

ASI Chain of Custody

ASI Aluminium,
Responsible Sourcing
and Claims

About ASI

The Aluminium Stewardship Initiative (ASI) is a global non-profit standards setting and certification organisation.

We bring together producers, users and stakeholders in the aluminium value chain with a commitment to maximise the contribution of aluminium to a sustainable society. Working together, we aim to collaboratively foster responsible production, sourcing and stewardship of aluminium.



ASI Aluminium

ASI Aluminium is responsible aluminium sourcing in action.

ASI Aluminium is metal that has been produced and sourced – from its mined or recycled source and through each step in the value chain – in accordance with ASI's Standards.



ASI Certification

ASI's Certification program offers two complementary standards: the ASI Performance Standard and the ASI Chain of Custody Standard.



The ASI Performance Standard sets out practices for sustainability and human rights principles to be applied by companies along the aluminium value chain.



Practice



The ASI Chain of Custody Standard creates a link from company practices to responsible sourcing of products, by connecting Certified suppliers and customers and accounting for material flow.



Sourcing



ASI Certification against both the Performance Standard AND Chain of Custody Standard provides recognisable assurance for responsible practices and responsible sourcing for aluminium.

Chain of Custody is about providing credible information about a product or material that can be used to base purchasing decisions upon.

ASI Chain of Custody Certification creates a clear and verifiable link between a company's sustainability performance and its material outputs. This makes it possible to understand the sustainability credentials of products, and

enables suppliers, customers and consumers to collectively drive better practices through their sourcing or purchasing choices.

The ASI Chain of Custody Standard thus creates a market driver for companies to implement the ASI Performance Standard and deliver important sustainability outcomes through each step of the aluminium value chain.

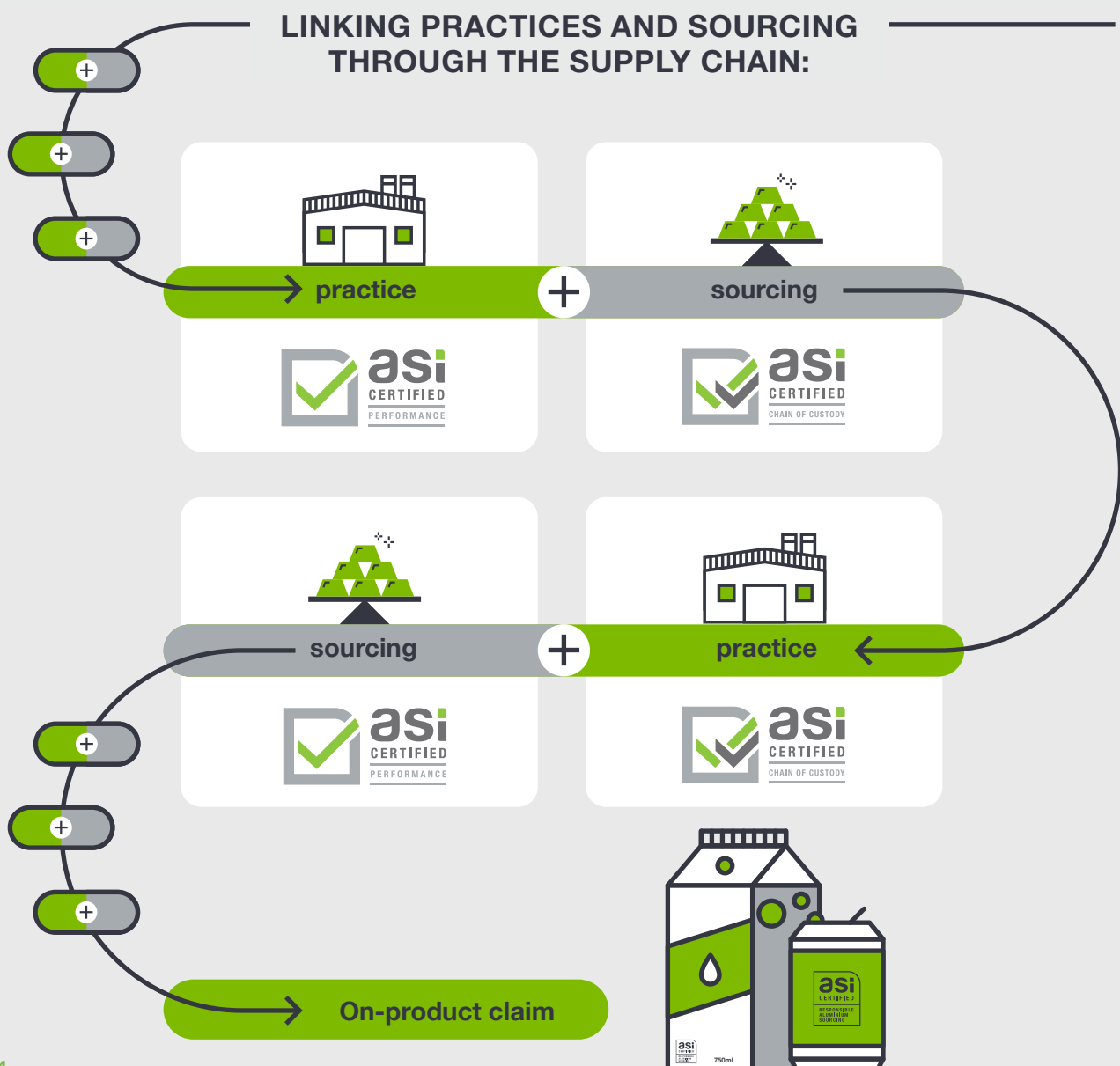
ASI Chain of Custody

ASI Chain of Custody is a way to allocate performance claims to products, thus providing a tool for responsible sourcing.

