

# Draft ASI Performance Standard V4 (PS V4)

1<sup>st</sup> Consultation Draft

February 2026

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DRAFT

## Introduction

This draft ASI Performance Standard V4 (PS V4) is being released for a first public consultation period from **17 February – 20 April 2026**. The draft has been approved for consultation by the ASI Standards Committee, after development by the ASI Secretariat with significant input from civil society (including the [Indigenous Peoples Advisory Forum](#)), industry and technical expertise, through individual input and broader [Working Group](#) and Standards Committee discussions.

The [Terms of Reference](#) for the revision provides more detail on the background for the revision, the objectives and the decision-making process.

ASI’s consultation processes follow the [ASI Standard Setting and Revision Procedure](#), which is aligned with the ISEAL Standard-Setting Code.

**This consultation draft is an early version which is designed for stakeholder input. All stakeholders are encouraged to provide feedback to further shape this draft.**

The revised draft will undergo a second 60-day public consultation period, likely in early 2027. At the earliest, the final Performance Standard V4 (PS V4) will be published in 2027, followed by a gradual transition period. Most Entities will likely not be audited against PS V4 until 2028 or later, depending on their certification cycle.

Further information on the revision process and timeline is available on the [ASI website revision hub](#).

### Changes to structure and format

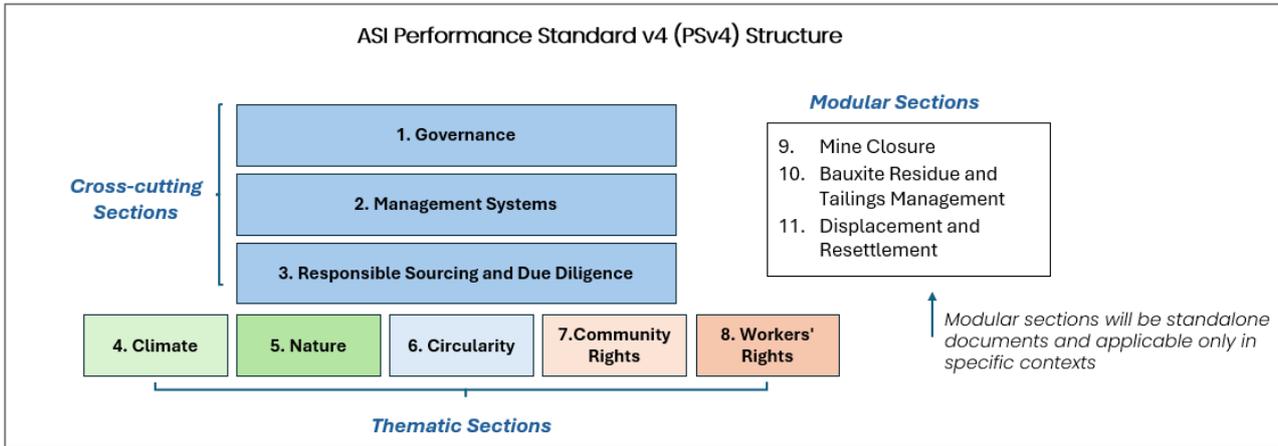
**Reorganisation of sections:** PS V4 includes three *cross-cutting* sections: Governance, Management Systems, and Responsible Sourcing and Due Diligence; and five *thematic* sections: Climate, Nature, Circularity, Community Rights and Participation, and Workers Rights and Protections.

In addition, three new *modular* sections have been introduced, with criteria that are crosscutting but which apply only in specific circumstances or to certain processes: Mine Closure, Bauxite Residue & Tailings Management, and Displacement & Resettlement. These modules are available as separate PDFs on the [consultation webpage](#).

#### **Objectives for the ASI Standards Revision**

- a. Enable greater differentiation, recognising different performance levels and creating pathways for continuous improvement.
- b. Further strengthen credibility of the standards and related assurance.
- c. Improve the relevance of criteria, focusing effort on the most critical areas.
- d. Strengthen focus on priorities for Indigenous Peoples and other traditional communities.
- e. Enhance the value to ASI Members through certification.
- f. Improve alignment with other standards.
- g. Renew focus on impact.

Refer to the [Terms of Reference](#) for more detail



**Criteria vs requirements:** In PS V3, a number of criteria included multiple sub-bullets nested under a single criterion, which sometimes meant important requirements could be missed by Entities or Auditors. The PS V4 now defines separate *requirements* under each *criterion*, to help improve visibility of each requirement. *Important:* Conformance will still be assessed at the critierion level, but meeting all applicable requirements will support the overall conformance decision.

**Materiality and applicability:** This revision aims to focus attention on the areas that are most material for an Entity, where social or environmental impacts are most significant. This means that more criteria or requirements apply only to certain supply chain activities or in specific contexts where the risks/impacts are greatest. Applicability is indicated in blue text in the right-hand column next to each requirement (see image on page 5).

The *PS V4 Mapping Tool (Excel)*, available on the [consultation webpage](#), allows you to filter criteria/ requirements by type and applicability. For example, you can see only the applicable requirements for a mining/ refining company, or a semi-fabricator.

**Excerpt from PS V4 Mapping Tool (Excel)**

| Requirement (The Entity shall...)   | Minimum or Leading Practi | Applicability: mining | Applicability: refining | Applicability: smelting (+casthou | Applicability: remelting/recycling (+casthouse) | Applicability: semi-fabricating | Applicability: fabricating |
|---|---------------------------|-----------------------|-------------------------|-----------------------------------|---|---------------------------------|----------------------------|
| LEADING PRACTICE: Publicly disclose the emissions inventory of the Entity's certification scope separately from other sources.                              | Leading                   | Yes                   | Yes                     | Yes                               | Yes   | Yes                             | Yes                        |
| Publicly disclose energy use data.  | Minimum                   | Yes                   | Yes                     | Yes                               | Yes   | Yes                             | Yes                        |
| Obtain third-party verification of energy data prior to public disclosure.  | Minimum                   | Yes                   | Yes                     | Yes                               | Yes   | Yes                             | Yes                        |
| Demonstrate that no smelter within the certification scope has an emissions intensity exceeding 11 t CO2e/t Al measured at output of the reduction process. | Minimum                   | No                    | No                      | Yes                               | No  | No                              | No                         |
| LEADING PRACTICE: Demonstrate that every smelter within   |                           |                       |                         |                                   |   |                                 |                            |

### Reading the consultation draft

Next to each requirement, a Notes section includes information about the type of change compared to PS V3 (new, existing, minor or major change) and the corresponding PS V3 criterion, if applicable. This section also indicates **applicability** in **blue text**. If the requirement can be met by an external standard (with third-party verification) this is noted under 'equivalence'. Selected requirements are also identified as 'outcome-based,' in line with the revision objectives to focus on impacts and outcomes.

| Understanding the 'Notes' section  |   |
|--|---|
| Describes the type of change from PSv3   | Notes<br>Minor change (11.1)              |
| # of the relevant PSv3 criterion (if applicable)   |   |
| If relevant, the external standard considered equivalent to meet this requirement (see 'Alignment' section in Intro) | Equivalence:<br>ISO 45001                 |
| Specific applicability for this requirement (typically based on supply chain activity)                               | Applicable:<br>Mining, refining, smelting |

### Certification scope

As for PS V3, PS V4 is designed to apply at the Entity level, allowing flexibility in the scope of certification:

- **Entity:** A business or similar which is under the ownership or control of an ASI Member. An Entity can constitute part or whole of an ASI Member. In relation to the application of the Performance Standard, the Entity seeks or holds ASI Certification and is responsible for implementation of the Performance Standard in the defined certification scope.
- **Certification scope:** The certification scope is defined by the Member and sets out what parts of a business, facilities and/or business activities are covered under an ASI Certification.

### Alignment with other standards

This draft *maintains* equivalency with the following standards for selected criteria or requirements (as per PS V3):

- ISO 37001:2025 Anti-corruption
- ISO 14001: 2015 Environmental Management Systems
- ISO 45001: 2018 Occupational Health and Safety Management Systems
- ISO 14044: 2006 Life cycle assessment: Requirements and guidance + Amendment 2 (2020)
- ISO 21930: 2017 Sustainability in buildings and civil engineering works
- ISO 15804: 2018 Environmental Product Declaration.

This equivalence is marked in green shading in the right-hand column next to the relevant requirements (see image above). Refer also to section 3.7 of the [ASI Assurance Manual](#) for further detail on how this recognition works in practice.

The PS V4 draft also *maintains* alignment with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, as per PS

V3 to meet LME Responsible Sourcing requirements; ASI will continue as a [recognised alignment-assessed standard](#) by the London Metal Exchange (LME).

The PS V4 draft also aims for *improved alignment* with the:

- IFC Performance Standards (5 and 6),
- Global Industry Standard on Tailings Management (GISTM),
- Science Based Targets Initiative (SBTi) Corporate Net Zero Standard (currently in draft form), and
- ISO 59004:2004 Circular Economy – Vocabulary, principles and guidance for implementation.

Feedback from this public consultation will help further inform the priorities for ASI around recognition and alignment with other standards.

### **New Leading Practice differentiation – for input**

One of the initial objectives of the revision is to explore differentiation, to recognise better different maturity and performance levels of Entities, and to define a pathway for continuous improvement.

In line with this objective, a new set of optional ‘**leading practice**’ requirements has been introduced in most sections of PS V4. Further feedback on the leading practice concept and associated claims will be requested through consultation.

The current proposal for consultation is that:

1. Leading practice is optional: Entities can choose to be assessed against leading practice for one or more sections of PS V4.
2. To meet leading practice and make an associated claim, an Entity would need to meet a defined threshold of applicable leading practice requirements in a given section. The proposed threshold is set at 70% (by number of requirements), pending further input from consultation.
3. Entities would need to signal their intention to be assessed against leading practice in one or more thematic areas *ahead* of any audit, to enable audit planning to allocate additional time for the nominated requirements to be assessed. The onus would be on the Entity to provide evidence demonstrating how they meet these additional requirements – with auditors verifying this during the audit.
4. If an Entity meets the threshold for leading practice in a given section, this will be reflected in the public certification report and they would be able to make a specific claim, e.g. *“Entity X has been certified against V4 of the ASI Performance Standard, with Leading Practice achieved in the areas of Circularity and Climate.”*

ASI is also consulting on the value to Entities/Members of differentiation at the **overall Entity certification level**. For example, if an Entity were to meet leading practice in all relevant thematic areas (Sections 4-8), the ability to make a claim such as ‘*ASI +*’ or ‘*Certified to the ASI Performance Standard – Leading Level*’ (examples).

