

ASI Climate Working Group – Call 7

23 Jul 2026 12:00 BST

Attendance

• Andy Vernon	Rio Tinto
• Chris Moore	Alcoa
• Daniil Ukhanov	UC Rusal
• Elliot Mari	Mission Possible Partnership
• Fatma Hassan	EGA
• Jasminka Jaksic	EGA
• Jostein Søreide	Hydro
• Kishore Mahbubani	Arconic
• Lyndsey Vipond	Novelis
• Michael Danielson	SBTi
• Mickael Faliu	Ball
• Nadia Morais	Aluminérie Alouette
• Olivier Néel	Constellium
• Pernelle Nunez	IAI
• Piet Wit	Chimbo
• Regina Ganther	TRIMET
• Thomas Payer	Speira
• Vasiliki Vasileiadou	Metlen
• Zohrer Marlis	AMAG
• Chelsea Reinhardt	ASI
• Chris Bayliss	ASI
• Gabriel Carmona Aparicio	ASI

Agenda points:

1. Welcome (5 mins)
2. Overview of consultation feedback (10 mins)
3. Standards Committee June 2026 response to feedback (20 mins)
4. Minimum performance expectations: DISCUSSION (45 mins)
5. Next steps & close (5 mins)

Discussion Notes:

1. **Welcome (5 mins)**
 - ASI welcomed the group and introduced the agenda.
 - ASI offered one-to-one calls between now and the end of August to walk participants or colleagues through the material, given its complexity.
2. **Overview of consultation feedback (10 mins)**
 - Climate was the most commented-on section – close to 300 individual comments, received via SurveyMonkey, direct Excel/email submissions, and questionnaires and workshops with affected communities and Indigenous Peoples (climate featured less in the latter).
 - A detailed written response to every comment will be published later summer / early Q3. The Standards Committee had the full line-by-line comment set at its June meeting.
 - Key themes:
 - Industry-wide consensus (producers, transformation, industrial users) that requirements are unachievable and won't drive change, but little common ground on alternatives, leaving the SC with criticism and few proposed solutions.
 - ~12 criteria / 25 requirements seen as a heavy, complex burden lacking focus.
 - Civil society took the opposite view: 1–2% p.a. minimum reductions are too weak. ASI acknowledged this is not 1.5°C alignment, which V3 requires.
 - ASI Method (1.5°C) should move from minimum to Leading Practice. ASI noted the difficulty of weakening a current minimum (albeit one not being met, hence exemptions) and the need for a replacement.
 - Support for other credible frameworks as evidence of conformant target setting, SBTi in particular, strongest downstream.
 - Requests to focus expectations on what entities can do, including geographic differentiation. ASI noted this is hard to standardise and audit globally; the SC instead pursued differentiation by smelter power mix.

- Removals (SBTi Net Zero v2) near-universally disliked by industry. Resources should go to mitigation, not be cannibalised for removals.
 - Smelter thresholds broadly supported, minimum retained at V3 level (11 t CO₂e/t Al). Lower-emitting smelter recognition supported, but 5 t/t felt too strict. Respondents suggested somewhere between 5 and 11 t/t.
- A participant challenged the recurring "won't drive change" argument, asking whether V3's more ambitious climate requirements had themselves driven change.
- ASI's view: V3 drove change on disclosure (standardised disclosures, harmonised target calculation tied to the sectoral pathway, Scope 3 alongside 1 and 2 across the value chain), but not on performance against targets.
 - The result is entities holding targets they may not meet. Consultation feedback included clear statements that companies will not set targets they know are unachievable; publishing a target known to be unmeetable is arguably greenwashing in itself. ASI noted SBTi has made a similar shift from ambitious target setting towards implementation, recognising intensity alone is an insufficient performance measure.
- A counterpoint: V3 has driven considerable change, but as part of a cumulative effect alongside other ESG commitments; notably on social and biodiversity aspects and on governance around decarbonisation targets.
- Another participant argued transparency is itself a key lever. Disclosing targets and performance against them allows companies to tie themselves to the mast and enables peers to challenge and be challenged.
 - ASI noted the SC echoed this: alongside softened requirements, entities should disclose the gap between their performance and 1.5°C, potentially at facility level for some, to ASI rather than publicly, to allow tracking of the distance to where entities need to be.
- **WG to consider:** what levers beyond emissions reduction requirements can drive change, as a sounding board to the SC.
- A participant asked how the SC views ICMM and CMSI developments and their likely adoption, and the implications for PS V4. ASI is following this closely, has provided input, and plans cross-recognition and benchmarking work with a first cut by end of calendar year. ASI offered to follow up offline.
- Climate transition planning guidance to be developed later this year.

3. Standards Committee June 2026 response to feedback (20 mins)

Problem 1 – section too complex, won't drive change

- New content removed (avoided emissions, climate risk management, climate financing, historic emissions, product/corporate inventory alignment); three core sections retained: Disclosures, Climate Transition Planning, Climate Transition Performance. Draft now ~3–4 criteria and ~8 requirements, down from ~12 and ~25. SC agreed.

Problem 2 – performance expectations too hard / too weak

- ASI does not want to carry the exemption process into V4, or leave entities with non-conformances that cannot be closed. The ASI Method rests on a sector carbon budget likely exhausted within ~10 years, i.e. within V4's lifetime.
- Solution: 1.5°C moves to leading practice; a new minimum tailored to supply chain position and available levers; all entities not meeting leading practice disclose the gap to 1.5°C (to ASI, not publicly). Smelter thresholds repositioned as a trigger for more stringent historic expectations rather than a cut-off. SC agreed.
- ASI acknowledged the trade-off: differentiated minimums add complexity and are harder to audit than a single Method for all.