BENEFITS

Implementing a responsible sourcing program through ASI Chain of Custody Certification can offer a range of benefits, including:

- Creating incentives for responsible practices by suppliers
- Supporting supply chain due diligence
- Mitigating supply chain risk
- Accessing sustainability data
- Enhancing reputation and market access with customers
- Meeting stakeholder expectations for supply chain assurance



Key Principles

ASI is the only responsible sourcing program that addresses practices along the full aluminium chain: from upstream production through to downstream use sectors, such as packaging, transport, construction and engineering.

ASI Chain of Custody (CoC) Certification is **relevant for each stage of the aluminium supply chain** and must be in place for each successive entity to maintain the chain of custody for supplied CoC Material.

Certification against the ASI Performance Standard is also required, delivering **a whole of supply chain commitment to responsible practices**. Together, these elements deliver an effective responsible sourcing program for aluminium.

Both **primary aluminium and recycled aluminium** are specifically addressed under the CoC Program. The ASI CoC Standard sets out how to manage **eligible inputs, material accounting and information flow from** upstream to downstream companies in aluminium supply chains.

Under the CoC Standard, Non-CoC Material and Recyclable Scrap are subject to **due diligence**, addressing key aspects of the ASI Performance Standard relating to environmental, social or governance risks. This aligns with ASI's mission to promote responsible sourcing generally and yet does not preclude sourcing from non-ASI suppliers.

What is a Chain of Custody?

A 'Chain of Custody' is a chain of responsibility for the custodianship of material or products as they move through a supply chain.

What is Due Diligence?

Due diligence is an ongoing, proactive and reactive process through which companies can identify and assess risks, and design and implement a strategy to respond to identified risks.



Using Mass Balance

The ASI Chain of Custody program uses a Mass Balance model, which:

- Allows certified and non-certified material (e.g. bauxite, alumina, aluminium) to be mixed, with controls based on a material accounting system
- Enables chain of custody programs to scale up to still achieve impact but with less costs and barriers to participation
- Puts the focus on connecting supply chain practices, not atoms.

HOW IT WORKS

The ASI Mass Balance model allows for CoC and Non-CoC Material to be mixed at any stage in the supply chain, over a defined claim period.

This allows for a fluctuating proportion of CoC input entering a Certified company over the period. The CoC output can then be managed and allocated proportionally based on the average percentage of input.

The simple example below represents inputs and outputs over one year. An ASI Chain of Custody Certified company can claim CoC outputs based on CoC inputs as shown. The

Input Percentage for the given period is used to determine the Output Quantity of CoC Material (and any Eligible Scrap), by mass.

So if 50% of the total input is CoC Material over the year, then up to 50% of the total output (and scrap, where applicable) can be designated as CoC Material. Using a percentage-based approach automatically takes into account material losses during processing.

CoC Certified companies use a 'Material Accounting System' designed in accordance with the CoC Standard to internally administer the mass balance model. These may be stand-alone systems or integrated with purchasing, process flow, inventory, accounting, or other systems.



ASI is unique among responsible sourcing programs to publish CoC mass flow data in the context of global mineral and metal flows.

With CoC Certifications growing every year, ASI looks forward to continuing to build a whole of supply chain uptake and ongoing transparency with each annual reporting cycle.