[To give your views](#) on differentiation and proposed leading practice requirements, refer to the [consultation survey](#) (section: ‘Overall feedback in the Performance Standard V4’).

### Streamlined certification for downstream Entities – for input

As part of the revision, ASI is consulting on options to help ensure that certification against PS V4 remains relevant for downstream Entities (post semi-fabrication).

In PS V2 (2017), downstream (Industrial User) Entities could certify against only Principle 4: Material Stewardship. With PS V3 (2022), standards applicability was decoupled from membership class and focused only on supply chain activities. Downstream Entities were expected to transition over time to certify against all 11 Principles, at the latest by May 2027.

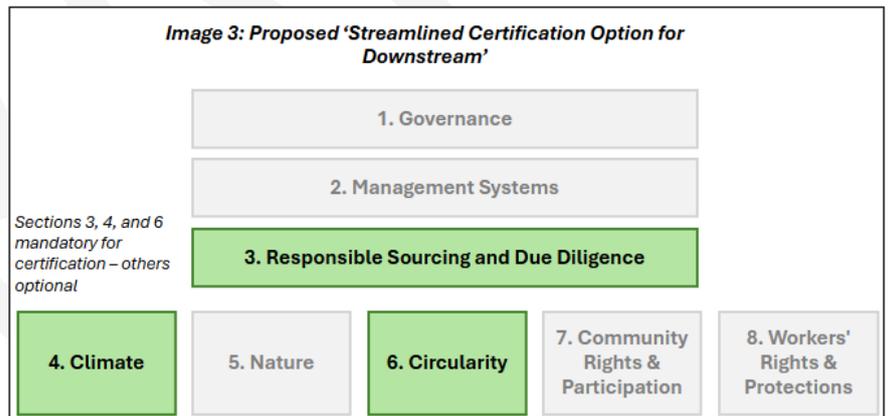
While a number of downstream Entities have achieved certification against the full PS V3, there has also been an increase in downstream companies transitioning to the Downstream Supporters (non-certifying) category of Membership.

Downstream companies play a key role in driving the sustainability transition for the sector, especially in areas such as circular product design, end of life recovery initiatives, and responsible sourcing/due diligence commitments. Maintaining leadership and commitment from downstream companies – as demonstrated through certification – remains an important objective for ASI.

ASI is therefore consulting on a **streamlined certification proposal** that would reintroduce a materiality-focused approach for **downstream Entities**. Under this proposal, certification for a downstream (post-semi fabrication) Entity would cover only the following sections, where impacts are most significant:

- Section 3: Responsible Sourcing and Due Diligence
- Section 4: Climate
- Section 5: Circularity

Downstream Entities would have the option to certify against other sections (or the full PS V4) if they wish. Further work will be needed to define whether a separate type of certification claim would be required.



To give your views on this proposed change, refer to the [consultation survey](#) (section: 'Overall feedback in the Performance Standard V4').

### Applicability for Small and Medium Enterprises (SMEs) – for input

In the consultation draft, applicability for requirement 4.3.5.2 on emissions removals specifically excludes small or medium enterprises (SMEs). This uses the ASI Membership categories as a reference – Entities (or Entities within ASI Members) that are classified as *Small* or *Micro* do not have to meet the requirement on emissions removals.

Currently, this is the only place in the consultation draft where requirements specifically do not apply for SMEs. In other cases, applicability is determined by other factors such as supply chain activity (as it aligns with material impacts).

*To give your views on whether SMEs should be exempted from this or other criteria/ in the draft standard, please refer to the [consultation survey](#) (section: 'Overall feedback in the Performance Standard V4').*

### Explanatory notes and guidance

The consultation draft includes 'explanatory notes' for selected requirements. These notes are intended to help users understand the intent of the requirement, for the purpose of providing consultation feedback. More detailed supporting guidance for the revised standards (building on the current [PS and CoC Guidance documents](#)) will be developed in 2026 as the criteria and requirements are further refined.

### Glossary Terms

A selected set of defined terms is included in [Annex I: Glossary](#). If terms are not included in this excerpt but are defined in the (current) [v1 Glossary](#), the existing definition applies. Further work will be undertaken in 2026 to review the full Glossary, remove redundant terms and merge with updated definitions included in this consultation draft.

### Disclaimer

This document is not intended to, nor does it, replace, contravene or otherwise alter the requirements of the ASI Constitution or any applicable national, state or local government laws, regulations or other requirements regarding the matters included herein. This document gives general guidance only and should not be regarded as a complete and authoritative statement on the subject matter contained herein. ASI documents are updated from time to time, and the version posted on the ASI website supersedes all other earlier versions.

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# 1. Governance

## Overview of subsections

- 1.1. Business ethics (legal compliance, anti-corruption, payments to government)
- 1.2. Complaints resolution mechanism
- 1.3. Remediation
- 1.4. Sustainability reporting
- 1.5. Business changes (mergers, acquisitions, divestments, closures)

**Context for consultation:** As set out in the Introduction: this revised draft of the Performance Standard will continue to apply at Entity level, where an Entity is defined as ‘A business or similar which is under the ownership or control of an ASI Member. An Entity can constitute part or whole of an ASI Member. In relation to the application of the Performance Standard, the Entity seeks or holds ASI Certification and is responsible for implementation of the Performance Standard in the defined certification scope’.

Conformance will continue to be assessed at the Criterion level. Criterion (e.g. 1.1.1) are shaded in dark green at the top of each box - the individual requirements below provide more detail, similar to the sub-bullets under the Criteria in the current ASI PS V3. See the Introduction section for more information.

**Downstream applicability:** Under the proposed **streamlined certification option** for downstream (fabricating) Entities, this section would NOT be mandatory for certification for these Entities. To provide your feedback on this proposal, refer to questions in the section covering ‘Overall feedback in the Performance Standard V4’ in the [consultation survey](#).

## 1.1. Business ethics (legal compliance, anti-corruption, payments to government)

| Criterion 1.1.1. The Entity has clear principles covering social, environmental, and governance related areas   | Notes  |
|---|--|
| <p>1.1.1.1. Develop a code of conduct or similar instrument, which includes principles relevant to environmental, social and governance performance.</p> <p><i>Explanatory notes: A code of conduct refers to a statement of principles and values that establishes a set of expectations for how an organisation will behave, including minimal levels of compliance and disciplinary actions for the organisation, its staff and other personnel (Adapted from Transparency International Anti-Corruption Glossary). The code of conduct should be reviewed at least every 5 years or more often as required.</i></p> | <p>Existing (1.3) – minor rewording</p> <p><b>Applicable: all Entities</b></p> |
| <p>1.1.1.2. <b>Publicly disclose</b> the code of conduct (or similar instrument) and communicate it to all <u>workers</u> and other key <u>stakeholders</u>.</p>  | <p><b>Minor change (1.3)</b></p> <p><b>Applicable: all</b></p>                 |

| Criterion 1.1.2. The Entity is aware of relevant laws and has systems in place to ensure legal compliance   | Notes                                    |
|---|--|
| 1.1.2.1. Have systems in place to maintain awareness of and to ensure compliance with <u>applicable law</u> and seek to understand and conform with relevant aspects of <u>customary law</u> . Where a conflict exists between the two, the Entity shall prioritize applicable law. | Existing (1.1)<br><i>Applicable: all</i> |
| 1.1.2.2. <b>Publicly disclose</b> information on an annual basis on material fines, judgements, penalties, and non-monetary sanctions for failure to comply with applicable law.  | Existing (3.2)<br><i>Applicable: all</i> |

| Criterion 1.1.3. The Entity works to prevent corruption in all its forms, including Extortion and Bribery   | Notes   |
|---|---|
| 1.1.3.1. Implement an anti-corruption <u>policy</u> to address corruption in all its forms, including extortion and bribery, consistent with <u>applicable law</u> and prevailing international standards. The policy shall include: <ol style="list-style-type: none"> <li>Prohibited actions/behaviours;</li> <li>Consequences for non-compliance;</li> <li>Process for raising concerns or complaints.</li> </ol> <p><i>Explanatory notes: The policy should be aligned with prevailing international standards such as ISO 37001: 2005 Anti-bribery management systems and the OECD Anti-bribery convention. Where applicable, it should include actions to prevent/ address potential corruption related to community benefit payments (see 7.4: Community benefits). The policy can be integrated with other policies or documents.</i></p> | Minor change (1.2) – more detail on policy<br><br><b>Equivalence: ISO 37001: 2025</b><br><i>Applicable: all</i> |
| 1.1.3.2. Communicate the anti-corruption policy to <u>workers</u> and other concerned <u>stakeholders</u> .   | <b>New</b><br><b>Equivalence: ISO 37001: 2025</b><br><i>Applicable: all</i>                                     |
| 1.1.3.3. Develop and implement a whistleblowing policy to encourage workers or other stakeholders to report any potential wrongdoing by, for, or related to the Entity; and which provides protection to those raising concerns.  | <b>New</b><br><b>Equivalence: ISO 37001: 2025</b><br><i>Applicable: all</i>                                     |

| Criterion 1.1.4. The Entity is ethical and transparent about any payments made to governments and/or political parties   | Notes                                    |
|--|--|
| 1.1.4.1. Only make payments to governments or political parties on a legal or contractual basis, including any payments through intermediaries.  | Existing (3.3)<br><i>Applicable: all</i> |
| 1.1.4.2. <b>Publicly disclose</b> the value and beneficiary(ies) of payments to governments or political parties on an annual basis, including any payments made through intermediaries.<br><br><i>Key reference: GRI 415-1: Political contributions</i> | Existing (3.3)<br><i>Applicable: all</i> |

|  |  |
|--|--|
| <p>1.1.4.3. <b>Publicly disclose</b> payments to government or political parties broken down by recipient and payment type, in line with <i>Extractive Industries Transparency Initiative</i> (EITI) requirements.</p> <p><i>Key reference: EITI Standard 2023</i></p> | <p><b>New</b></p> <p><i>Applicable: Mining</i></p> |
|--|--|

