

## ASI Standards Committee Virtual Meeting – Discussion Notes

13 November 2025 (Virtual)

### Attendance ([Standards Committee](#)):

Bo Han	Annemarie Goedmakers (alternate)
Gesa Jauck	Sankon Mohamed
Jasminka Jaksic (alternate)	Soumah Ibrahima Dominique
Nikolas Kelling	Vishwas Kemble
Olivier Néel	Marcel Pfitzer
Patrick Brading	Jason Koevoet
Penny Laurance	Nicholas Barla
	Vincent Ekka

### ASI Secretariat Participants

Cameron Jones, <i>Director of Assurance</i>	Klaudia Michalska, <i>Supply Chain Analyst</i>
Chelsea Reinhardt, <i>Standards Director</i>	Laura Brunello, <i>Standards Coordinator</i>
Chris Bayliss, <i>Climate Change &amp; Decarbonisation Director</i>	Lia Vacheret, <i>Standards Manager</i>
Marieke Van der Mij, <i>Director Partnerships</i>	Mark Annandale, <i>Director of Research and IPAF</i>
Chinelo Etiaba, <i>COO and Membership Director</i>	Thomas Robertson, <i>Assurance and Risk Manager</i>

### Agenda Overview:

1. Opening and approval of 21 October meeting minutes
2. Discuss substantive issues on Group 1 Drafts (excluding Community Rights):
  - **Cross-cutting:** Area of Influence definition and applicability
  - **Responsible Sourcing:** Sharing of supply chain information
  - **Climate:** Minimum requirements on emissions removals, emissions reductions proposal, thresholds
  - **Circularity:** Options for untreated SPL
  - **Mine Closure:** FPIC requirements specifically for closure
3. Update on Chain of Custody proposals
4. Update on Community Rights Working Group process – key topics around FPIC
5. AOB and next steps

### 1. Opening and approval of 21 October meeting minutes

- Formal approval of the meeting minutes to take place at the next call (10 December).

## 2. Discussion of substantive issues on Group 1 Drafts (excluding Community Rights)

### Area of influence definition and applicability

- The Secretariat presented proposed modifications to the area of influence definition based on feedback from the Community Rights Working Group, Nature Working Group, and Standards Committee reviews. "Social and cultural area of influence" had been included as a new element; and "physical and biological area of influence" language had been removed due to overlap with existing provisions; Notes 2 and 3 from Version 3 regarding conformance requirements for impacts outside entity control had been reinstated and there had been an addition of a new Note 1 to clarify that area of influence scope may vary depending on the context of application in the standard.
- The Committee discussed the proposed amendments and raised the following points:
  - To what degree Entities should be accountable for impacts in the Area of Influence even if these are not within their direct control (e.g. ports, dams).
  - Clear wording is important to allow some flexibility in area of influence for different topics (e.g., water, noise, human rights assessment may have different boundaries. It was seen as important to maintain 'as appropriate' in the definition, which had been carried over from Version 3 and allows some flexibility
  - The relationship between associated facilities and certification scope, particularly where facilities are not under entity control but have significant impacts
  - Whether some "associated facilities" might also be captured under responsible sourcing and due diligence as suppliers – for example railroad companies that are transportation suppliers and might already be audited by the Entity as part of their due diligence.
- The SC **agreed to strengthen wording in Note 2** to better align with UNGP-type language around using leverage to mitigate impacts, while maintaining the caveat in Note 3 that about impacts outside of the direct control of the Entity. The language would also be reviewed to **ensure consistency** of language around 'risk' and 'impact'. *Adjusted wording will be shared with the Standards Committee for review.*

### Responsible Sourcing - Responsible Sourcing: Sharing of supply chain information

- The Secretariat set the context the criterion required entities to share with customers, upon request, the countries and regions of origin for its bauxite, alumina, and aluminum portfolio for a given year. This requirement is currently implicitly covered under existing V3 criterion 9.8 on sourcing from conflict-affected and high-risk areas, but the addition aims to make this more explicit. This originated from Standards Committee discussions in May during the in-person meeting and since has received support from the CoC/ Claims Working Group (especially from downstream Entities who are not always getting supply chain information even from their ASI certified suppliers).
- The Committee discussed the comments on the current wording:
  - One member confirmed that they would have difficulty implementing the current criterion due to commercially sensitive information.
  - Downstream companies who purchase aluminum products rather than bauxite or alumina directly will likely not be able to provide origin information back to the mine

level, due to lack of direct relationships and presence of traders in the supply chain. ASI clarified that the intent was to focus on smelter identification rather than requiring full transparency upstream to the origin of the bauxite.

