that can adequately mitigate the risk of future environmental contamination.

6.7 **Spent Pot Lining (SPL).** The Entity, where engaged in Aluminium Smelting, shall:

- a. Store and manage SPL to prevent the release of SPL or leachate to the environment.
- b. Optimise processes for the recovery and recycling of carbon and refractory materials from SPL.
- c. Not landfill Untreated SPL where there is the potential for adverse environmental effects.
- d. Review at least annually alternative options to landfilling of treated SPL and/or stockpiling of SPL.

e. Not discharge SPL to freshwater and brackish water environments.

e.f. Not discharge SPL to a marine environment unless the SPL is treated and contained in floodpits and it can be demonstrated that there are no adverse impacts from the discharge.

~~f. Not discharge SPL to marine or aquatic environments.~~

6.8 **Dross.** The Entity, where engaged in Aluminium Re-melting/Refining and/or operating a Casthouse, shall:

a. Store and manage Dross to prevent the release of Dross and leachate to the environment.

~~a.b.~~ Maximise the recovery of Aluminium by treatment of Dross and Dross residues.

~~b.c.~~ Maximise the recycling of treated Dross residues.

d. Demonstrate that they regularly review alternative options to landfilling of Dross residues.

6.9 **Waste Reporting.** The Entity shall report the following information to the ASI Secretariat on the designated template in *elementA/* within three months after the end of each calendar year, as applicable:

a. Where engaged in Alumina Refining:

- i. Total quantity of Bauxite Residue generated (in metric tonnes)
- ii. Total quantity of Bauxite Residue treated (in metric tonnes) using (i) lagooning, (ii) neutralisation, (iii) dry stacking, (iv) recycling, including the nature of recycling or, (iv) other – please state other treatment or use
- iii. Quantity of Bauxite Residue generated (in metric tonnes) per tonne of Alumina produced.

b. Where engaged in Aluminium Smelting:

- i. Total quantity of SPL generated (in kilograms)
- ii. Total quantity of SPL recycled (in kilograms)
- iii. Quantity of carbon and refractory materials that are recycled (in kilograms) per tonne of Aluminium produced

c. Where operating a Re-melter/Refiner and/or Casthouse:

- i. Total quantity of Dross generated (in kilograms)
- ii. Total quantity of Dross recycled (in kilograms)

- ~~±.iii.~~ Quantity of Dross that are recycled (in kilograms) per tonne of Aluminium produced.

7. Water Stewardship

Principle: The Entity shall withdraw, use and manage water responsibly to support the stewardship of water resources.

- 7.1 **Water Assessment.** The Entity shall:
 - a. Identify and map its water withdrawal and use by source and type.
 - b. Assess water-related risks in Watersheds in the Entity's Area of Influence.
- 7.2 **Water Management.** The Entity shall:
 - a. Implement water management plans, with time-bound targets that address material risks identified in Criterion 7.1**(b)**.
 - b. Monitor the effectiveness of the plans.
 - This Criterion does not apply where risks identified in 7.1b are assessed and documented as low.
- 7.3 **Disclosure of Water Usage and Risks.** The Entity shall publicly report ~~disclose~~ water withdrawal and use and ~~disclose~~ material water-related risks.

8. Biodiversity and Ecosystem Services

Principle: The Entity shall manage its biodiversity impacts in accordance with the Biodiversity Mitigation Hierarchy to protect ecosystems, habitats and species.

- 8.1 **Biodiversity and Ecosystem Services Risk and Impact Assessment.** The Entity shall:
 - a. Assess the risk and ~~materiality of the potential~~ impacts on biodiversity and Ecosystem Services from the land use and activities ~~in the Entity's Area of Influence~~ where the Entity has direct management Control and in the Entity's Area of Influence.
 - ~~a.b.~~ In situations where the Entity is likely to adversely impact Ecosystem Services, in Consultation and in cooperation with Affected ~~Communities~~ Populations and Organisations, undertake a systematic review to identify Priority Ecosystem Services, of relevance to Affected Populations and Organisations ~~Communities~~, that may be impacted.
- 8.2 **Biodiversity Management.** The Entity shall:
 - a. Establish and implement and monitor a Biodiversity Action Plan with time-bound targets to address material risks and impacts to biodiversity and Ecosystem Services, identified through Criterion 8.1, and monitor its effectiveness.
 - b. Ensure that the Biodiversity Action Plan is developed in Consultation and in cooperation with Affected Populations and Organisations in accordance with the Biodiversity Mitigation Hierarchy and designed by a Qualified Specialist with an ambition to achieve no net loss.
 - c. Ensure that the Biodiversity Action Plan, associated targets and results of the monitoring programme ~~achieved biodiversity outcomes shall be~~ is shared with Affected Populations and Organisations ~~stakeholders~~, ~~made~~ publicly ~~available~~ disclosed, and ~~periodically~~ updated as required.