## 1.2. Complaints resolution mechanism

| <b>Criterion 1.2.1.</b> There is a trusted, accessible mechanism in place for stakeholders to raise complaints and have these resolved effectively.   | <i>Notes</i>   |
|---|--|
| <p>1.2.1.1. Implement a <u>complaints resolution mechanism</u> (or set of mechanisms) that meets the effectiveness criteria as set out under the United Nations Guiding Principles (UNGPs):</p> <ul style="list-style-type: none"> <li>a. Legitimate;</li> <li>b. Accessible;</li> <li>c. Predictable;</li> <li>d. Equitable;</li> <li>e. Transparent;</li> <li>f. Rights-compatible;</li> <li>g. A source of continuous learning;</li> <li>h. Based on engagement and dialogue.</li> </ul> <p><i>Explanatory notes: This is also referred to as a grievance mechanism and can address concerns from workers, affected communities, and other stakeholders. Entities may have several different systems to meet this requirement (for example, a separate complaints approach for workers vs affected communities). This mechanism can incorporate a whistleblowing policy (see requirement 1.1.3.3), although whistleblowing is typically focused on reporting suspected wrongdoing that affects others or poses danger, such as fraud or a safety risk.</i></p> | <p>Existing (3.4) – minor adjustment</p> <p><i>Applicable: all</i></p> |
| <p>1.2.1.2. Make the complaints resolution mechanism <b>publicly available</b> and implement measures so that <u>affected communities, workers, and other key stakeholders</u> understand its purpose and how to raise a complaint (this includes <u>Indigenous Peoples</u> where present).</p>   | <p>Existing (3.4) – minor rewording</p> <p><i>Applicable: all</i></p>  |
| <p>1.2.1.3. Implement a process for impacted stakeholders and rightsholders to appeal decisions made through the complaints mechanism.</p>  | <p>Existing (3.4)</p> <p><i>Applicable: all</i></p>                    |
| <p>1.2.1.4. Provide training for workers who manage complaints, so they are competent to fulfil their roles, including around confidentiality and stakeholder engagement.</p>   | <p><b>New</b></p> <p><i>Applicable: all</i></p>                        |
| <p>1.2.1.5. Carry out regular reviews of the complaints resolution mechanism to assess whether it is effective to address complaints received. This includes a review of complaints received and actions/ timelines to address these. Share findings of the review with senior management and use these to further improve the mechanism.</p>   | <p><b>Minor change (3.4)</b></p> <p><i>Applicable: all</i></p>         |

|   |   |
|---|---|
| <p><i>Explanatory notes: Reviews should generally be at least every three years, or more often as required due to risks, level of complaints, and/or business changes.</i></p>  |   |
| <p>1.2.1.6. As part of the review process (1.2.1.5), include input from affected communities and other key stakeholders on their views around effectiveness and accessibility of the complaints mechanism (see Section 7. Community Rights and Participation)</p> | <p><b>New</b><br/><i>Applicable: Mining, refining</i></p> |

### 1.3. Remediation of human rights impacts

**Note:** addressing legacy impacts of the Entity on affected communities is covered under Section 7.8 Legacy Impacts

| <p><b>Criterion 1.3.1.</b> Processes are in place to remediate adverse human rights impacts (including labour rights) that the Entity causes or contributes to, in line with the UN Guiding Principles on Business and Human Rights.</p>   | <p>Notes</p>   |
|--|--|
| <p>1.3.1.1. Where the Entity may cause or contribute to adverse <u>human rights</u> impacts (including labour rights violations), the Entity shall have processes in place to provide remedy (either directly or in collaboration with others). This includes:</p> <ul style="list-style-type: none"> <li>a. Any labour rights violations or adverse human rights impacts identified are ceased immediately;</li> <li>b. Victims are provided with critical care and safeguarding;</li> <li>c. Fair and independent investigations are carried out, with the aim to address root causes and prevent reoccurrence;</li> <li>d. Legal and judicial mechanisms are notified of violations, as required under <u>applicable law</u>. Engagement is sought with other judicial and non-judicial mechanisms as appropriate e.g. labour inspectorates, worker unions, etc.;</li> <li>e. Confidentiality and protection of victims are maintained throughout.</li> </ul> <p><i>Explanatory notes: This criterion applies for the Entity’s own operations and activities. Remedy for adverse human rights impacts related to the supply chain (business partners) is covered under Section 3. Responsible sourcing. Violations of labour rights or adverse human rights impacts may be identified through the complaints mechanism (see 1.2) or the human rights due diligence process for their own operations (see 2.4). Impacts could also be identified through other channels such as an internal monitoring process, outcomes of third-party audits, etc. Remedy can include but is not limited to, restitution, apologies, compensation, or cooperation with judicial process.</i></p> <p><b>Key reference:</b> UN Guiding Principles on Business and Human Rights</p> | <p><b>New</b> (previously partially covered under HR due diligence)<br/><i>Applicable: all</i></p> |
| <p>1.3.1.2. Carry out at least every three years, an analysis of grievances and remediation actions taken and inform senior management on these outcomes (considering confidentiality and protection of victims and those raising concerns). Learnings from this review shall inform changes to internal policies/ processes and complaints mechanisms where appropriate.</p>  | <p><b>New</b><br/><i>Applicable: all</i></p>   |

## 1.4. Sustainability reporting

| Criterion 1.4.1. The Entity reports publicly on its material environmental, social, and governance-related impacts   | Notes  |
|--|--|
| <p>1.4.1.1. <b>Publicly disclose:</b></p> <ul style="list-style-type: none"> <li>a. The Entity’s governance approach to environmental, social and economic impacts;</li> <li>b. Its <u>material</u> environmental, social and economic impacts related to criteria in this Standard;</li> <li>c. An explanation of how material topics were identified.</li> </ul> | <p>Minor change (3.1) – added c</p> <p>Applicable: all</p> |

## 1.5. Business changes (mergers, acquisitions, divestments, closures)

| Criterion 1.5.1. The Entity identifies and addresses social and environmental impacts related to merger/acquisition or divestment activities  | Notes  |
|---|--|
| <p>1.5.1.1. In carrying out <u>due diligence</u> processes for mergers and acquisitions and divestments, review its environmental, social and governance practices related to this Standard, including those associated with <u>legacy impacts</u>.</p> <p><i>Explanatory notes: this criterion is relevant for Entities undergoing or recently completing M&amp;A or divestments that relate to the certifying Entity. Risks related to divestment could include divesting assets with significant environmental liabilities or closing assets shortly after divestment without adequate assessment of social impacts.</i></p> | <p>Minor change (2.9)</p> <p>Applicable: Entities with M&amp;A or divestment activities</p>  |
| <p>1.5.1.2. Share information regarding the <u>material</u> environmental, social and governance impacts of <u>legacy operations</u> on <u>affected communities</u> to these communities.</p>   | <p>Existing (2.9)</p> <p>Applicable: same as 1.5.1.1</p>                                     |
| <p>1.5.1.3. Implement a <u>plan</u>, developed in consultation with affected communities and other key <u>stakeholders</u>, to mitigate the material environmental, social and governance impacts of legacy operations. Share progress against the plan at least annually with affected communities and other key stakeholders.</p>   | <p>Existing (2.9)</p> <p>Applicable: same as 1.5.1.1</p>                                     |
| <p>1.5.1.4. Implement measures so that in any divestment scenario, financial provisions or financial assurances under the mine closure plan either remain in place or are replaced by the incoming party (see 9.1.1.1 under <i>Section 9: Mine Closure</i>).</p> <p><i>Explanatory notes: See modular Section 9: Mine Closure.</i></p>  | <p>Major change (8.7/2.10)</p> <p>Applicable: Mining Entities with divestment activities</p> |

| <b>Criterion 1.5.2. Closure of operations are planned and managed effectively to mitigate negative social and environmental impacts related to the closure</b>   | <i>Notes</i>  |
|--|---|
| <p>1.5.2.1. Identify <u>material social</u> and environmental risks relating to the closure of any sites. Where material risk(s) are identified, the Entity shall develop a closure <u>plan</u> addressing those risks.</p> <p><i>Explanatory notes: material risks can include, for example, socio-economic risks if the facility is a major employer, contamination risks to water and soil, or ongoing risks to biodiversity and habitats.</i></p>  | <p>Existing (2.10a) – minor rewording</p> <p><i>Applicable: All except Mining (see Section 9: Mine Closure)</i></p> |
| <p>1.5.2.2. Develop the closure plan in consultation with <u>affected communities</u> and other <u>stakeholders</u>.</p> <p><i>Explanatory notes: If Indigenous Peoples are present and the closure presents a potentially <u>significant impact</u> on these communities, see 7.6: Free, Prior, and Informed Consent.</i></p>   | <p>Existing (2.10b) – minor rewording</p> <p><i>Applicable: All except Mining (see Section 9: Mine Closure)</i></p> |
| <p>1.5.2.3. Within the closure plan (1.5.2.1), incorporate technical closure requirements for <u>bauxite residue</u> storage facilities, to ensure safe storage and to prevent uncontrolled release of residues or leachate. This shall include, where relevant:</p> <ol style="list-style-type: none"> <li>a. Land use objectives;</li> <li>b. Permanent containment strategy (capping/cover design);</li> <li>c. Dewatering and consolidation of residue;</li> <li>d. Seepage and leachate control;</li> <li>e. Water balance and drainage management;</li> <li>f. Water discharge quality management;</li> <li>g. Landform reshaping;</li> <li>h. Geotechnical stability analysis;</li> <li>i. Revegetation;</li> <li>j. Long-term integrity design (e.g. 50+ years).</li> </ol> <p><i>Key reference: IAI Sustainable Bauxite Residue Management Guidance</i></p> | <p><b>New</b></p> <p><i>Applicable: Refining</i></p>  |
| <p>1.5.2.4. Develop a monitoring and maintenance regime, including funding/resourcing for the post-closure period, which includes monitoring against the closure plan (as per 1.5.2.3).</p>  | <p><b>Major change (2.10b)</b></p> <p><i>Applicable: Refining</i></p>   |

## 2. Management Systems

### Overview of subsections

- 2.1. Defining the area of influence
- 2.2. Risk assessments
- 2.3. Health, Safety, and Environment (HSE) management systems
- 2.4. Human rights due diligence (own operations)
- 2.5. Emergency preparedness
- 2.6. Impacts of new projects and major changes

*Downstream applicability:* Under the proposed **streamlined certification option** for downstream (fabricating) Entities, this section would NOT be mandatory for certification for these Entities. See questions in the section covering ‘Overall feedback in the Performance Standard V4’ in the [consultation survey](#).

