

## Forthcoming ASI Performance Standard audit - Secretariat review, assessment and approval of audit scope, plan and schedule

Version 1 – October 2021

### 1. INTRODUCTION

The ASI Secretariat seeks to review the audit team, plan and schedule for all upcoming Initial Certification Audits for the ASI Performance Standard for Entities with the Supply Chain Activities of BAUXITE MINING &/or ALUMINA REFINING &/or ALUMINIUM SMELTING. This independent review is to ensure that the audit will be undertaken by ASI Accredited Auditor personnel that have the necessary auditing experience applicable to the Entity and its risk profile, and to ensure that an appropriate level of effort and engagement (internal and external) will be undertaken during the audit. The audit requirements to be assessed are consistent with the requirements as described in the ASI Assurance Manual.

Forward all audit plans (including any supporting information) to [cameron@aluminium-stewardship.org](mailto:cameron@aluminium-stewardship.org) **no later than SIX WEEKS prior** to the proposed audit commencement date. This time allows for appropriate review by the ASI Secretariat, the provision of feedback and/or approval and to allow sufficient time for audit firms to discuss and confirm amendments to the audit plan in response to the feedback provided by ASI.

For those audits involving international travel, and/or contractor personnel and/or interviews with external stakeholder associations (in particular Indigenous Peoples), please consider submitting the audit plan at least 10-12 weeks prior to the audit, as there may be complex logistical situations that could require some alteration.

The ASI Secretariat will use an internal checklist that will ensure the following aspects of the audit plan is assessed for adequacy:

### 2. AUDIT CONSIDERATIONS AND REQUIREMENTS FOR REVIEW

Audit aspect / requirement	Considerations and issues for assessment
<b>Governance and corruption</b>	<ul style="list-style-type: none"> <li>- Are any BFPPs within the Entity's Certification Scope located in areas of <b>moderate to high endemic corruption</b>?</li> <li>- Are any BFPPs within the Entity's Certification Scope located in a <b>Conflict-Affected or High-Risk Area</b>?</li> </ul>
<b>Environmental considerations</b>	<ul style="list-style-type: none"> <li>- Are any BFPPs located in an area of <b>water stress</b>?</li> <li>- Are any BFPPs located in areas where effective <b>waste</b> treatment, transport and/or disposal are unlikely to be available?</li> <li>- Are any BFPPs located in a setting where <b>IUCN vulnerable or endangered 'red list' species</b> are likely to be present?</li> <li>- Are any BFPPs located adjacent to a <b>Protected Area</b> or area of <b>biodiversity significance</b>?</li> <li>- Does the Entity have a power mix that includes a significant proportion of <b>fossil fuels</b>?</li> </ul>
<b>Social considerations</b>	<ul style="list-style-type: none"> <li>- Are any BFPPs within the Entity's Certification Scope located in an area where there are, or likely to be <b>Indigenous Peoples</b> present?</li> <li>- Are any BFPPs within the Entity's Certification Scope considered to be within a region with high <b>gender inequality</b>?</li> </ul>

Audit aspect / requirement	Considerations and issues for assessment
	<ul style="list-style-type: none"> <li>- Are any BFPPs within the Entity's Certification Scope considered to be within a region with a moderate to high risk of <b>modern slavery</b>?</li> <li>- Are any BFPPs within the Entity's Certification Scope considered to be within a region with endemic concerns relating to <b>human rights</b>?</li> </ul>
<b>Audit scope</b>	<ul style="list-style-type: none"> <li>- For initial certification audits of 'upstream' supply chain activities, <b>all BFPPs should be audited.</b></li> <li>- Is it clear as to what is being <b>audited on-site</b> vs. remote assessment (if any)?</li> </ul>
<b>Audit effort</b>	<ul style="list-style-type: none"> <li>- Does the proposed audit schedule demonstrate an <b>appropriate level of effort</b> when undertaking the audit (in person days) as per Section 8.6 of the ASI Assurance Manual? <b>AND specifically address high risk issue types?</b></li> <li>- Does the audit plan and schedule appropriately considered the Entity's <b>Area of Influence</b>? The Area of Influence is defined in the ASI Performance Standard Guidance in 'Key Concepts'.</li> </ul>
<b>Audit team</b>	<ul style="list-style-type: none"> <li>- Does the audit team have appropriate <b>qualifications, geographical and supply chain activity</b> scope for each audit member?</li> <li>- Does the audit team have appropriate <b>local language competency</b>? If not has either a local support person or translator been appointed to the audit team?</li> </ul>
<b>Stakeholder engagement</b>	<ul style="list-style-type: none"> <li>- Is there evidence to confirm that the audit team has engaged with the Entity/Member directly to <b>identify appropriate external stakeholders</b> (in particular Indigenous Peoples, where applicable) for the purposes of interviews?</li> <li>- Is the selection of external stakeholders and the <b>number of interviews</b> planned appropriate and commensurate to the high risks identified</li> <li>- Are the <b>specific individuals and employee groups selected</b> for interviews and on-site engagement/discussions considered appropriate for the both the high-risk issues types and the Entity's 'Area of Influence'?</li> </ul>