

ASI Standards Committee

Teleconference Minutes

05 May 2021

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.

Agenda

	Topic		Lead
1	<ul style="list-style-type: none"> a. Welcome b. Introduction & Apologies c. Objectives d. Documents Circulated 	<ul style="list-style-type: none"> e. Previous Minutes f. Conflicts of Interest/Duty g. Log of Actions 	Chair
2	For information: Update on Oversight Review		ASI - Cam
3	For information: Governance Survey		ASI - Krista
4	For information: Update on SC Studies		ASI - Krista
5	For decision: Process/Timeline May-July		
6	a. Agreed upon actions for Committee members	<ul style="list-style-type: none"> b. Agreed upon actions for the Secretariat c. Close 	Chair

1a,b Welcome, Introduction & Apologies

a) Welcome

b) **Chair:** Kendyl Salcito (Nomogaia)

Attendees: Abu Karimu (Settle Ghana), Alexander Leutwiler (Nespresso), Annemarie Goedmakers (Chimbo), Anthony Tufour (Arconic), Catherine Athenes (Constellium), Gesa Jauck (Trimet), Giulia Carbone (IUCN), Hugo Rainey (WCS), Jessica Sanderson (Novelis), Justus Kammüller (WWF), Jostein Søreide (Hydro), Louis Biswane (KLIM), Neill Wilkins (IHRB), Nicholas Barla (IPAF), Rafael Hammer (Ronal Group), Samir Whitaker (FFI), Stefan Rohrmus (Schueco), Steinunn Steinsson (Nordural), Tina Bjornestal (Tetra Pak).

ASI: Cameron Jones, Chris Bayliss, Krista West, Thad Mermer

Apologies: Gina Castelain (IPAF), Marcel Pfitzer (Daimler), Rosa Garcia Pineiro (Alcoa).

Alternatives:

Proxies: Jostein Søreide (Hydro) for Rosa Garcia Pineiro (Alcoa)

1c,d Objectives & Documents Circulated

c) Objectives

1. Adopt minutes of the previous meeting
2. Provide input and agree to scope of discussions/timeline for SC through to July 2021

d) Documents Circulated

1. ASI SC Teleconference V2 05May21
2. ASI SC Teleconference Minutes V2 24Mar21
3. ASI 2020 Governance Survey - summary of responses for Standards Committee Apr2021
4. *For information:* PUBLIC Round 1 Consultation Log of Input April21 up to log item 574
5. *For information:* Draft schedule up to comments 180
6. ASI - SCMemberApptProxyForm 05May21
7. ASI –SCMemberAlternateForm 05May21

1e,f Previous Minutes & Conflicts of Interest/Duty

- e) Approval of Previous meeting minutes draft: 24 March 2021 Minutes V2 will be published on the ASI website.

Version 2 of the minutes were accepted.

- e) Conflicts of Interest/Duty - *Disclosure sent with meeting package*

It was noted by the Secretariat that the list of disclosures was not included in the meeting package for this meeting. It was stated that the list of Disclosures had been distributed in previous meetings and that no changes had been made since they were last distributed.

1g Log of Actions

g) Log of Meeting Actions open or closed since last meeting.

Meeting where Action was Identified	Assigned To	Action	Date Due
24Mar2021	Secretariat	Ensure that there is time to be dedicated to discussing the Theory of Change and M&E program post-revision.	Post-revision
24Mar2021	Secretariat	Follow up with Rio Tinto to schedule the planned follow-up call with the SC.	Completed

2 Update on Impartiality Review

- First Impartiality Review for ASI
- Good governance and review mechanism, as well as a requirement of ISEAL Assurance Code
- Undertaken from Jan-Mar 2021 by AECOM for 2020 calendar year
- Sample of audits and auditors were reviewed based on location, supply chain activity, type of audit and audit firm
- Focus areas for audits were identified for a deeper analysis:
 - Audit review considered evidence for findings (documentation, interviews, appropriate level of evidence), writing and communication, number and type of findings, materiality and maturity ratings
- Auditor review considered initial application, CVs, training, audit logs, witness assessments, overall expertise, geographical scope, language ability, written communication skills
- No non-conformances identified to ASI impartiality and competence procedures
- Series of lower priority opportunities for improvement identified
- Peter Boyle, Project Director AECOM will present 10-15 minute summary at June Standards Committee meeting.