### 2.1. Defining the area of influence

| Criterion 2.1.1. The Entity identifies and documents its area of influence  | Notes   |
|---|---|
| 2.1.1.1. Identify and document the Entity’s <u>area of influence</u> , in line with the definitions and guidance provided in this standard. | <b>New</b> (previously under assurance)<br><i>Applicable: all</i> |

### 2.2. Risk assessments

| Criterion 2.2.1. The Entity understands its key environmental and social risks (including human rights)  | Notes  |
|--|--|
| 2.2.1.1. Implement a <u>risk assessment</u> to identify key social and environmental risks under its <u>area of influence</u> and document the findings. Review the risk assessment and findings at least annually (or more often upon a control gap or significant business change).<br><br><i>Explanatory notes: The risk assessment should address at minimum the topic areas under the ASI Performance Standard. Specific environmental/ social impact assessments for new projects/ changes are covered under 2.6: Impacts of new projects and major changes.</i> | <b>New</b> – previously under different topic areas e.g. water, biodiversity<br><i>Applicable: all</i> |
| 2.2.1.2. As part of the risk assessment, include a scoping exercise to identify its nature-related impacts, dependencies, risks and opportunities. These findings shall be incorporated into the biodiversity management <u>plans</u> and/or other nature-related management plans as relevant (see 5.1: Biodiversity and ecosystem services)<br><br><i>Key reference: TNFD Guidance on identification and assessment of nature-related issues; Overview of the LEAP approach</i>  | <b>New</b><br><i>Applicable: Mining, refining</i>  |

## 2.3. Health, Safety, and Environment (HSE) management systems

**Context for consultation:** In the current PS V3, there are separate criteria on Environmental Management Systems (2.3) and Occupational Health and Safety Management Systems (11.1). Under the revised PS V4, these have now been brought together into one criterion on HSE Management Systems, with two separate requirements to enable continued equivalence with ISO 14001/ ISO 45001.

| Criterion 2.3.1. Management systems are in place to enhance Health, Safety, and Environmental performance and to monitor/ address impacts in these areas  | Notes  |
|---|--|
| <p>2.3.1.1. Implement a documented management system (or systems) covering environmental <u>risks</u> (as identified through the risk assessment), and opportunities. The system(s) shall include the following components:</p> <ul style="list-style-type: none"> <li>a. Organizational context;</li> <li>b. Leadership &amp; worker participation;</li> <li>c. Planning and procedures;</li> <li>d. Support (sufficient resources, competence, and communication, including documented processes);</li> <li>e. Operation (with clear roles &amp; responsibilities defined);</li> <li>f. Performance evaluation / monitoring/ management reviews;</li> <li>g. Improvement.</li> </ul> <p><i>Explanatory notes: The management system should be reviewed at least every 5 years, or more often as required due to risk levels, business changes, or control gaps. The Entity can have separate or integrated management systems for health, safety and environment.</i></p>     | <p>Minor change (2.3) More specificity</p> <p><b>Equivalence:</b><br/><b>ISO 14001</b></p> <p><i>Applicable: all</i></p>   |
| <p>2.3.1.2. Implement a documented management system (or systems) covering health and safety risks (as identified through the risk assessment), and opportunities. The system(s) shall include the following components:</p> <ul style="list-style-type: none"> <li>a. Organizational context;</li> <li>b. Leadership &amp; worker participation;</li> <li>c. Planning and procedures;</li> <li>d. Support (sufficient resources, competence, and communication, including documented processes);</li> <li>e. Operation (with clear roles &amp; responsibilities defined);</li> <li>f. Performance evaluation / monitoring/ management reviews;</li> <li>g. Improvement.</li> </ul> <p><i>Explanatory notes: The management system should be reviewed at least every 5 years, or more often as required due to risk levels, business changes, or control gaps. Risks should consider include workplace psychosocial risks, as per Criterion 8.7.2 (see also ISO 45003).</i></p> | <p>Existing (11.1a) – moved from H&amp;S into cross cutting management systems section</p> <p><b>Equivalence:</b><br/><b>ISO 45001</b></p> <p><i>Applicable: all</i></p> |

## 2.4. Human rights due diligence (own operations)

**Context for consultation:** This criterion replaces the concept of ‘social management system’ from V3 of the PS (Criterion 2.3b) and integrates it under broader framing of human rights due diligence, in line with the **UN Guiding Principles on Business and Human Rights**. This includes assessing and mitigating risks related to labour rights (for employees and subcontractors) as well as human rights risks for rightsholders and affected communities. Note that this criterion applies for the Entity’s own

operations and activities – human rights due diligence for the supply chain is covered under Section 3: Responsible Sourcing and Due Diligence along with other supply chain related impacts.

| <b>Criterion 2.4.1. Systems are in place to identify and address risks to human rights resulting from the Entity’s own operations, in line with the UN Guiding Principles on Business and Human Rights</b>   | <i>Notes</i>   |
|--|--|
| <p>2.4.1.1. Develop and implement a <u>policy</u> to respect <u>human rights</u> and observe the UN Guiding Principles on Business and Human Rights (UNGPs).</p> <p><i>Explanatory notes: While this criterion 2.4.1 focuses on impacts of the Entity’s own operations, the policy on respecting human rights in line with the UNGPs may also cover human rights due diligence for the supply chain, as per Section 3: Responsible Sourcing and Due Diligence.</i></p>   | <p>Existing 9.1a<br/><i>Applicable: all</i></p>  |
| <p>2.4.1.2. Implement a risk-based <u>due diligence</u> process, consistent with the UNGPs, to identify and assess human rights risks and impacts caused or contributed to by the Entity’s own operations.</p> <p><i>Explanatory notes: This relates to risks to human rights (including labour rights) from the Entity’s own operations, including workers and affected communities. Risks to human rights in the supply chain are covered under Section 3: Responsible Sourcing. Human rights include for example, the right to a standard of living adequate for the health and well-being of oneself and one’s family (Article 25); which may be affected by Entity’s impacts on clean water, access to ecosystem services, etc.</i></p> <p><i>Key References: UN Guiding Principles on Business and Human Rights; Universal Declaration of Human Rights</i></p> | <p>Minor change (2.3 and 9.1) – merges social management system and HR Due Diligence (for own operations)<br/><i>Applicable: all</i></p> |
| <p>2.4.1.3. Implement a <u>plan</u> to prevent, mitigate and remediate human rights impacts (as identified in 2.4.1.2); this includes designating clear roles and ensuring competency of responsible personnel.</p> <p><i>Explanatory notes: Remedy for adverse human rights impacts that the Entity causes or contributes to through its own operations is covered under 1.3: Remediation of human rights impacts. Supply chain impacts are covered under Section 3: Responsible Sourcing and Due Diligence.</i></p>  | <p>Minor change (9.1 b)<br/><i>Applicable: all</i></p>   |
| <p>2.4.1.4. Review the human rights due diligence process and plan at least every 5 years, incorporating learnings from:</p> <ul style="list-style-type: none"> <li>a. Risk and impact assessments;</li> <li>b. Complaints received and the review of the <u>complaints resolution mechanism</u> (see 1.2);</li> <li>c. Input from consultation with <u>affected communities</u> and other key stakeholders (see Section 7);</li> <li>d. Input from <u>workers</u> or workers’ representatives (see Section 8).</li> </ul>   | <p>Minor change (9.1 b)<br/><i>Applicable: all</i></p>   |
| <p>2.4.1.5. Document findings from the review (2.4.1.4), including any improvements or changes made to the human rights due diligence process.</p>   | <p>Minor change (9.1 b)<br/><i>Applicable: all</i></p>   |

## 2.5. Emergency preparedness

| <b>Criterion 2.5.1. Processes are in place to prepare for emergency scenarios</b>   | <i>Notes</i>                            |
|---|---|
| <p>2.5.1.1. Develop and implement site-specific emergency response <u>plans</u> to address credible potential scenarios, with the aim of avoiding and minimising any harm to <u>workers</u>, communities, the environment and property.</p> | <p>Existing (2.7) - minor rewording</p> |

|   |  |
|---|--|
|   | <i>Applicable: all</i>   |
| 2.5.1.2. Provide training to internal teams on awareness and implementation of the emergency response plans.  | <b>New</b><br><i>Applicable: all</i>   |
| 2.5.1.3. Communicate key information from the emergency response plan, as appropriate: <ul style="list-style-type: none"> <li>a. To public authorities/ emergency response teams;</li> <li>b. To potentially <u>affected communities</u>, in an <u>accessible</u> format.</li> </ul> <p><i>Explanatory notes: This includes informing relevant government departments such as the fire service of essential information and making sure that those potentially impacted by an emergency have the information they need to report or respond in such situations.</i></p> | <b>Major change (2.7)</b> – replaces public disclosure<br><i>Applicable: all</i> |

|   |  |
|---|--|
| <b>Criterion 2.5.2. The Entity prepares for potential suspensions of operations</b>   | <i>Notes</i>                             |
| 2.5.2.1. Develop a business resilience <u>plan/s</u> to address cases where operations may need to be suspended or altered due to factors outside the Entity’s control (e.g. natural disasters), including addressing social and environmental impacts of such changes. | Existing (2.8)<br><i>Applicable: all</i> |

