

ASI Working Groups: Terms of Reference (2025)

Approved by the ASI Standards Committee on 11 February 2025

Validity: April 2025 – December 2026. [Phase 1 is expected to run from April 2025 – December 2025, but Working Groups may be extended for subsequent phases if required/ agreed by participants]

BACKGROUND:

Under the [ASI Standard Setting and Revision Procedure](#) (and ASI's obligations as a [Code Compliant member of ISEAL](#)), ASI is required to carry out a review of its current standards at least once every five years. The initial part of the review was completed in November 2024, resulting in a recommendation by the ASI Standards Committee for a full standards revision process to commence in March 2025. This recommendation was formally approved by the ASI Board on 4 February 2025.

The scope of the revision includes the current ASI Performance Standard V3 and Chain of Custody Standard V2, as well as the associated claims and assurance framework. The Terms of Reference for this standards revision, including its objectives and expected timeframe, can be found on the [ASI website here](#).

ASI is committed to multi-stakeholder representation throughout the revision process, and will be running six dedicated Working Groups to provide Member input on specific focus areas.

AIM OF THE WORKING GROUPS

The purpose of Working Groups (WGs) is to monitor the development of draft standards content through the revision process, and to provide expert feedback from a range of ASI Member perspectives. Input from the Working Groups will complement the work of the [Standards Committee](#), and technical experts who will assist the ASI Secretariat in drafting revisions.

The role of the Working Groups is to:

1. Serve as a 'sounding board' to provide feedback on draft standards criteria and guidance, particularly around *relevance, clarity, and feasibility of implementation* for draft criteria
2. Highlight potential alignment (or gaps) between draft ASI standards content and other key standards/ frameworks
3. Provide broader perspectives from across the aluminium value chain on how ASI Standards can support sustainability impacts and deliver value to Members. This includes identifying longer term risks and opportunities

In addition, Working Groups provide a useful forum to bring together ASI Members from diverse parts of the value chain and broader stakeholders, facilitating peer learning and knowledge transfer.

Given the wide range and complexity of issues within each focus area, the Working Groups will not be the sole source of expertise for standards development, and they do not have a decision-making role in the development of the ASI Strategy, Standards, or Assurance processes. However, input and recommendations from Working Groups are a key source of information that is considered carefully by the ASI Secretariat and Standards Committee in the standards revision process.

THEMATIC FOCUS OF WORKING GROUPS

Five thematic Working Groups will be established or reconvened to reflect ASI's [2030 Sustainability Priorities](#) (with Human Rights divided into two separate areas, as below). There will also be a specific Working Group

on Chain of Custody/ Claims, which will be a major focus area of the standards revision. In total there will be 6 Working Groups:

1. Circularity
2. Climate Change
3. Nature
4. Community Rights and Participation
5. Labour Rights/ Health and Safety
6. Chain of Custody and Claims

Each Working Group will focus on topic-specific (and some crosscutting) issues and ASI's role in enabling and accelerating global transformation of the aluminium sector. Working Groups on occasion will overlap to feed into crosscutting themes, consistent with the ASI Strategy.

Refer to the [Annex](#) for more detail on the scope of each Working Group and the topic areas likely to be covered under each group.

REVISION OBJECTIVES

As set out in the [Terms of Reference](#), the standards revision aims to deliver the following key objectives, which will shape the draft content development and discussion topics across all Working Group areas:

1. **Enable greater differentiation; recognising different performance levels and creating pathways for continuous improvement:** The revision will likely mean moving away from a 'one size fits all' approach and exploring the introduction of different performance levels or increasing expectations for Entities over time.
2. **Further strengthen credibility of the standards and related assurance:** The Revision aims to ensure that criteria are developed in a clear and consistent way, with strong input from auditors throughout the process.
3. **Improve the relevance of criteria, focusing effort on the most critical areas:** The aim is to maintain the value of a 'broad' sustainability standard, but to ensure that the most critical impacts or risks are prioritised. This might mean more inclusion of materiality or risk assessments.
4. **Strengthen focus on priorities for Indigenous Peoples and other traditional communities:** Strong representation from ASI's Indigenous People's Advisory Forum (IPAF) is central to ASI's governance structure and standard setting procedures. This aims to ensure that the priorities of Indigenous Peoples and other affected communities will be considered throughout the standards revision process.
5. **Enhance the value through certification:** This revision intends to ensure that ASI certification provides clear and measurable value to certified Entities. One area that will be explored is the development of new categories of claims, such as GHG emissions-related claims and product carbon footprinting. These claims may better meet the needs of downstream customers, thus driving more demand for ASI certification throughout the value chain. Another area to be explored is how the ASI Standards can better support Entities to meet their due diligence requirements.
6. **Improve alignment with other standards:** This will build off the foundation of [benchmarking and recognition work](#) already in place, but will look at expanded recognition of key ISO certifications, more cross- recognition of comparable certifications, and better alignment with regulatory requirements.
7. **Renew focus on impact:** Meeting ASI criteria should be designed to not only 'tick the boxes' for certification, but also incentivize measurable business changes, which in turn create positive

outcomes for the environment, for workers, and for affected communities. This will be a key guiding principle throughout the revision.