- There was a question on how this related to the Chain of Custody Standard – ASI clarified that the current CoC standard is likely to remain mass balance and will not require sharing of origin information.
- It was discussed that the planned EU Corporate Sustainability Due Diligence Directive (CSDDD) and Corporate Sustainability Reporting Directive (CSRD) would lead to additional regulatory requirements for value chain traceability, with risk-based due diligence expectations. It was also noted that these regulations include exceptions for commercially sensitive information. LME passport initiatives were also creating market expectations for transparency of origin.
- **The SC agreed to adjust the wording of the criterion ahead of public consultation, in order to:**
  - clarify the scope and focus (particularly around smelter identification for downstream rather than full upstream traceability) and
  - include appropriate caveats for commercial sensitivity (entity can demonstrate why disclosure would cause competitive harm)

*Adjusted wording will be shared with the Standards Committee for review.*

#### **Climate: Minimum requirements on emissions removals, emissions reductions proposal, thresholds**

- ASI presented a proposed minimum requirement for entities to estimate their cumulative historical emissions (sometimes termed "carbon debt") from the beginning of operations. This is intended to support understanding of the entity's total carbon budget usage and inform future removals strategies. The requirement acknowledges this is an emerging and somewhat immature area of practice.
- The SC discussion focused on these areas –
  - Maturity of concepts: Carbon debt and emissions removals are still conceptually developing, with limited standardization on methodologies.
  - Data availability: Some entities have been operating since the early 1900s and lack historical emissions data, making accurate calculation impossible.
  - Auditability: Unclear how this requirement would be verified given high levels of uncertainty, particularly for older historical periods.
  - Uncertainty levels: These increase dramatically the further back in time calculations go.
  - Differential impact: Creates different burdens for entities with long operating histories versus newer operations.
- ASI clarified that the requirement is for an estimate with acknowledged high uncertainty, not precise calculation; the majority of aluminum production has occurred in the last 20 years, meaning the bulk of emissions are relatively recent. Historic emissions from earlier periods were from smaller production volumes, so earlier periods contribute less to the total despite higher emissions intensity. The purpose is to understand historic contribution to cumulative emissions in order to inform the level of removals that would be needed as part of a net zero pathway. An example was provided: a smelter operating for only 3 years with high carbon intensity would

have much lower cumulative debt than a century-old operation, raising questions about fairness in carbon budget allocation.

- ASI referenced the Science-Based Targets Net Zero standard (currently in public consultation), which includes preparation for neutrality at target net zero year and voluntary beyond value chain mitigation. ASI could look to align with this.
- **The SC agreed for the Secretariat to adjust the current wording and to develop additional guidance** including options for setting a baseline year rather than requiring calculation from start of operations (e.g., from a date when emissions impact became more significant and data more reliable); methods for estimation where precise historical data is unavailable; acknowledgment of uncertainty levels and how these should be communicated and how the requirement would apply differently across the value chain, particularly for entities with significant Scope 3 emissions.

*Adjusted wording will be shared with the Standards Committee for review.*

### Climate-related: Smelter thresholds

- The Secretariat presented options for setting threshold levels for smelter emissions intensity: a minimum requirement threshold and a leading practice threshold.
- As well as being proposed requirements in their own right to define eligibility for certification and to differentiate lower carbon primary aluminum leading practice, these thresholds have implications for the revised minimum requirements for emissions reduction (set in the draft at different levels depending on whether the smelter is above or below this threshold).
- The minimum threshold (currently proposed: 11 tonnes CO<sub>2</sub>e per tonne aluminum) represents approximately 45% of current global primary production. Originally (when v3 was developed) it was set as the projected 50th percentile for 2030 (starting at 13 tonnes in 2025, declining to 11 by 2030) and was designed to prevent new coal-fired capacity from entering the ASI certification system. There had been consensus in the Working Group to maintain the threshold at 11 tonnes and there hadn't been any proposals to raise it above 11. It created a baseline expectation that excludes the highest-emitting (55%) production.
- One SC member expressed that if the bar was set at 50<sup>th</sup> centile last time and performance had improved that the bar should be lowered; the 50<sup>th</sup> centile is now projected to be HIGHER than 11 t/t.
- At leading practice there were multiple options under consideration:
  - 4 tonnes - historically associated with green aluminum assumptions, but LCA methodology changes mean actual performance is now typically 4-4.5 tonnes; 4 represents minimal production with 4.5 approximately 10-15% of current industry;
  - 5 tonnes - accounts for LCA methodology changes and measurement uncertainty; represents approximately 20% of industry; addresses concern that rounding from 4.5 to "4" creates false precision;
  - 6 tonnes: original working group proposal; represents approximately 30% of industry.
  - 10 tonnes (with no minimum performance threshold): suggested as the choice by LME as the benchmark for a sustainability premium (chosen to balance liquidity with ambition). One SC member expressed concern that setting leading practice at a level covering 40% of industry was too inclusive and didn't sufficiently differentiate high