## 2.6. Impacts of new projects and major changes

*Note: for projects that may affect displacement of individuals or communities, see also 13.1 under Modular Section 13: Displacement and Resettlement.*

|  |  |
|--|--|
| <b>Criterion 2.6.1. Comprehensive environmental and social impact assessments (ESIAs) are carried out for all new projects and major changes</b>   | <i>Notes</i>   |
| 2.6.1.1. Engage <u>qualified specialists</u> to carry out an environmental and social impact assessment (ESIA) for any <u>new projects or major changes</u> to existing operations or facilities. This shall consider cumulative impacts, including legacy operations and impacts from other sectors and activities.   | <b>Minor change (2.5)</b><br><i>Applicable: In case of new projects or major changes</i> |
| 2.6.1.2. Where there are potential <u>human rights</u> risks identified (as per 2.6.1.1 or the risk assessment under 2.2), engage qualified specialists to carry out a human rights <u>impact assessment</u> (HRIA), for any new projects or major changes to existing operations or facilities. This includes: <ul style="list-style-type: none"> <li>a. A gender analysis;</li> <li>b. An assessment of rights of <u>Indigenous Peoples</u>’ where relevant;</li> <li>c. <b>Consideration</b> of cumulative impacts, including legacy operations and impacts from other sectors and activities.</li> </ul> <p><i>Explanatory notes: The HRIA can be carried out together with or as part of an overall ESIA as per 2.6.1.1</i></p> | <b>Minor change (2.6)</b> – now more risk based<br><i>Applicable: Same as 2.6.1.1</i>    |

|   |  |
|---|--|
| 2.6.1.3. Carry out impact assessments as per 2.6.1.1/2.6.1.2 with participation and input from <u>affected communities</u> , and local civil society organisations and institutions (where relevant).                             | <b>New</b><br><i>Applicable: Same as 2.6.1.1</i> |
| 2.6.1.4. Share the outcomes of the impact assessment with affected communities in an <u>accessible</u> format and provide opportunities for feedback and to raise grievances ( <i>see 1.2: Complaints resolution mechanism</i> ). | <b>New</b><br><i>Applicable: Same as 2.6.1.1</i> |

| <b>Criterion 2.6.2. Significant social and environmental risks and impacts arising from new projects and major changes are effectively managed</b>   | Notes  |
|--|--|
| 2.6.2.1. For any <u>new projects or major changes</u> , develop and implement a management <u>plan/s</u> to address significant impacts as per the environmental and social impact assessment (ESIA) and human rights impact assessment (HRIA), where relevant. This plan shall: <ul style="list-style-type: none"> <li>a. Include input from <u>qualified specialists</u>;</li> <li>b. Be developed in <u>consultation with affected communities</u>;</li> <li>c. Consider specific impacts on vulnerable or marginalized groups.</li> </ul>          | <b>Minor change (2.5.c) expanded</b><br><i>Applicable: Same as 2.6.1.1</i>                         |
| 2.6.2.2. In planning new projects or major changes, consider alternatives to avoid or at least minimize the risks of physical or economic displacement, while balancing environmental, social, and financial costs and benefits.<br><br><i>Key reference: IFC Performance Standard 5: Land Acquisition and Involuntary Resettlement (2012), Paragraph 8.</i>   | Existing 9.6a<br><i>Applicable: Same as 2.6.1.1</i>  |
| 2.6.2.3. Where new projects or major changes pose significant risks to affected communities, the Entity shall begin a preliminary development process with the aim to establish a community agreement: <ul style="list-style-type: none"> <li>a. Through a mutually agreed process and within an expected two-year timeframe.</li> <li>b. Where there are affected <u>Indigenous Peoples</u>, this shall be carried out in line with <u>Free, Prior, and Informed Consent</u> processes as per 7.6: <i>Free Prior and Informed Consent</i>.</li> </ul> | <b>New</b><br><i>Applicable: New Projects/ Major changes with significant risks to communities</i> |
| 2.6.2.4. Monitor progress against the plan (as per 2.6.2.1) and share updates with affected communities and other key stakeholders at least every two years in an <u>accessible</u> format.  | <b>Minor change (2.5.f)</b><br><i>Applicable: Same as 2.6.1.1</i>                                  |

### 3. Responsible Sourcing and Due Diligence

#### Overview of subsections

- 3.1. Responsible sourcing
- 3.2. Responsible sourcing (additional for scrap)
- 3.3. Sourcing From Conflict-Affected and High-Risk Areas (CAHRAs)
- 3.4. Sharing supply chain information to support customer due diligence

**Context for consultation:** These criteria are applicable to the Entity with respect to its **supply chain**. Social and environmental impacts related to the Entity’s own operations and activities are covered in sections 4-8 of the Performance Standard.

#### 3.1. Responsible sourcing

| Criterion 3.1.1. Embed responsible business conduct into supply chain due diligence policy and management systems   | Notes  |
|---|--|
| <p>3.1.1.1. Implement an integrated or stand-alone responsible sourcing <u>policy</u> on <u>Responsible Business Conduct (RBC) issues</u> associated with the Entity’s supply chains <i>(relevant to sourcing of primary aluminium as well as scrap)</i>.</p>   | <p>Major change (2.4a and 9.1a)<br/>Applicable: all Entities</p> |
| <p>3.1.1.2. Incorporate supply chain due diligence and RBC expectations and policies into engagement with suppliers and other business relationships.</p> <p><i>Explanatory notes: This means communicating the RBC expectations to suppliers and other business relationships, including, where applicable, through contracts and written agreements, providing training and other resources to suppliers and other business relationships to help them understand and implement the due diligence expectations, and seeking to understand and address barriers arising from the enterprise’s way of doing business that may impede the ability of suppliers and other business relationships to implement RBC polices, such as the enterprise’s purchasing practices and commercial incentives.</i></p> | <p>New<br/>Applicable: all Entities</p>                          |
| Criterion 3.1.2. Identify, assess and prioritize RBC issues in supply chains  | Notes  |
| <p>3.1.2.1. Carry out a scoping exercise with the objective of understanding <u>RBC issues</u> related to the Entity’s supply chains.</p> <p><i>Explanatory notes: A step-by-step approach on how to carry out a scoping exercise that aligns with the OECD Due Diligence Guidance and similar frameworks will be provided in the ASI Standards Guidance (to be developed).</i></p>   | <p>Major change (9.1b and c)<br/>Applicable: all Entities</p>    |

|   |  |
|---|--|
| <p><b>3.1.2.2.</b> Carry out iterative, in-depth assessments of RBC risk areas, including but not limited to the non-exhaustive list of <u>RBC risk categories</u> in Table 1<sup>1</sup>, covering the Entity’s supply chain and business relationships.</p> <p><i>Explanatory notes: Social and environmental risk assessment related to the Entity’s own operations is covered under Criterion 2.2.1 (in Management Systems). Sourcing from Conflict-Affected and High-Risk Areas (CAHRAs) is covered under Criterion 3.3.1. This is a specific case of human rights (and other Annex II risks and impacts) and follows a similar process. This could be managed under a common management system, but there is detailed (modular) guidance to enable formal alignment with the OECD Due Diligence Guidance as per Criterion 3.3.1.</i></p> <p><i>For <u>human rights</u> impacts, the Entity should consult and engage impacted and potentially impacted rightsholders, including workers, workers’ representatives and trade unions, to gather information on adverse impacts and risks, taking into account potential barriers to effective stakeholder engagement.</i></p> <p><sup>1</sup><b>NOTE:</b> See Table 1 below. These are examples of key Responsible Business Conduct risk categories, which include ESG risks across the criteria within the ASI Performance Standard.</p> | <p>Major change (9.1b)</p> <p>Applicable: all Entities</p> |
| <p><b>3.1.2.3.</b> Determine whether the Entity has caused or contributed to an adverse impact, or is directly linked to an adverse impact, through its supply chain.</p> <p><i>Explanatory notes: Specifically, assess whether the Entity caused (or would cause) the adverse impact; or contributed (or would contribute) to the adverse impact; or whether the adverse impact is (or would be) directly linked to its operations, products or services by a business relationship. As part of this process, the Entity should consult with its business relationships and other relevant enterprises, as well as impacted stakeholders/ rightsholders or their legitimate representatives. If impacted stakeholders or rightsholders disagree with the Entity’s assessment of its involvement with any actual or potential adverse impact, the Entity should cooperate in good faith with legitimate mechanisms designed to help resolve the disagreements and provide remediation.</i></p>  | <p>Major change (9.1b)</p> <p>Applicable: all Entities</p> |
| <p><b>3.1.2.4.</b> Prioritise the Entity’s RBC issues based on their severity and likelihood.</p> <p><i>Explanatory notes: The Entity should consult with business relationships, other relevant enterprises and impacted or potentially impacted stakeholders and rightsholders on prioritisation decisions.</i></p>   | <p>Major change (9.1b)</p> <p>Applicable: all Entities</p> |

|   |  |              |
|---|--|--------------|
| <p><b>Criterion 3.1.3. Implement an action plan for prevention and mitigation of prioritised RBC issues</b></p>   |  | <p>Notes</p> |
| <p><b>3.1.3.1.</b> Devise and adopt an action <u>plan</u> to prevent or mitigate the prioritised <u>RBC issues</u>.</p> <p><i>Explanatory notes: The action plan should focus on the Entity’s assessment of its involvement with adverse impacts as per 3.1.2.3. The Entity should consult and engage with impacted and potentially impacted stakeholders and rightsholders and their representatives to devise appropriate actions and implement the plan.</i></p> | <p>Major change (9.1b)</p> <p>Applicable: all Entities</p> |              |
| <p><b>3.1.3.2.</b> Cease or modify the Entity’s actions that are causing or contributing to adverse impacts.</p>  | <p>Major change (9.1b)</p> <p>Applicable: all Entities</p> |              |

|  |  |
|--|--|
| <p>3.1.3.3. Use leverage to influence business relationships that are causing or contributing to adverse impacts.</p> <p><i>Explanatory notes: How to influence business relationships will depend on several factors including proximity, dependency, years of business relationship, and rapport.</i></p>  | <p>Major change (9.1b)</p> <p>Applicable: all Entities</p> |
| <p>3.1.3.4. Respond to the prioritised RBC issues associated with the Entity’s business relationships through:</p> <ul style="list-style-type: none"> <li>a. Continuation of the relationship via ongoing prevention, mitigation and remedy efforts;</li> <li>b. Temporary suspension of the relationship while pursuing ongoing prevention, mitigation and remedy efforts; or</li> <li>c. Disengagement with the business relationship after failed attempts at prevention or mitigation, or where prevention or mitigation is not feasible, or because of the severity of the adverse impact.</li> </ul> | <p>Major change (9.1b)</p> <p>Applicable: all Entities</p> |
| <p>3.1.3.5. When deciding to disengage, the Entity shall:</p> <ul style="list-style-type: none"> <li>a. Assess the potential social and economic adverse impacts of disengagement;</li> <li>b. Formulate and implement an exit plan in consultation with affected stakeholders and</li> <li>c. Communicate to business relationships the decision to disengage with sufficient notice.</li> </ul> <p><i>Explanatory notes: Criteria on what ‘sufficient’ notice constitutes will be provided future ASI Standards Guidance (to be developed).</i></p>  | <p>Major change (9.1b)</p> <p>Applicable: all Entities</p> |