SELECTION OF WORKING GROUP PARTICIPANTS

1. Working Groups are open to representatives of current ASI Members and IPAF participants. Others, such as technical experts may be included based on expertise and capacity.
2. Working Groups will be capped at a maximum of 30 participants to enable sufficient participation; these will be selected based on:
 - o Relevant expertise for the topic
 - o Diversity of Membership perspectives, including: geographical spread, diversity across the value chain, company size, civil society vs industry perspective
3. In general, only one representative per ASI Member will be permitted in a Working Group, unless capacity allows. If groups are oversubscribed, Members may need to be limited to participating in one or two Working Groups to allow a wider range of ASI Members to be represented
4. ASI Secretariat will maintain attendance and participation records of Working Group participants. If participants are unable to attend several sessions, they may be asked to step down if there is a waiting list in place
5. Names of individual participants will not be published except where this is consistent with ASI's Privacy Policy.

FORMAT AND TIME COMMITMENTS:

1. For Phase 1, Working Groups will carry out between 6-8 meetings between April and December 2025 (while the first consultation drafts of revised standards are developed).
2. Working Groups may be extended to carry out a second phase of work beyond this, if there is a need and subject to the agreement of participants.
3. All Working Group meetings will be held virtually via videoconference, on average 1.5 hours per call.
4. Most Working Group proceedings will be carried out in English; selected interpretation capacity may be available as required.
5. In between meetings, Working Group members will be expected to spend on average 1 hour reading materials and capturing any feedback, in order to make the most of each call.
6. Total estimated time commitments are set out below:

Activity	Expected minimum time commitment
Virtual Meetings (assume 8 meetings)	8 meetings * 1.5 hours = 12 hours
Preparation between meetings (minimum expectation)	8 meetings * 1 hour = 8 hours
Total minimum time commitment, April – Dec 2025	20 hours

ANTI-TRUST COMPLIANCE

ASI is committed to complying with all relevant antitrust and competition laws. All participants in ASI governance are required to read, understand and comply with ASI's Antitrust Compliance Policy, available at: <https://aluminium-stewardship.org/policies>

ANNEX: SUMMARY OF WORKING GROUP FOCUS AREAS

1. [Circularity Working Group](#)
2. [Climate Change Working Group](#)
3. [Nature Working Group](#)
4. [Community Rights and Participation Working Group](#)
5. [Labour Rights/ OH&S Working Group](#)
6. [Chain of Custody/ Claims Working Group](#)

1. CIRCULARITY WORKING GROUP

A Circular Economy (CE) is an economic system that adopts a systemic approach to maintaining circular resource flows. It focuses on recovering, retaining, or enhancing resource value while delivering services to communities and contributing to sustainable development¹.

ASI's strategy is to drive practices at the Entity level (through Certification against Performance and Chain of Custody Standards) that enable or promote systems change under the principles of **Systems Thinking, Value Creation, Value Sharing, Resource Stewardship, Resource Traceability, and Ecosystem Resilience**. Beyond the role of Certification, ASI also aims to foster broader systemic change at the economic, ecosystem, and societal levels to address global sustainability challenges effectively.

With the upcoming revision, ASI will focus on enhancing the integration of circular economy principles and practices throughout the standards – raising expectations for certified Entities in these areas. The Circularity Working Group will serve as a sounding board to provide feedback and considerations into the development of draft revised criteria and guidance within the ASI standards. The main focus areas for the Working Group are likely to include:

- Strengthened criteria for Industrial Users:
 - o promoting resource efficiency (by delivering more service, with less impact, while maximizing material recirculation)
 - o promoting eco-design and design for circularity, including design for reuse, disassembly and recycling
 - o improving value retention (scrap sorting, uni-alloys, enhanced alloy quality)
 - o product and service-related footprints, including product design requirements for circularity
- Outcome-based criteria for waste elimination and waste valorisation (by turning waste streams into secondary resources where feasible).
- Criteria focused on reducing pre-consumer scrap generation
- Extended Producer Responsibility (EPR): Strengthen lifecycle accountability and recycling systems.
- Circularity performance: Tools to measure circularity performance and close circularity gaps.
- Inclusivity in circular practices: Support formalisation, due diligence and collaboration across circular value networks.