2 Update on Impartiality Review

- It was asked if the Impartiality Review would be shared with the Standards Committee. The Secretariat responded that the report would have to be adjusted for anonymity and that would be considered, though was not initially planned.

3 Governance Survey

Overall very positive, here, pulled out for discussion/reflection are some ideas for improvement:

- *“I think there are times the SC gets bogged down in wordsmithing and there are sometimes entrenched positions that take up a bit too much oxygen in meetings. That said, we know what the objectives of every meeting are in advance, and we sometimes fall behind but we never fully fall off the wagon, which is remarkable.”*
- *“It tends to be the same people talking about issues, it could be a good approach to just give everybody ability to say their opinion with old fashion name calling.”*
- *“It may be worth clarifying that SC members are there to represent the interests of ASI, and not the interests of their organizations.”*

3 Governance Survey

- It was stated that generally the Chairs of the SC are very good at taking breaks in the conversation to see if there are additional opinions but that when things got passionate that was more difficult. It was suggested that perhaps folks could do the raise your hand function and that Zoom was better for this.
- It was stated that the chat could be used for raising a hand.
- It was stated that the work would be much less tedious if in-person meetings could be held.

4 Update on SC Studies

Month	Secretariat Focus	Standards Committee Focus
March-April	<ul style="list-style-type: none">✓ Verifiers/indicators/benchmarking✓ Consultations webinars✓ Translations✓ Logging items and beginning revisions✓ SHBWG Meeting	<ul style="list-style-type: none">✓ 24Mar – External studies into key topics / audit consistency

- All tasks for March/April completed
- Biodiversity study is commissioned (Consultant: Stuart Anstee) and will begin this week.
 - Project completion is planned for mid-June, at least with preliminary findings for reporting to the SC
 - Scope includes *full* audit report data
 - We considered the request to additionally add feasibility of the proposed biodiversity action plans to the scope but we did not as:
 - This was a considerable addition to the scope
 - The Biodiversity Action Plans aren't universally public so evaluating them without the full context would be of limited value
 - There are additional M&E indicators on outcomes for biodiversity that were added to the M&E program by the Standards Committee in 2018

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- Social/Governance study is in the process of being commissioned
 - Hope is that Objectives 3 & 4 of the study related to Indigenous Peoples by June 15 in order to feed into this round of Standards Committee discussions.
 - Objectives 1 & 1 related to Criteria 2.4, 2.7, 2.8, 3.4 and 9.1 will be completed after and will be ready for the next round of Standard Committee discussions.

4 Update on SC Studies

- It was asked who had been commissioned to do the Social/Governance Studies. The Secretariat responded that the contract had not yet been finalized but once it had been this could be shared with the Standards Committee (SC).