8.3 Ecosystem Services Management. The Entity shall:

- a. Where an Entity depends on Priority Ecosystem Services: implement measures that increase resource efficiency of operations.
- b. Where Priority Ecosystem Services of relevance to Affected Populations and Organisations are identified through Criterion 8.1b, and the source of impacts are under the Entity's direct management Control: use the Biodiversity Mitigation Hierarchy to maintain the access to, and value and functionality of, such Ecosystem Services.
- ~~d.~~c. Where Priority Ecosystem Services of relevance to Affected Populations and Organisations are identified through Criterion 8.1b, and the source of impacts are not under the Entity's direct management Control: work with other parties or within their scope of influence to mitigate impacts to Priority Ecosystem Services.

8.38.4 Alien Species. The Entity shall proactively prevent accidental or deliberate introduction of Alien Species that could have significant adverse impacts on biodiversity and Ecosystem Services.

8.48.5 Commitment to "No Go" in World Heritage Properties. The Entity ~~engaged in Bauxite Mining~~ shall:

- a. Not explore or develop new operations~~mines~~ in World Heritage properties.
- b. Take all possible steps to ensure that existing operations in World Heritage Properties, as well as existing and future operations adjacent to World Heritage Properties, are not incompatible with the outstanding universal value for which these properties are listed and do not put the integrity of these properties at risk.

8.6 Protected Areas. The Entity shall:

- a. Have a process to identify Protected Areas.
- ~~a.~~b. Comply with any regulations, covenants, and legal requirements attributed to these Protected Areas.

Where engaged in Bauxite Mining:

- c. Not explore or mine in the Protected Areas identified in 8.6a unless:
 - i. An independent third party assessment, shared with Affected Populations and Organisations, publicly disclosed, and updated as required, conducted by a Qualified Specialist(s) identifies that the mining and Associated Facilities are consistent with the management objectives of the Protected Area.
 - ii. And where Indigenous Peoples and affected Communities exist, engagement with Indigenous Peoples and affected Communities have given their Free, Prior and Informed Consent
 - iii. Or where unique legal circumstances apply, including:
 - a. Where an existing license requires that the full resources be extracted by the Entity or
 - b. There is a mining permit and if the permit is not fulfilled it will be given to another company

Where the conditions of i and ii are also met.

- d. Ensure that decisions to proceed with exploration, development, operation and closure activities address the presence of, and potential impact on values of, Protected Areas; and/or declarations of Indigenous Peoples; and the outcomes recorded.

This Criterion applies to existing and new operations.

8.58.7 Mine Rehabilitation. The Entity, where engaged in Bauxite Mining, shall:

- a. Establish, maintain, update and implement a Mine Rehabilitation and closure plan.
- b. Ensure the Mine Rehabilitation and closure plan is developed in Consultation and in cooperation with Indigenous Peoples, Affected Communities and local eNGOs Affected Populations and Organisations
- ~~a-c.~~ Progressively Rehabilitate environments disturbed or occupied by Bauxite Mining activities, as soon as practicable, using best available techniques to achieve outcomes agreed through the participatory processes in 8.7(a) and (b) ~~with key stakeholders in the mine closure planning process.~~
- d. Put in place financial provisions to ensure availability of adequate resources to meet rehabilitation and mine closure requirements.
- ~~b-e.~~ Publicly disclose and share with stakeholders Affected Populations and Organisations a data driven annual report on the implementation and effectiveness of the Mine Rehabilitation and Closure Plan.

C. Social (sections 9-11)

9. Human Rights

Principle: The Entity shall respect and support individual and collective Human Rights affected by its operations. The Entity shall take appropriate action to assess, prevent and remedy potential adverse impacts on Human Rights in a manner that is consistent with international instruments on Human Rights.