¹ ISO 59004:2024 Circular economy — Vocabulary, principles and guidance for implementation (<https://www.iso.org/standard/80648.html>)

Note: Given the breadth of circularity-related topics, Working Group participants might be split into subgroups to tackle the up-, mid-, and downstream issues effectively.

Explicit linkages exist with the Nature Working Group, focusing on regeneration and mine closure/rehabilitation; the Climate Change Working Group, addressing recycling practices and the incorporation of recycled content; the Community Rights and Participation Working Group, emphasizing the social aspects of the circular economy, including the role of waste pickers; and the Chain of Custody Working Group, which will cover digital product passports, and circularity claims.

2. CLIMATE CHANGE WORKING GROUP

ASI has committed to a 1.5°C-aligned pathway for the aluminium sector. Through implementation of its Standards and use of the ASI Method to articulate Entity level pathways, ASI aims to mobilise aluminium sector climate action in line with this scenario.

With the aluminium industry having depleted its 1.5°C sectoral emissions budget by a third between publication of version 3 of the Performance Standard and proposed release date of version 4, the Climate Change Working Group will need to take stock of both latest climate science but also realistic emissions reduction actions (with a focus on those that ASI can meaningfully influence).

The focus of the Group's work will be on:

- Changes to global economy wide emissions reduction slopes (e.g. IEA Net Zero Emissions Scenario updates), impacts on the sectoral slopes and Entity level Pathways articulation
- Refinements to the ASI Method Sectoral Decarbonisation Approach
- Feasibility of 1.5°C pathways via mitigation and/or compensation approaches
- Target setting and abatement commitments
- Commitments to compensate for unmitigated emission (removals & avoided emissions)
- Scope 3 Guidance
- Monitoring, reporting & verification of emissions, including public disclosure(s) and supply chain transparency
- Alignment and harmonization with other Standards developments/revisions (e.g. SBTi Net Zero Standard revision; ISO Net Zero Guidelines; GHG Protocol Corporate Standards & Guidance and Land Sector & Removals Guidance)
- Alignment with regulatory requirements, including border adjustment mechanisms
- Intersection with product level accounting & verification (carbon footprinting) and recycled content methods (within and external to ASI)

More broadly, the WG could convene discussions on, among other themes

- Just Transition
- Adaptation
- Financing decarbonisation

Explicit linkages exist with all other WGs, particularly with respect to adaptation, just transition, land use change emissions and nature-based compensation measures.

3. NATURE WORKING GROUP

Current trends in biodiversity and nature loss must be reversed to enable species and ecosystems recovery, such that they are able to support human and planetary wellbeing. A number of global initiatives, including

those focused on the mining sector, are working on setting nature related targets and commitments. These include for example the Global Biodiversity Framework and ICMM's [Nature Position Statement](#).

Through its standards and certification programme, ASI works with Entities across the aluminium value chain to reverse trends in biodiversity and nature loss, and to accelerate progress towards a nature positive 2030 target.

With the upcoming standards revision, ASI will review its existing criteria and guidance on biodiversity and related nature areas. The Working Group will serve as a sounding board to provide feedback and considerations into the development of draft revised criteria and guidance. Focus areas for the Working Group are likely to include the following.

1. Assessing nature-related dependencies, impacts, risks and opportunities across biodiversity/ ecosystem services, soil, water, land use, pollution, and related topics
2. Managing material impacts on biodiversity/ ecosystem services, soil, water, land use, pollution and related topics, including incorporating leading practices
3. Alignment with key nature-related approaches, frameworks and metrics (including potential outcome-based indicators)
4. Understanding and application of the biodiversity mitigation hierarchy
5. Biodiversity risk assessments / environmental impact assessments / cumulative impact assessments
6. Intersections with community impacts/ ecosystem services, including Indigenous Peoples and other land-connected people / social impact assessments
7. Nature-related impacts of mine closure and rehabilitation

Explicit linkages exist with all other Working Groups and with the work of the Indigenous Peoples Advisory Forum (IPAF).

4. COMMUNITY RIGHTS AND PARTICIPATION WORKING GROUP

In line with the UN Guiding Principles, the ASI Performance Standard aims to protect fundamental human rights within the scope of the Entity's own operations (e.g. workers and contractors) as well as the rights of affected stakeholders such as Indigenous People and other land connected communities. It also covers the protection of human rights in the value chain, through the Entity's due diligence commitments.