5 Process/Timeline May-July

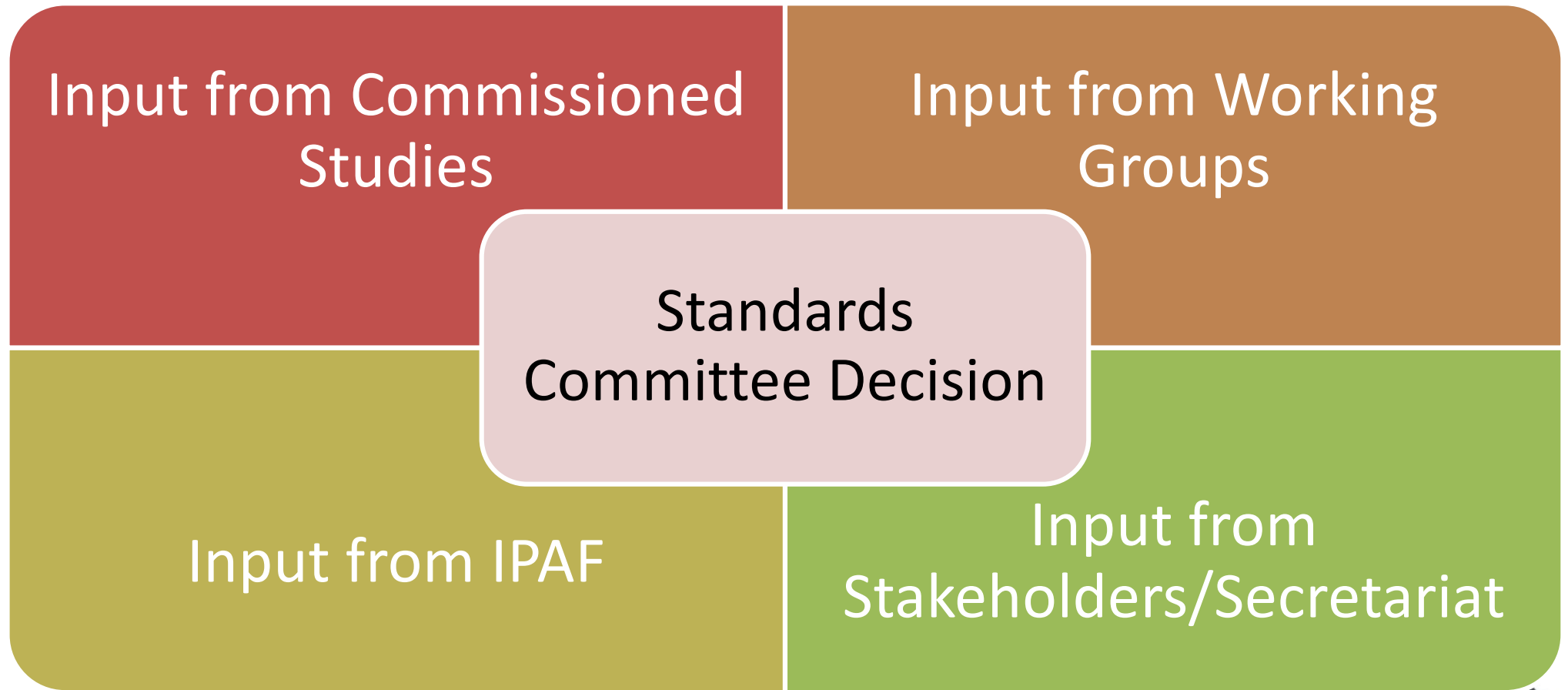
- So far 574 comments received from over 50 commenters – with comments from several more organisations to log.
- Additional comments logged from within the Secretariat and carried over from the pre-consultation period.
- For comparison, the log from pre-consultation had approximately 250 items
- Secretariat has sorted the comments in Excel by:
 - Document they relate to
 - Topic



5 Process/Timeline May-July

	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022
Development of the Terms of Reference									
Terms of Reference Consultation		60 DAYS							
Review of TOR Consultation Feedback									
Revision Documents Preparations									
Revision Documents Consultation Round 1					60 DAYS				
Review of Consultation Round 1 Feedback									
Revision Documents Consultation Round 2							30 DAYS		
Review of Consultation Round 2 Feedback									
Committee approval, Board Adoption									TARGET

5 Process/Timeline May-July



5 Process/Timeline May-July

- Objective today is to agree on a process for deciding which comments to address
 - All comments be considered by the Standards Committee
 - Pro: full committee discussion and agreement on response to each comment
 - Con: time consuming and will require extension of the discussion period
 - Comments be prioritised for discussion based on items not discussed or considered prior to the consultation or where new information is brought forward
 - Pro: more time efficient, focuses on items not yet discussed
 - Con: may still take considerable time, some topics which were discussed in depth pre-consultation may need further discussion
 - Comments be prioritised for discussion based on items raised repeatedly during consultation
 - Pro: more time efficient, focuses on items of most concern to commentators
 - Con: may miss some critical topics, makes precedence of prioritization of comments based on 'popularity'