|  |  |              |
|--|--|--------------|
| <b>Criterion 3.1.4. Monitor and track the implementation of the action plan(s)</b>   |  | <p>Notes</p> |
| <p>3.1.4.1. Track implementation and effectiveness of the Entity’s own internal commitments, activities and goals on supply chain <u>due diligence</u>.</p>  | <p>Major change (9.1b)</p> <p>Applicable: all Entities</p> |              |
| <p>3.1.4.2. Conduct periodic documented evaluations to assess the effectiveness of the action <u>plan(s)</u>, identify improvement needs and determine if risk prioritization requires updating.</p> | <p>Major change (9.1b)</p> <p>Applicable: all Entities</p> |              |

|  |  |              |
|--|--|--------------|
| <b>Criterion 3.1.5. Communicate how impacts are addressed</b>  |  | <p>Notes</p> |
| <p>3.1.5.1. <b>Publicly disclose</b> the Entity’s supply chain due diligence processes including: prioritised <u>RBC issues</u>, planned prevention, mitigation and remediation actions, progress and results.</p> | <p>New</p> <p>Applicable: all Entities</p> |              |
| <p>3.1.5.2. Communicate to impacted <u>stakeholders</u> and rightsholders, in a timely, culturally sensitive, and <u>accessible</u> manner, the information that is specifically relevant to them.</p>             | <p>New</p> <p>Applicable: all Entities</p> |              |

| Criterion 3.1.6. Remediate where appropriate   | Notes  |
|--|--|
| <p>3.1.6.1. Where business enterprises identify that they have contributed to adverse impacts, the Entity shall provide for or cooperate in their remediation through legitimate processes.</p> <p><i>Explanatory notes: See also 1.3: Remediation of human rights impacts</i></p> | <p>Major change (9.1d)</p> <p>Applicable: all Entities</p> |

### 3.2. Responsible sourcing (additional for scrap)

| Criterion 3.2.1. The Entity strengthens responsible and inclusive scrap sourcing practices by engaging relevant stakeholders and disclosing progress to address social and environmental risks in the aluminium recycling value chain  | Notes                                     |
|--|---|
| <p>3.2.1.1. <b>Leading practice:</b> Implement a risk-based <u>due diligence</u> process for the Entity’s recycled content inputs, consistent with the five-step due diligence framework referenced in 3.1: <i>Responsible sourcing</i> and <i>Criterion 3.3.1</i>. This process shall address human rights and environmental risks associated with aluminium scrap and shall consider the type and country of origin of the scrap, as well as the Entity’s position in the value chain.</p> | <p>New</p> <p>Applicable: Fabricating</p> |

| Criterion 3.2.2. Establish effective stakeholder engagement strategies to ensure that the relevant stakeholders in the recycling value chain are effectively included  | Notes   |
|--|---|
| <p>3.2.2.1. <b>Leading practice:</b> Implement an education and training programme for employees on recycling value chain risks, their potential impacts and opportunities to reduce them.</p>   | <p>New</p> <p>Applicable: Entities that directly source scrap</p> |
| <p>3.2.2.2. <b>Leading practice:</b> Include environmental, social, and governance (ESG) criteria in contracts with scrap suppliers (traders/aggregators).</p>   | <p>New</p> <p>Applicable: same as 3.2.2.1</p>                     |
| <p>3.2.2.3. <b>Leading practice:</b> Develop and implement inclusive recycling practices that benefit waste pickers in the aluminium recycling value chain.</p> <p><i>Explanatory notes: Inclusive recycling practices refer to measures that formally recognise and strengthen the role of waste pickers within recycling value chains. For example, through partnerships with waste picker cooperatives to improve occupational safety, income security, and access to social protection.</i></p>  | <p>New</p> <p>Applicable: same as 3.2.2.1</p>                     |
| <p>3.2.2.4. <b>Leading practice: Publicly disclose</b> the Entity’s progress towards aligning policies and activities with the <i>Fair Circularity Principles</i> and the <i>Harmonized Responsible Sourcing Framework for Recycled Materials</i>.</p> <p><i>Key references: Fair Circularity Initiative, Principles for Corporate Engagement with the Informal Waste Sector Aligned with the UNGPs, available at: <a href="https://faircircularity.org/app/uploads/2022/11/Fair-Circularity-Principles-EN.pdf">https://faircircularity.org/app/uploads/2022/11/Fair-Circularity-Principles-EN.pdf</a>; The Circulate Initiative, Harmonized</i></p> | <p>New</p> <p>Applicable: same as 3.2.2.1</p>                     |

Responsible Sourcing Framework for Recycled Materials, available at: <https://www.thecirculateinitiative.org/responsible-sourcing/harmonized-framework-for-recycled-materials/>

### 3.3. Sourcing from Conflict-Affected and High-Risk Areas (CAHRAs)

**Context for consultation:** This criterion has not been changed from the current Criterion 9.8 on CAHRAs in the ASI Performance Standard V3. This is to ensure continued alignment with the OECD Due Diligence Guidance to meet LME Responsible Sourcing requirements. For more information see: <https://www.lme.com/en/Sustainability-and-Physical-Markets/Sustainability/Responsible-sourcing/Approved-partners>

| Criterion 3.3.1. The Entity exercises risk-based due diligence over its aluminium supply chain in accordance with the OECD Due Diligence Guidance of Minerals from Conflicted-Affected and High-Risk Areas (OECD Guidance) in ways appropriate to its size and circumstances | Notes   |
|--|---|
| 3.3.1.1. Establish strong management systems, including a supply chain <u>policy</u> , responsibilities and resources, information gathering and supplier engagement. (Step 1)   | Existing (9.8)<br><b>Applicable: all Entities</b> |
| 3.3.1.2. Identify and assess risks in the supply chain. (Step 2)   | Existing (9.8)<br><b>Applicable: all</b>          |
| 3.3.1.3. Design and implement a strategy to respond to identified risks. (Step 3)  | Existing (9.8)<br><b>Applicable: all</b>          |
| 3.3.1.4. Undergo an audit of <u>due diligence</u> practices. (Step 4)  | Existing (9.8)<br><b>Applicable: all</b>          |
| 3.3.1.5. Report annually on supply chain due diligence. (Step 5)   | Existing (9.8)<br><b>Applicable: all</b>          |

### 3.4. Sharing supply chain information to support customer due diligence

| Criterion 3.4.1. The Entity provides information to customers in support of risk-based Due Diligence   | Notes   |
|--|---|
| 3.4.1.1. Share with customers, upon request, information which can support identification and assessment of OECD Guidance related risks in the supply chain (3.3.1.2), unless where such disclosure is not feasible due to reasons of commercial confidentiality or market sensitivity. In accordance with the OECD Guidance: <ul style="list-style-type: none"> <li>• For bauxite mining and alumina refining, this means sharing information on the bauxite’s country of origin with customers up to the aluminium smelter.</li> <li>• For aluminium re-melting/refining and post-casthouse (downstream), this means sharing information on the aluminium smelters in the Entity’s supply chain, including via any aluminium re-melters/refiners that source primary aluminium.</li> </ul> | <b>New</b> (as explicit requirement, partially covered under PS V3 due diligence criteria)<br><b>Applicable: all Entities</b> |

*Explanatory notes: The requirement to support customers with information to support due diligence was already implicitly covered under the existing PS V3 9.8 criterion on sourcing from Conflict-Affected and High-Risk areas. This requirement aims to make this more explicit. In cases where an ASI certified Entity cannot fully comply with this criterion specifically because their suppliers are not providing the requested information, this will be taken into account in the assurance process if the Entity can evidence their efforts to request this information.*

**Table 1. ASI Responsible Business Conduct (RBC) Risk Categories**

| Environmental   | Social   | OHS   | Governance                       |
|---|--|---|----------------------------------|
| Biodiversity, Protective Areas and Ecosystem Services | Human Rights                                     | Occupational Health Impacts from Operations | Business Ethics                  |
| Deforestation   | Child Labour                                     | Emergency Preparedness and Response         | Legal and Transparent Tax Paying |
| Climate Change  | Forced Labour and Human Trafficking              |   | Legal Compliance                 |
| Energy and Greenhouse Gas Emissions                   | Use of Public or Private Security Forces         |   | Transparency and Reporting       |
| Air Quality, Noise, Vibrations                        | Discrimination and Harassment                    |   |                                  |
| Pollution (Contamination of soil and ground water)    | Diversity, Equity and Inclusion                  |   |                                  |
| Water Management and Stewardship                      | Freedom of Association and Collective Bargaining |   |                                  |
| Tailings  | Fair Wages and Working Hours                     |   |                                  |
| Waste Management                                      | Community Health, Safety and Development         |   |                                  |
| Hazardous Material Management                         | Indigenous Peoples Rights                        |   |                                  |
| Water Pollution                                       | Cultural Heritage                                |   |                                  |
| Circularity   | Land Acquisition and Resettlement                |   |                                  |
| Mine Rehabilitation and Closure Planning              |  |   |                                  |

## 4. Climate

### Overview of subsections

- 4.1. GHG emissions & energy-related disclosures
- 4.2. Smelter emissions
- 4.3. Net zero alignment
- 4.4. Climate risk management