The Community Rights and Participation Working Group will cover criteria and guidance related to impacts of the aluminium value chain on local communities and affected populations, including Indigenous Peoples and other land-connected communities, as well as criteria and guidance related to upholding Indigenous Peoples and land-connected communities' rights and protections. Although significant focus will be on primary production (mining, refining, smelting), the scope will also consider impacts from mid and downstream Entities.

The Working Group will serve as a sounding board to provide feedback and considerations into the development of draft revised criteria and guidance.

Focus areas for the Working Group are likely to include the following, amongst others:

1. Grievance mechanisms
2. Rights of Indigenous Peoples and other land-connected communities
3. Free, Prior, and Informed Consent
4. Other social and environmental impacts on communities- including livelihoods and ecosystem services

5. Impacts of mine closure and rehabilitation
6. Areas of influence and associated facilities

This Working Group will also feed into a number of cross cutting content areas, including Human Rights Due Diligence, Labour Rights, and Nature.

Given the breadth of topics to be covered, Working Group participants are not expected to have expertise in all areas, but should have experience related to at least a subset of these topic areas.

5. LABOUR RIGHTS/ OCCUPATIONAL HEALTH & SAFETY WORKING GROUP

The ASI Performance Standard approach to labour rights is based on the ILO Fundamental Principles and Rights at Work, which set out a commitment to the following rights for all workers:

1. freedom of association and the effective recognition of the right to collective bargaining;
2. the elimination of all forms of forced or compulsory labour;
3. the effective abolition of child labour;
4. the elimination of discrimination in respect of employment and occupation; and
5. a safe and healthy working environment.

The Working Group will review revised criteria and guidance related to these core labour rights and will serve as a sounding board to feed back to the ASI team and Standards Committee as the revision draft develops further.

In addition to these core areas, the scope of the Working Group will also cover the following:

1. Diversity and inclusion (including gender)
2. Risk-based approaches to labour rights and impacts
3. Management of own workers vs contractors and supply chain
4. Health and Safety Management Systems (including alignment with ISO 45001)
5. Aluminium- specific health and safety risks, including consideration of psychosocial risks and long-term illness
6. Expectations on working hours, including overtime hours

This Working Group will also feed into several cross-cutting content areas, including Human Rights Due Diligence, Management systems, and Grievance mechanisms, amongst others.

Given the breadth of labour rights related topics, Working Group participants are not expected to have expertise in all areas, but should have experience related to at least a subset of these topic areas.

6. CHAIN OF CUSTODY AND CLAIMS

As companies respond to increasing requirements around due diligence and supply chain transparency, standard systems can play a key role to help facilitate compliance. ASI's current Chain of Custody (CoC) Standard and related Claims Guide will be a major focus of the upcoming standards revision.

The current ASI mass balance CoC model has largely achieved its initial objectives to encourage upstream certification against the ASI Performance Standard. However, in recent years the demand for certified ('CoC' material) has remained low and there is limited evidence of downstream pull or participation in the CoC system. From initial consultation with ASI Members, it is noted that the current mass balance CoC model

does not deliver on some common priorities that downstream companies would like to see, such as greater supply chain transparency/ mapping, low carbon/ product carbon footprint claims and/or recycled content claims.

Some downstream Members would also like to see more traceability at product or batch level, although feedback from companies upstream indicates this is very challenging to implement at scale.

As part of the standards revision, ASI will explore various options on how the current CoC model might evolve in order to better meet the needs of ASI Members across the value chain.

In parallel, ASI will be actively exploring options to develop new types of claims, including Product Carbon Footprinting claims. Currently, use of product-related claims (e.g. 'ASI Responsible Aluminium Sourcing' logo) has also remained low, with only three ASI Members using ASI logos or claims on products. As regulation tightens up around sustainability claims and labels (e.g. the EU Green Claims Directive), it will become harder for companies to make credible, validated claims directly. ASI may be able to offer additional value to Members (and reinforce the value of certification) through offering an expanded set of claims as an approved labelling scheme.

This Working Group will cover both Chain of Custody (CoC) related requirements, as well as the associated Claims that can be supported by such CoC models. The Working Group will serve as a sounding board to provide feedback and considerations into the development of draft revised criteria and guidance. Focus areas for the Working Group are likely to include the following.

1. Objectives and future role of mass balance CoC/ other CoC models
2. Product related claims (carbon footprinting, recycled content, etc)
3. Chain of custody/ accounting systems and other objective evidence required to substantiate such claims
4. Supply chain mapping/ transparency expectations/ support for due diligence

There will be notable overlap areas with some of the decarbonisation related claims (including product carbon footprinting) under the Climate Change Working Group.