performers – leading practice should represent genuinely advanced performance, not near-majority of the industry and there needed to be a balance between inclusivity and ambition to drive performance improvement.

- ASI explained that there were a number of technical issues to consider, for example measurement uncertainty increases as thresholds decrease, making decimal precision problematic at lower levels; the recent LCA methodology changes had an effect on what performance level constitutes as "4 tonnes" in practice.
- The SC agreed to maintain 11 tonnes as the minimum threshold with no changes proposed from current draft. ASI would **develop options for public consultation on the leading practice threshold** (4, 5, 6 or 10 tonnes – 10 only for the option with no minimum) with clear rationale for each option including:
  - Percentage of global industry that would be covered at each level
  - Consideration of recent LCA methodology changes
  - Uncertainty and precision factors
  - Alignment with external market definitions and expectations
  - Implications for the differentiated emissions reduction pathways that reference this threshold

*Adjusted wording will be shared with the Standards Committee for review.*

#### **Circularity: Options for untreated SPL**

- A concern had been raised regarding requirements for untreated Spent Pot Linings in the context of Circularity. Due to time constraints, this issue would be taken offline with the SC member who had raised the concern.

#### **Mine Closure: FPIC requirements specifically for closure**

- This topic was deferred due to time constraints. It relates to the existing Version 3 expectation for FPIC processes in mine closure planning, which has received some pushback about maintaining in Version 4. This connects to broader community rights discussions ongoing in the working group. A side meeting would be proposed for SC members with an interest.

### **3. Update on Chain of Custody proposals**

- Due to time constraints this item was deferred; a written update will be provided for the Standards Committee

### **4. Update on Community Rights and Working Group process – key topics around FPIC**

- The Secretariat provided a very brief update on the ongoing work of the Community Rights and Participation Working Group, which is addressing several complex and interrelated issues.
- There are three main areas of discussion with the Working Group currently:
  - Area of influence definition (discussed earlier in this meeting)
  - Expansion of FPIC processes to apply to both Indigenous Peoples and a specific set of 'land-connected communities' (new in Version 4)

- Type of consent or agreement required when FPIC is triggered (clarification of existing Version 3 expectation)
- Initial positions among stakeholders are polarized, with strong opinions on multiple sides, Working Group discussions over the past month have been productive, with stakeholders coming prepared to engage substantively with the issues. The Secretariat is now working to develop "middle ground" compromise options that attempt to find a pathway between the polarized viewpoints. Legal guidance and input from the Indigenous Peoples Advisory Forum (IPAF) are being sought to inform the options. One option under development would remove explicit reference to "land-connected communities" as a defined term but attempt to embed some of the key concepts the definition of "Indigenous peoples".
- The next meeting of the Working Group is scheduled for 27 November 2025
- ASI is proposing to convene a separate meeting for Standards Committee members who want more detailed background before the issue comes to the full committee, rather than having all interested members join the working group meeting.
- Discussion in this section will likely need more time, so the drafts related to these issues (*Community Rights and Participation*, and the two modular sections - *Mine Closure* and *Displacement and Resettlement*) would be finalized on a slightly later timeframe ('Group 2' drafts).

## 5. AOB and next steps

- The Secretariat will continue to work through and clean up the comments in the 'Group 1' drafts (Chain of Custody draft and all PS Sections except for Community Rights and Mine Closure).
- Changes would be proposed around the definition of Area of Influence, Responsible Sourcing and Climate sections as discussed, as well as SPL treatment under Circularity (to be discussed offline with interested SC Members) – *these will be shared back with Committee Members for review along with the notes of the 13 Nov call.*
- The aim was to circulate the updated versions of the group 1 drafts to the SC by **28 November** – these final consultation drafts would be put for approval at the **10 December** SC meeting
- Timelines for the Group 2 drafts will be updated after the next set of Community Rights Working Group meetings