5 Process/Timeline May-July

- Today we to agree on a process for deciding which comments to address
 - Comments prioritised on merit/risk.
 - Pro: more time efficient
 - Con: may still take considerable time, not everyone will agree on relative merit/risk
 - Focus on Principles 5 (approx. 50 comments), 8 (approx. 50 comments) and 9 (approx. 40 comments– where there are the most significant changes and comments
 - Pro: more time efficient, focus' on areas where there has been the most change
 - Con: some critical items may be missed
 - Some mix of the above

5 Process/Timeline May-July

- It was suggested that the 'Review of Consultation Round 1 Feedback' could be extended and the 'Review of Consultation Round 2 Feedback' period could be shortened.
- It was suggested that the schedule could be built to provide adequate time to address the comments that came in.
- It was asked if it were possible to not further discuss topics which had discussed extensively prior to the Consultation. The Secretariat responded that this was possible and may make sense for some topics if no additional information has come forward, however, it may not make sense for other topics where knowledge, perspective and information has either shifted over time or come in through consultation.
- It was asked if the Secretariat could categorize priorities in the list and the SC could discuss if they agree or disagree. The Secretariat said it was possible to do that.
- It was stated that extending the period of review beyond the current three months planned was ok.
- It was asked if the Standards Committee could divide into smaller groups to discuss clusters of issues, similar to what was done with GHG prior to consultation. This would help divide the workload between SC Members. Another member stated that the Standards Committee doesn't necessarily have a balanced expertise to manage this and that for the SC Members who are from companies as they would attend all the meetings. The Secretariat added that this didn't help with distributing the workload for the Secretariat.

5 Process/Timeline May-July

- It was stated that it was important that proper discussions were had and it was asked how strict the timelines were. The Secretariat stated that the timeline could be adjusted to allow time for fulsome discussion through a revision to the Standards Revision Terms of Reference.
- It was stated that if the SC needs more time they should take more time.
- It was stated that comments where there were many comments clearly need to be addressed. Additionally where new information has come forward those comments should be addressed.
- It was suggested that the Working Groups could help prioritize the topics for discussion from the consultation. The Secretariat responded that this would add significant time as all the Working Groups would have to be convened prior to the SC making their determination.
- It was stated again that a delay in the timeline was ok.
- It was stated that the Secretariat should screen all the comments and assign an approach to comments. In the end the Standards Committee has the final approval of each change, even the smaller editorial ones as they can review tracked changes versions before approving the drafts for consultation.
- It was stated that it was important to not eliminate comments just because the topics were discussed previously as in some cases the world has moved forward since the topic was last discussed at ASI.
- It was stated again that the Secretariat should make a list and the Standards Committee be given an opportunity to agree or disagree.

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- It was stated that it was important to not eliminate comments just because the topics were discussed previously as in some cases the world has moved forward since the topic was last discussed at ASI.
- **It was agreed that the Secretariat should make a list of potential responses/actions to the each of the log items and the Standards Committee be given an opportunity to agree or disagree.**

5 Process/Timeline May-July

- There was a discussion about the Biodiversity and Ecosystem Services Working Group (BESWG) meeting planned for 06May21 and whether it should be cancelled until the SC approved the list of items to be discussed. One member stated they were seriously opposed to cancelling the meeting as they would be away later in the month. It was decided to cancel the meeting and plan to reschedule for when the opposing member returned in June.
- There was further discussion later in the meeting. The Secretariat said the the focus of the meeting was planned as
 - Guidance given on the definition of Protected Areas.
 - IBAT tool
 - Definition for Biodiversity and Ecosystem Risk Assessment
 - Criterion 8.6 and the and/or statement.
- It was stated that these are all valid topics for the grou and a decision to keep the BESWG meeting as planned was taken. It was clarified and agree that having the meeting did not in any way take any items from the log out of the list of topics that would be discussed by the Working Groups or SC until a decision on that was taken by the SC.

6 Agreed Upon Actions & Close

- 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

Next Meetings:

- 18May21
- 02June
- 16June
- 07July
- 21July – **Approval of Documents for Consultation**

Thank you