### 4.1. GHG emissions & energy-related disclosures

| Criterion 4.1.1. Product carbon footprints cumulatively reflect corporate disclosures   | Notes  |
|---|--|
| <p>4.1.1.1. Ensure that no relevant emissions remain unallocated to the carbon footprint of the Entity’s product portfolio in a given accounting period.</p> <p><i>Explanatory notes: This criterion is incorporated to help to ensure that, as (cradle to gate) emissions are allocated to low carbon product offerings, the balance of emissions is allocated to other products in the portfolio. While in the short term this may not be an issue (as purchasers of non-low carbon offerings are not asking for such footprint data), as demand for low carbon products increases (as it will need to do by downstream Entities that reduce their scope 3 category 1 emissions in order to be 1.5 degree aligned) the risk of emissions being under-accounted in carbon footprints increases.</i></p>  | <p><b>New</b></p> <p><i>Applicable: Smelting, Recycling/ Remelting, Semi-fabricating</i></p> |
| Criterion 4.1.2. All material Greenhouse Gas (GHG) emission sources are regularly and publicly disclosed  | Notes  |
| <p>4.1.2.1. <b>Publicly disclose</b> greenhouse gas (GHG) emissions inventories of business operations and supply chains.</p> <p><i>Explanatory notes: The scope of such inventories may not align with the certification scope (Entity) – disclosure of such is appropriate as long as the entirety of the Entity’s emissions inventory is included in the wider disclosure.</i></p> <p><i>For businesses in which aluminium (or precursor product) production, transformation and procurement is combined with those of other materials (e.g. a multi-metal commodities business or an industrial user with a range of inputs), disclosure can include emissions from the other contributors where aluminium-related emissions exceed [90%] of the inventory. In all other cases, aluminium-related emissions should be disclosed separately.</i></p> | <p><b>Minor change (5.1)</b></p> <p><i>Applicable: All Entities</i></p>                      |
| <p>4.1.2.2. <b>Publicly disclose</b> scopes 1 &amp; 2 and scope 3 (or equivalent) inventories separately.</p> <p><i>Explanatory notes: Scopes 1 and 2 may be combined, though Entities are encouraged to report separately. Entities are encouraged to indicate the materiality of different categories of scope 3 (or equivalent) emissions, in particular paying attention to scope 3 category 1 for downstream Entities.</i></p>   | <p><b>Minor change (5.1)</b></p> <p><i>Applicable: All Entities</i></p>                      |

|   |   |
|---|---|
| <p>4.1.2.3. Obtain third-party verification of GHG emissions inventories prior to <b>public disclosure</b>.</p>   | <p>Minor change (5.1)<br/><i>Applicable: All Entities</i></p> |
| <p>4.1.2.4. <b>Leading practice: Publicly disclose</b> the major direct and indirect sources of emissions separately by process.<br/><i>Explanatory notes: Use of the IAI Carbon Footprint Guidance is encouraged for definition of unit processes for primary aluminium production. For midstream processes, European Aluminium, Aluminum Association and/or those defined in LCA databases (e.g. GaBi, Ecolvent, HIQLCA) are appropriate. Emissions disclosure by site/facility is not part of this requirement, although Entities may wish to do so.</i></p> | <p>Minor change (5.1)<br/><i>Applicable: All Entities</i></p> |
| <p>4.1.2.5. <b>Leading practice: Publicly disclose</b> the emissions inventory of the Entity’s certification scope separately from other sources.<br/><i>Explanatory notes: Separate disclosures for separate Entities (certification scope), even if under control of the same business/group/Member. No requirement to report separately sites or processes (SCAs) within the certification scope.</i></p>  | <p>Minor change (5.1)<br/><i>Applicable: All Entities</i></p> |

|   |   |              |
|---|---|--------------|
| <p><b>Criterion 4.1.3. Energy use is regularly and publicly disclosed</b></p>   |   | <p>Notes</p> |
| <p>4.1.3.1. <b>Publicly disclose</b> energy use data.<br/><i>Explanatory notes: The scope of such data may not align with the certification scope (Entity) – disclosure of such is appropriate as long as the entirety of the Entity’s energy use data is included in the wider disclosure.</i></p> | <p>Minor change (5.1)<br/><i>Applicable: All Entities</i></p> |              |
| <p>4.1.3.2. Obtain third-party verification of energy data prior to <b>public disclosure</b>.</p>   | <p>Minor change (5.1)<br/><i>Applicable: All Entities</i></p> |              |

## 4.2. Smelter emissions

**Context for consultation:** A (lagging indicator) threshold criterion related to aluminium smelter emissions intensity formed part of v2 and v3 of the Performance Standard, overlain in v3 by forward-looking GHG Reduction Plan requirements. As part of the first public consultation on v4, ASI is seeking input on a preferred approach to smelter thresholds. Two proposed options are articulated below (with a common approach to system boundary and emissions accounting applied to both) and input will be gathered via the [consultation survey](#):

**Option A: maintain a minimum requirement threshold (as per v3), while recognising the leading performance of lower emitting Entities (this is the direction broadly supported by the ASI Climate Working Group):**

- *Pro:* Continues to exclude coal-intensive aluminium production from ASI Certification and thus helps protect the credibility of ASI
- *Con:* Creates a GHG emissions barrier to entry (based on legacy power source) to over 50% of global smelter capacity for implementation of wider ASI Performance Standard criteria. Under this option, high-emitting smelters are excluded from ASI certification even if they commit to emissions reduction and demonstrate high performance in other areas such as community rights. Conflicts with the sectoral decarbonisation approach of the ASI Method, which relies on convergence of the whole sector (not only lower emitting smelters) to a 2050 sectoral target.

**Option B: smelter emissions thresholds form part of a leading practice approach only.**

- *Pro:* Does not exclude high-emitting smelters from accessing certification and the wider performance improvement benefits (including decarbonisation); widens the uptake of the ASI Method, increasing transparency in and recognition of emissions reduction performance.
- *Con:* Lack of minimum threshold may be perceived as an ASI credibility gap.

### Option A

| Criterion 4.2.1. Smelters with low emissions intensity are recognised and the highest emitting smelters are not eligible for certification   | Notes   |
|--|---|
| <p>4.2.1.1. Demonstrate that no smelter within the certification scope has an emissions intensity exceeding 11 t CO<sub>2</sub>e/t Al measured at output of the reduction process.</p> <p><i>Explanatory notes: liquid aluminium tapped from electrolytic cells; emissions intensity measured cradle to gate as per IAI Carbon Footprint Guidance. Retention of 11 t/t as minimum threshold inclusivity = 55% primary metal production (2024); increase to 15 t/t = 60% coverage; reduce to 10 t/t = 40%</i></p>               | <p>Minor change (5.2)</p> <p>Applicable: Smelting</p> |
| <p>4.2.1.2. <b>Leading practice:</b> Demonstrate that every smelter within the certification scope has an emissions intensity less than 5 t CO<sub>2</sub>e/t Al measured at output of the reduction process.</p> <p><i>Explanatory notes: liquid aluminium tapped from electrolytic cells; emissions intensity measured cradle to gate as per IAI Carbon Footprint Guidance. Threshold at 5 t/t = 20% primary metal production (2024); 4 t/t &lt;10% primary production; 4.5 t/t 10-15%; 6 t/t 30% primary production</i></p> | <p>New</p> <p>Applicable: Smelting</p>                |

**Option B**

| Criterion 4.2.1. Smelters with lower emissions intensity are recognised  | Notes  |
|--|--|
| <p><b>4.2.1.1 Leading practice:</b> Demonstrate that every smelter within the certification scope has an emissions intensity less than 5 t CO<sub>2</sub>e/t Al measured at output of the reduction process.</p> <p><i>Explanatory notes: liquid aluminium tapped from electrolytic cells; emissions intensity measured cradle to gate as per IAI Carbon Footprint Guidance. Threshold at 5 t/t = 20% primary metal production (2024); 4 t/t &lt;10% primary production; 4.5 t/t 10-15%; 6 t/t 30% primary production; 10 t/t (LME green premium threshold) 40%.</i></p> | <p><b>New</b></p> <p><i>Applicable: Smelting</i></p> |

**4.3. Net zero alignment**

| Criterion 4.3.1. Climate transition plans are fit-for-purpose, publicly disclosed and incorporate Paris-aligned GHG emission reduction targets  | Notes   |
|---|---|
| <p><b>4.3.1.1. Publicly disclose</b> a credible <u>climate transition plan</u>, compatible with limiting global warming to 1.5°C, in line with the Paris Agreement.</p> <p><i>Explanatory notes: See the definition under <a href="#">Annex 1 Glossary</a> for minimum requirements related to credible Climate Transition Plan, which includes near-, mid- and long-term, emissions reduction targets. SBTi validated targets are appropriate to demonstrate conformance with the target related elements of the Plan. Possibility to use SBTi validated targets is a MAJOR change – focused in particular on downstream (multi-material) Entities that are setting absolute contraction targets; ASI Method intensity targets still appropriate for those wishing to use the sectoral decarbonisation approach (predominantly primary and midstream).</i></p> | <p><b>Major change (5.3)</b></p> <p><i>Applicable: All Entities</i></p>                 |
| <p><b>4.3.1.2. Publicly disclose</b> <u>GHG pathways</u> that are aligned with those derived using the <u>ASI Method</u>.</p> <p><i>Explanatory notes: As per the key defined terms, use of the ASI Method to assess 1.5-degree alignment is required (only for aluminium smelting, as per applicability).</i></p>  | <p><b>Minor change (5.3)</b></p> <p><i>Applicable: Smelting</i></p>                     |
| <p><b>4.3.1.3. Leading practice: Publicly disclose</b> aluminium value chain-specific <u>ASI Method</u> (1.5 degree) aligned GHG pathways.</p> <p><i>Explanatory notes: As per the key defined terms, use of the ASI Method to assess 1.5-degree alignment is required. This is now proposed as LEADING for non-smelting Entities – which includes all those meeting current (v3) pathways criteria.</i></p>  | <p><b>Minor change (5.3)</b></p> <p><i>Applicable: All Entities except Smelting</i></p> |

| Criterion 4.3.2. Near-term GHG emissions reduction performance is aligned with the Entity’s targets   | Notes   |
|---|---|
| <p><b>4.3.2.1.</b> Demonstrate that emissions performance in the target year is within 10% of the target(s) disclosed in the climate transition plan (4.3.1.1).</p> | <p><b>Minor change (5.3/5.4)</b></p> <p><i>Applicable: All Entities</i></p> |