- 9.1 **Human Rights Due Diligence.** The Entity shall respect Human Rights and observe the UN Guiding Principles on Business and Human Rights in ways appropriate to their size and circumstances, including as a minimum:
- a. A gender-responsive Policy commitment to respect Human Rights.
 - b. A gender-responsive Human Rights Due Diligence process that is developed in Consultation and in cooperation with Affected Populations and Organisations, consultative, monitored and periodically updated to accommodate shifting Human Rights conditions and seeks to identify, prevent, mitigate and account for how it addresses its actual and potential impacts on Human Rights, including any significant Legacy Impacts.
 - c. A mapping of Affected Populations and Organisations. The Entity shall ensure Affected Populations and Organisations are:
 - i. Engaged by the Entity
 - ~~i.~~ii. Consulted about operational activities and potential significant Human Rights and informed of the operation's Complaints Resolution Mechanism.

~~b-d.~~ Where the Entity identifies through Due Diligence and/or grievances, as having caused or contributed to adverse Human Rights impacts, it shall provide for or cooperate in their remediation through legitimate processes.

Where Indigenous Peoples are involved, FPIC (Criterion 9.4) may apply.

9.2 **Women's Empowerment and Gender Equity Rights.** The Entity shall:

a. Implement a program which promotes gender equity and women's empowerment in employment practices, training opportunities, awarding of contracts, processes of engagement and management activities. The program shall minimally address barriers to professional development, Discrimination and Harassment.

~~e-b.~~ Regularly review and publicly disclose the effectiveness of the measures taken to promote gender equity and, where required, identify and implement improvements. ~~implement Policies and processes to ensure respect for the rights and interests of women, consistent with international standards, including the UN Convention on the Elimination of all Forms of Discrimination Against Women (CEDAW).~~

~~9.29.3~~ **Indigenous Peoples.** The Entity shall:

a. Implement Policies and processes to ensure respect for the rights and interests of Indigenous Peoples, consistent with international standards, including ILO Convention 169 and UN Declaration on the Rights of Indigenous Peoples.

~~a-b.~~ Inform Indigenous Peoples of the relevant ASI Performance Standard requirements.

This Criterion applies where the presence of Indigenous Peoples or their lands, territories and resources is identified.

9.4 **Free, Prior, and Informed Consent (FPIC).** ~~Where new projects or major changes to existing projects may have significant impacts on the Indigenous Peoples associated culturally with and living on the relevant lands,~~ The Entity shall Consult and cooperate in good faith with the Indigenous Peoples concerned through their own representative institutions in order to obtain their Free, Prior and Informed Consent (FPIC):

a. For New Projects or Major Changes to existing projects that may have significant impacts on the Indigenous Peoples associated culturally and living on the relevant lands prior to the approval of any project, affecting their lands or territories and other resources, particularly in connection with the development, utilization or exploitation of mineral, water or other resources.

b. Where engaged in Bauxite Mining:

i. Prior to entering a new phase of operations.

ii. Prior to altering an existing Mine Rehabilitation and closure plan.

~~b-c.~~ Where FPIC is required in 9.4(a) or (b): Demonstrate that the consent is supported by the Indigenous Peoples community.

This Criterion applies where the presence of Indigenous Peoples or their lands, territories and resources is identified.

~~9.39.5~~ **Cultural and Sacred Heritage.** The Entity, in Consultation and in cooperation with affected Communities, shall cooperatively identify sacred or cultural heritage sites and values within the Entity's Area of Influence and take appropriate action to avoid or remedy impacts, as well as to ensure continued rights of access to such sites or values.

Where Indigenous Peoples' sacred or cultural heritage sites and values may be impacted, Criterion 9.4 on FPIC will apply.

9.49.6 Resettlements. The Entity shall:

- a. In project designs, consider feasible alternatives to avoid or minimise physical and/or economic displacement, while balancing environmental, social, and financial costs and benefits, paying particular attention to impacts on the poor and Vulnerable or At-Risk, including women.
- b. When physical displacement is unavoidable: In Consultation and in cooperation with the affected parties, develop a Resettlement Action Plan that covers, at a minimum, the applicable requirements of IFC Performance Standard 5 (Land Acquisition and Involuntary Resettlement) and complies with Applicable Law regardless of the number of people affected.
- c. Regularly review the Resettlement Action Plan and, where required, identify and implement improvements to ensure that living conditions and income generating options equal or exceed those prior to resettlement.
- ~~b-d.~~ Ensure that the Resettlement Action Plan, including the number of people impacted, is made publicly available. Progress against the Resettlement Action Plan shall be shared with affected parties annually for the duration of its implementation or in the event of a deviation from the Resettlement Action Plan.