ASI CoC

material flow



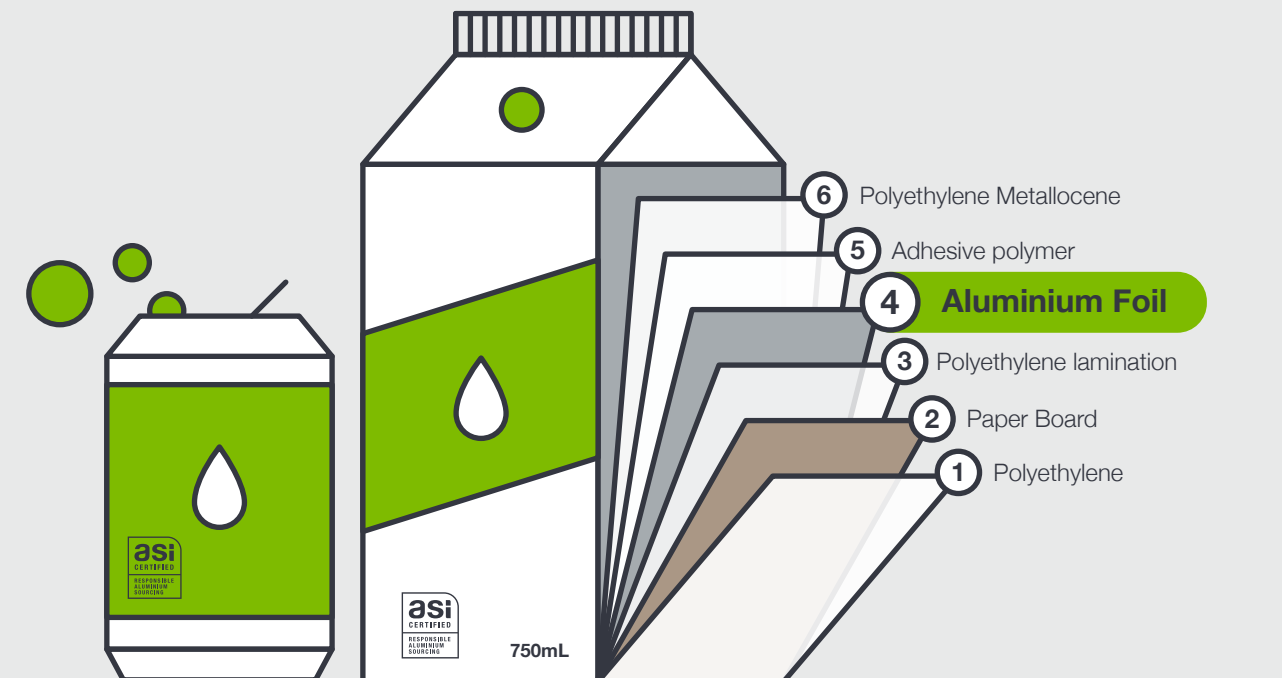
Responsible Sourcing logo

ASI Chain of Custody Certified Members can make on-product claims. An ASI Responsible Sourcing logo on your product can provide your customers with assurance of responsible production, sourcing and stewardship of aluminium.



Making Claims about ASI Chain of Custody

An ASI-labelled product means that the amount of material required to make it was produced by ASI Certified companies, from its mined or recycled source and through each step in the value chain.



Some ASI Members choose to add a statement alongside an ASI Certification logo or on-product logo to communicate what responsible aluminium sourcing means to them. Here are some examples:

- This [Product] supports responsibly produced aluminium, from mine to metal
- By purchasing this [Product] you're contributing to responsible production, sourcing and stewardship of aluminium – worldwide
- This [Product] carries the ASI label, demonstrating that we support the responsible production of aluminium
- When you choose an ASI-labelled [Product] you're doing your part to look after people and planet
- ASI is a global standard-setting and Certification organisation that lays the foundation for a responsible aluminium supply chain, supported by a broad range of stakeholders
- ASI – Certified leading practice for aluminium sustainability

Frequently Asked Questions (FAQ)

How far does an ASI Chain of Custody need to go?

ASI Chain of Custody runs from the starting points of primary aluminium (bauxite mines) and recycled aluminium (aluminium re-melter/refiners) through each successive mineral processing, production, transformation and manufacturing step in the supply chain. The Chain of Custody should continue to be supported by successive CoC Certifications until either the receiving entity for the CoC Material does not wish to take CoC claims further, or it reaches final product stage to enable any desired on-product claims.

Do retailers of products that contain ASI Aluminium need to be CoC Certified?

To add ASI logos or claims to specific products, companies need to be CoC Certified. Where retailers or other companies receive finished products with on-product claims in place, they do not need to be CoC Certified as no further change to the material is possible. ASI welcomes such organisations to join as General Supporters and support ASI's work on the aluminium value chain. All product and sourcing claims for ASI Aluminium need to be made in accordance with the ASI Claims Guide, and ASI approval must be sought where required.

Does a company need to be an ASI Member to get ASI Certified?

Yes. ASI membership enables ASI to design, manage and oversee its Certification program appropriately. ASI aims to ensure that assurance is carried out consistently, competently and impartially, and that risks to system integrity are identified and managed.

Are there extra fees for volumes of CoC Material or ASI Aluminium?

No. The ASI membership fee is a flat annual fee scaled to the type and size of your organisation, and there are no additional costs charged by ASI for Certificates, or for product labelling or CoC volumes.

ASI maintains a detailed list of FAQ and answers in elementAI, ASI's online assurance platform, which address a range of specific situations. ASI members can access the ASI Help Desk in elementAI to view these or seek a response from the ASI Secretariat to new questions.

Find out more:

ASI Chain of Custody

ASI Claims Guide

ASI Standards Overview

Join us

Members' support and engagement provide the foundation and momentum for ASI's mission-driven program. We invite organisations from all parts of the aluminium value chain – companies, civil society groups, associations and other supporting organisations – to join our efforts to build a resilient, credible and value-adding ASI program for all stakeholders.



VISION

To maximise the contribution of aluminium to a sustainable society.

MISSION

To recognise and collaboratively foster responsible production, sourcing and stewardship of aluminium.

Contact Us

Visit the ASI website or contact us to find out more about our work in progress and how you can join us:

W www.aluminium-stewardship.org

E info@aluminium-stewardship.org

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