Problem 3 – removals

- Near-universal industry pushback: fuzzy, hard to standardise, and risk cannibalising mitigation. Proposal to recognise removals or R&D investment as alternative leading practices explored but rejected; hard to standardise, and opening the door to removals looks outside the sector (eg. unbundled RECs) when the focus is sectoral reduction. No normative requirements on either; both may still feature in transition plans.

Leading practice and recognitions

- Only one leading practice remains in climate: performance in line with the 1.5°C slope. ASI's reasoning: 1.5°C alignment is climate alignment. Consistent with the wider direction of travel: leading practices shortened across all sections, and the consultation's threshold-to-claim approach replaced with a transparent reporting structure.
- New concept of recognition (not leading practice) for entities already at the low end; "they are a lower emitter", rather than "they are doing X". Two outcomes: ASI-recognised lower-emitting smelter (facility power mix >75% low carbon), and alignment with the LME sustainable aluminium premium (8 t CO₂e/t Al), so one audit report could serve both. Recognitions sit at facility level, a departure from entity-level audit reports.

Discussion points:

- A participant asked whether this means a tiered/banded system. ASI said no; performance stays entity-level, reflecting that companies decarbonise the corporate inventory as a whole rather than committing every smelter to the same reduction.
- A participant asked how any of this answers civil society. ASI said that it does not address stringency directly. It substitutes transparency on the distance to 1.5°C, on the basis that retaining 1.5°C as a minimum would produce repeated unclosable non-conformances without driving change.

4. Minimum performance expectations

- Two routes to conformance across all activities: existing level or demonstrated improvement, measured over the five calendar years prior to audit (aligning with SBTi and the V3 intermediate target).

Smelting MINIMUM performance (Entity AND Facility)



Allows for scrap recycling decarbonisation lever

Entity type	Existing level (for 5 years prior to audit)	OR	Demonstrated improvement (over 5 years prior to audit)	AND	Annual reporting to ASI
Any Entity that includes at least one smelter	Entity power mix >75% low carbon (hydro, nuclear, renewables)		5% reduction in cradle to gate intensity at casthouse portfolio output		Entity performance vs 1.5°C expected (ASI Method)

Higher historic expectation for coal-based smelters

AND	Existing level (for 5 years prior to audit)	OR	Demonstrated improvement (over 5 years prior to audit)	AND	Annual reporting to ASI
Each individual smelter in certification scope	Facility power mix <25% coal		10% reduction in cradle to potroom electrolytic emissions intensity		Facility intensity vs 1.5°C expected (ASI Method)

Additional facility level “recognitions” in ASI Audit reports

Existing level (for 5 years prior to audit)	Recognition
Facility power mix >75% low carbon (hydro, nuclear, renewables)	ASI recognised “lower emitting smelter”
< 8 t CO ₂ e/t Al (LME scope & definition)	LME sustainable aluminium premium pricing aligned

- A participant flagged having set targets on the input-method-to-casthouse basis, excluding casthouse emissions, which would require restating the baseline. ASI proposed adding flexibility to the draft: the 5% reduction demonstrable either at casthouse portfolio output or as electrolytic emissions intensity.
- A participant asked where the forward-looking element sits if an entity is already >75% low carbon: in transition planning, where targets live. Even those entities have a residual gap to the SDA-expected intensity and must report it.

Other Entity types

Entity type	Existing level (for 5 years prior to audit)	OR	Demonstrated improvement (over 5 years prior to audit)	AND	Emissions gap annual disclosure (to ASI not public)
Upstream (standalone Bauxite)	N/A		N/A		N/A (but note NEW proposed land use emissions disclosure requirement)
Upstream (standalone Alumina)	Intensity of smelter grade alumina portfolio output < 1.3 t CO ₂ e/t Al ₂ O ₃ ?? [Intensity of hydrate from digestion < 1.1 t CO ₂ e/t Al ₂ O ₃] ??		5% reduction in cradle to gate intensity at portfolio output		Entity performance vs 1.5°C expected * Requires an alumina update to the ASI Method
Midstream: Remelt & semi- fabrication	Carbon footprint of output < 8 t/t * Requires allocation approach	OR	Output: - Carbon footprint reduced 5% OR - Recycled content increased 5% * Or combination (tbd)	AND	Entity-level cradle to gate emissions intensity
Downstream: Fabrication	Carbon footprint of aluminium procurement < 8 t/t		Procured aluminium: - Carbon footprints reduced 5% - Recycled content increased 5% * Or combination (tbd)		Aluminium-specific scope 3 category 1 intensity

Proposed rework of the section – outcome:

- 4.1 Disclosures: corporate (not asset-level), essentially V3 with clarifications. All energy-related disclosures removed; energy was a proxy for the GHG inventory, and GHG disclosure is now good and consistent, so it adds burden without driving change. New bauxite mining land use disclosure added.
- 4.2 Smelter emissions: removed as a sub-section; thresholds rolled into performance.
- 4.2 Climate Transition Planning: CTP disclosure and minimum elements, including near- and long-term targets (ASI Method, SBTi or other).
- 4.3 Climate Transition Performance [new]: minimum expectations plus the single leading practice.
- 4.4 Climate risk management: removed; elements move to governance and management systems guidance.

5. Next steps & close (5 mins)

- Working draft on the WG SharePoint: locked but open for comment, with specific WG questions embedded. The casthouse/electrolytic flexibility will be added as a comment rather than a text change at this stage.
- Feasibility assessment covering all sections: how challenging each requirement is, plus comments. Mainly for industry, others welcome.
- Both the draft review and feasibility assessment are requested by 31 August 2026
- The next Working Group call will be on 8th September.
- ASI flagged the [SBTi call for evidence](#) on high-emitting sectors, closing 11 September, and encouraged participation.