This Criterion applies to resettlements being considered or taking place during the period since joining ASI, or through changes since the last Audit or expected to occur during the Certification Period. When Indigenous Peoples are involved, Criteria 9.4 on FPIC will also apply.

9.59.7 Local Communities. The Entity shall:

- a. Respect the legal and customary rights and interests of local Communities in their lands and livelihoods and their use of natural resources.
- b. ~~take appropriate steps to prevent and address~~ Develop a plan in Consultation and in cooperation with local Communities to monitor, avoid, minimize, reduce and compensate for any significant adverse impacts, including health and safety and environmental impacts any adverse impacts on the local Community livelihoods resulting from its activities.
- c. In accordance with the plan, commit resources to community development.
- ~~b-d.~~ Regularly review the effectiveness of the plan and, where required, identify and implement improvements.
- ~~e-e.~~ Explore with local Communities opportunities to respect and support their livelihoods. These criteria apply where the outcome of the Human Rights Due Diligence conducted as part of criterion 9.1 has identified the presence of issues affecting local Communities.

9.8 Conflict-Affected and High-Risk Areas. In order to avoid contributing to armed conflict or Human Rights abuses, the Entity shall exercise risk-based Due Diligence over its Aluminium supply chain in accordance with the OECD Due Diligence Guidance of Minerals from ~~not~~ contribute to armed conflict or Human Rights abuses in Conflict-Affected and High-Risk Areas (OECD Guidance) in ways appropriate to its size and circumstances, including as a minimum:

- a. Establish strong Management Systems, including a supply chain Policy, responsibilities and resources, information gathering and supplier engagement (Step 1)
- b. Identify and assess risks in the supply chain (Step 2)
- c. Design and implement a strategy to respond to identified risks (Step 3)
- d. Undergo audit of Due Diligence practices (Step 4)
- e. Report annually on supply chain Due Diligence (Step 5).

This Criterion does not apply to Entities that do not source directly or indirectly any Bauxite, Alumina or primary Aluminium.

- 9.69.9 Security practice.** In line with recognised Standards and good practices, the Entity shall respect Human Rights in its involvement with ~~public and~~ private, including in-house, and public security providers, ~~respect Human Rights in line with recognised standards and good practices.~~

10. Labour Rights

Principle: The Entity shall uphold decent work and the Human Rights of Workers and treat them with dignity and respect, in line with the ILO core Conventions and other relevant ILO Conventions.

- 10.1 Freedom of Association and Right to Collective Bargaining.** The Entity shall:
- Respect the rights of Workers to form or join Labour Unions or other Associations to Collective Bargain within the bounds of Applicable Law. The decision whether to join a Labour Union or other association shall be made solely by the Worker. associate freely in Labour Unions, seek representation and join Workers' councils without interference, in line with the ILO Conventions C87 and C98.
 - Respect the rights of Workers to Collective Bargaining, participate in any Collective Bargaining process in good faith, and adhere to Collective Bargaining agreements where such agreements exist.
 - Respect that Labour Unions or other associations have the right to:
 - Develop their constitutions and rules, to elect their representatives in full freedom, to organise their administration and activities and to formulate their programmes to the extent possible under Applicable Law.
 - Organise.
 - Within the bounds of Applicable Law, Collectively Bargain on behalf of the Workers.
 - Where an Entity operates in a country where Applicable Law restricts the right to Freedom of Association and Collective Bargaining: facilitate the involvement of Workers in industrial relations of the Facility through support alternative means of association for Workers that are permitted under Applicable Law. These alternative means shall, at a minimum, ensure a climate free of violence, pressure, fear and threats.
- 10.2 Child Labour.** The Entity shall ensure: ~~neither use nor support the use of Child Labour as defined in ILO Conventions C138 and C182, and shall comply with related national and international law~~
- That all Workers are over the A basic minimum working age of 15 years.
 - That work for 15 through 17 year old's is not exploitive, Not engaging in or supporting Hazardous Child Labour or interfering with schooling and apprenticeship programs.
 - That there are no instances of the Not engaging in or supporting Worst Forms of Child Labour.
- 10.3 Forced Labour.** The Entity shall neither engage in nor support the use of Forced Labour ~~as defined in ILO Conventions C29, along with Protocol P29 (2014) to this Convention, and C105.~~ The Entity shall:

- a. Not, either directly or through any direct or contracted employment or recruitment agencies:
 - i. Engage in or support Human Trafficking, ~~either directly or through any employment or recruitment agencies.~~
 - ii. Require any form of deposit, Recruitment Fee, Costs and Charges or equipment advance from Workers either directly or through employment or recruitment agencies.
 - iii. Require Migrant Workers to lodge deposits or security payments at any time.
 - iv. Hold Workers in Debt Bondage or force them to work in order to pay off a debt.
 - v. ~~Unreasonably~~ Restrict the freedom of movement of Workers in the workplace or in on-site housing.
 - vi. Retain original copies of Workers' identity papers, work permits, travel documents or training certificates.
 - vii. Deny Workers the freedom to terminate their employment at any time without penalty, given notice of reasonable length.
- b. Publicly disclose an annual Modern Slavery Statement detailing their actions to address modern slavery.

~~10.3~~10.4 **Non-Discrimination.** The Entity shall:

- a. Ensure equal opportunities and shall not engage in or support Discrimination in hiring, salary, promotion, training, advancement opportunities or termination of any Worker on the basis of gender, race, national or social origin, caste, religion, disability, political affiliation, sexual orientation, marital status, family responsibilities, age, or any other condition that could give rise to Discrimination, ~~in line with ILO Conventions C100 and C111.~~
- ~~a.~~b. Undertake objective appraisals of jobs on the basis of the work to be performed to verify equal rates of pay for equal work.

~~10.4~~10.5 **Communication and engagement.** The Entity shall ensure open communication and direct engagement with Workers and their representatives regarding working conditions and resolution of workplace and compensation issues, without threat of reprisal, intimidation or Harassment.

~~10.5~~10.6 **Disciplinary practices.** The Entity shall neither engage in nor tolerate the use of corporal punishment, mental or physical coercion, Harassment, and gender-based violence including sexual Harassment, or verbal abuse of Workers.

~~10.6~~10.7 **Remuneration.** The Entity shall:

- a. Ensure Workers have a written contract of employment in a language and format they understand.
- b. Respect the rights of Workers to a living wage and ensure that wages paid for a normal working week shall always meet at least a legal or industry minimum standard and shall be sufficient to meet the basic needs of Workers and to provide some discretionary income.
- c. Pay a premium for work that exceeds 40 hours per week, except in situations of a collective agreement or extended work shifts where work hours are averaged over a certain period.
- d. Make wage payments that are timely, in legal currency tender and fully documented.

~~10.7~~10.8 **Working Time.** The Entity shall:

- a. Comply with Applicable Law and industry standards on Working Time (including Overtime working hours), public holidays and paid annual leave.
- b. Ensure Workers have at a minimum one day off per seven day period.
- ~~a-c.~~ Ensure the work day is 8 hours on average over a three month period.

11. Occupational Health and Safety

Principle: The Entity shall provide safe and healthy working conditions for all Workers.

11.1 **Occupational Health and Safety (OH&S) Policy.** The Entity shall:

- a. Implement, communicate and regularly review an Occupational Health and Safety Policy that senior management has endorsed and supports through provision of resources.
- b. Apply the Policy to all Workers and Visitors present in any area or activities under the Entity's Control.
- c. Include in the Policy a commitment to comply with Applicable Law on Workers' health and safety, international standards, and ILO Conventions on Occupational Health and Safety including where relevant ILO Conventions 155 and 176.
- d. Include in the Policy that Workers have the right to understand the hazards and safe practices for their work, and the authority to refuse or stop unsafe work.

11.2 **OH&S Management System.** The Entity shall:

- a. Have a documented Occupational Health and Safety Management System that is conformant with applicable national and international standards.
- b. Regularly review and publicly disclose the effectiveness, using lagging and leading indicators, of the Occupational Health and Safety Management System; compare this with peers and best practices; and where required, identify and implement improvements.

11.3 **Employee engagement on Health and Safety.** The Entity shall provide Workers with a mechanism, such as a joint health and safety committee, by which they can raise, discuss and participate in the resolution of Occupational Health and Safety issues with management.

~~11.4 — OH&S performance.~~ The Entity shall evaluate its Occupational Health and Safety performance using lagging and leading indicators, compare this with peers and best practices where available, and strive to continuously improve.

Glossary

The Glossary has been moved to the ASI Glossary global document.



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Stewardship
Initiative

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