|   |   |
|---|---|
| <p><i>Explanatory notes: 10% proposed to reflect uncertainty in emissions estimates, in particular scope 3 data (e.g. if the Entity has a 30% emissions reduction by 2030 on a 2020 baseline and in a 2031 Audit can demonstrate a 27% or more emissions reduction, it would be considered in conformance).</i></p> <p><i>Paris-aligned targets articulated in the climate transition plan (4.3.1.1) may differ from GHG pathway values, alignment with which is determined under 4.3.2.6.</i></p>  | <p><i>Only for audits conducted after near-term target year</i></p>   |
| <p>4.3.2.2. Demonstrate that cradle-to-gate emissions intensity has been reduced by a production weighted average of 1% per operating year since the baseline year.</p> <p><i>Explanatory notes: This applies to <b>all Smelters</b>. 1% has been proposed as it is below the ~4% annual reduction required from a 1.5 degree aligned GHG pathways, but above 0% (no reduction)</i></p>   | <p><b>New</b></p> <p><i>Applicable: Mining/ Refining/ Smelting (including Remelt &amp; Casthouse)</i></p>   |
| <p>4.3.2.3. Demonstrate that cradle-to-gate emissions intensity has been reduced by a production weighted average of 2% per operating year since the baseline year.</p> <p><i>Explanatory notes: This applies to <b>higher-emitting Smelters</b> (which by default must also meet 4.3.2.2). The 2% emissions reduction reflects a more aggressive reduction for higher emitting Smelters, but below a 1.5 degree aligned GHG pathway (~4% per annum).</i></p>   | <p><b>New</b></p> <p><i>Applicable: Smelting, where the Entity cannot demonstrate conformance with 4.2.1.2 (Leading Practice)</i></p>   |
| <p>4.3.2.4. Demonstrate that the Entity has either:</p> <ul style="list-style-type: none"> <li>a. Maintained an average carbon footprint of procured aluminium (including scrap or recycled metal) below 4 t CO<sub>2</sub>e/t Al over the prior 3 years, or</li> <li>b. Increased the share of <u>lower carbon primary aluminium</u> and/or recycled aluminium in its input mix by an average of 2% per annum over the prior 3 years.</li> </ul> <p><i>Explanatory notes: Lower carbon primary definition aligned with the threshold in 4.2.1 calculated per the IAI Carbon Footprint Guidance. 4 t CO<sub>2</sub>e/t Al carbon footprint reflects potential smelter leading practice threshold (4.2.1) of 5 t CO<sub>2</sub>e/t Al and incorporates a recycled content element.</i></p> | <p><b>New</b></p> <p><i>ONLY applicable to non-Smelter Casthouses and Semi-fabrication</i></p> <p><i>NOT required for Entities that can demonstrate conformance with 4.3.2.6 (Leading Practice)</i></p> |
| <p>4.3.2.5. Demonstrate that the Entity has either:</p> <ul style="list-style-type: none"> <li>a. Maintained an average carbon footprint of procured aluminium below 4 t CO<sub>2</sub>e/t Al over the prior 3 years, or</li> <li>b. Reduced the <u>carbon footprint</u> of procured aluminium by an average of 2% per year [since 2025].</li> </ul> <p><i>Explanatory notes: 2% reflecting an aggressive reduction for procured metal, but below a 1.5 degree aligned GHG pathway (~4% per annum). 4 t CO<sub>2</sub>e/t Al carbon footprint reflects potential smelter leading practice threshold (4.2.1) of 5 t CO<sub>2</sub>e/t Al and incorporates a recycled content element.</i></p>  | <p><b>New</b></p> <p><i>Applicable: Fabricating</i></p>   |

|  |   |
|--|---|
| <p>4.3.2.6. <b>Leading practice:</b> Demonstrate that the Entity was within 10% of its disclosed 1.5 degree aligned <u>GHG Pathway</u> at any point in the 3 years prior.</p> <p><i>Explanatory notes: within 10% of annual slope value at any point in the last 3 years prior to Audit; 10% proposed to reflect uncertainty in emissions estimates, in particular scope 3 data.</i></p> | <p>Minor change (5.3/5.4)</p> <p>Applicable: Entities that meet 4.3.1.2 or 4.3.1.3 ONLY</p> |
|--|---|

| Criterion 4.3.3. Financial resources and investments are appropriate to the achievement of Paris-aligned emissions reduction targets   | Notes                                      |
|--|--|
| <p>4.3.3.1. Demonstrate that the Entity has allocated the required financial resources articulated in the <u>climate transition plan</u> for achievement of near-term target(s).</p> <p><i>Explanatory notes: Tools to assist with alignment of financial planning and transition planning: <a href="https://www.accountingforsustainability.org/en/knowledge-hub/guides/aligning-financial-planning-and-transition-planning.html">https://www.accountingforsustainability.org/en/knowledge-hub/guides/aligning-financial-planning-and-transition-planning.html</a></i></p> <p><i>Conformance is implicit in 4.3.1.1 so could be considered duplicative, but builds transparency related to climate financing and a minimum level on which to layer 4.3.3.2 LEADING PRACTICE.</i></p> <p><i>This criterion has been introduced to reflect the fact that:</i></p> <ol style="list-style-type: none"> <li>1. (Lagging) emissions reduction indicators do not fully capture or recognise the (leading) activities that Entities are engaged in today in order to realise emissions reductions in the future (e.g. R&amp;D actions related to inert anodes or other novel technologies);</li> <li>2. GHG Pathways levers post-2040 require financial action in the 2020s to scale to maturity in time for delivery;</li> <li>3. Viability of Climate Transition Plans is dependent not only on their articulation but also (audited) resource allocation.</li> </ol> | <p>New</p> <p>Applicable: All Entities</p> |
| <p>4.3.3.2. <b>Leading practice:</b> Demonstrate that the Entity has approved sufficient investments for the viability of climate transition plan mid-term target(s).</p> <p><i>Explanatory notes: expansion of resourcing to mid-term targets.</i></p>  | <p>New</p> <p>Applicable: All Entities</p> |

| Criterion 4.3.4. The potential indirect climate impact of changes to products and investments is understood and mitigated  | Notes   |
|--|---|
| <p>4.3.4.1. <b>Leading practice:</b> Analyse the downstream climate impacts of changes to the Entity’s product portfolios and investments.</p> <p><i>Explanatory notes: through for instance use of PILLAR B of <a href="https://www.carbone4.com/en/publication-referentiel-nzi">https://www.carbone4.com/en/publication-referentiel-nzi</a>.</i></p>   | <p>New</p> <p>Applicable: Semi-fabrication, Fabricating</p> |
| <p>4.3.4.2. <b>Leading practice:</b> Implement systems to mitigate downstream climate impacts when making significant business decisions about product development, sales and investments.</p> <p><i>Explanatory notes: through for instance use of PILLAR B of <a href="https://www.carbone4.com/en/publication-referentiel-nzi">https://www.carbone4.com/en/publication-referentiel-nzi</a>.</i></p> | <p>New</p> <p>Applicable: Semi-fabrication, Fabricating</p> |

| Criterion 4.3.5. Paris-aligned <u>emissions removals</u> actions are enabled and incentivised   | Notes   |
|---|---|
| <p>4.3.5.1. Demonstrate that the Entity has estimated its total cumulative corporate emissions since the year 2000 or year of production/acquisition, whichever is the latter.</p> <p><i>Explanatory notes: Absolute emissions of the Entity, or its wider business. This number does not need to be publicly disclosed and will necessarily have a high degree of uncertainty (which the Entity may also wish to quantify).</i></p> <p><i>Purpose is to understand historic contribution to atmospheric emissions in order to inform the level of removals that would be needed as part of drawdown of and Entity's <u>carbon debt</u>. <a href="https://carbongap.org/all-excess-emissions-must-be-removed/">https://carbongap.org/all-excess-emissions-must-be-removed/</a></i></p>  | <p><b>New</b></p> <p><i>Applicable: All Entities</i></p>  |
| <p>4.3.5.2. By 2030, take responsibility for the impact of 1% or more of ongoing emissions (scopes 1, 2, and 3) over the near-term target timeframe through supplementary climate contributions.</p> <p><i>Explanatory notes: Guidance: e.g. through purchase and retirement of high quality carbon credits (<a href="https://marketplace.goldstandard.org/collections/projects?srsId=AfmBOoobfGuYF2VNHLToJShqKEWqSzbc7FaN4VcAmvIHZ_s7Unc80dwE">https://marketplace.goldstandard.org/collections/projects?srsId=AfmBOoobfGuYF2VNHLToJShqKEWqSzbc7FaN4VcAmvIHZ_s7Unc80dwE</a>), though not counted as offsets for in value chain emissions (which are to be reduced as per requirement 4.3.1).</i></p> <p><i>PILLAR C of <a href="https://www.carbone4.com/en/publication-referentiel-nzi">https://www.carbone4.com/en/publication-referentiel-nzi</a></i></p> <p><i>Potential equivalence: SBTi CORPORATE NET-ZERO STANDARD VERSION 2.0 (DRAFT November 2025) 4.2 Optional recognition program CNZS-C23 <a href="https://files.sciencebasedtargets.org/production/files/CNZS-V2-Second-Consultation-Draft.pdf">https://files.sciencebasedtargets.org/production/files/CNZS-V2-Second-Consultation-Draft.pdf</a></i></p> | <p><b>New</b></p> <p><i>Applicable: Excludes Entities (or Entities within ASI Members) that are <u>classified as small or micro</u></i></p> |
| <p>4.3.5.3. <b>Leading practice:</b> Include near- and long-term <u>emission removals</u> targets in the <u>climate transition plan</u>, reaching at least 100% of ongoing emissions (scopes 1, 2, and 3) by 2050.</p> <p><i>Explanatory notes: Includes both within/outside value chain.</i></p>   | <p><b>New</b></p> <p><i>Applicable: All Entities</i></p>  |

#### 4.4. Climate risk management

| Criterion 4.4.1. Adaptation plans are implemented, where appropriate, to manage climate related risks   | Notes  |
|---|--|
| <p>4.4.1.1. Integrate adaptation and resilience into the <u>climate transition plan</u>.</p> <p><i>Explanatory notes: See <a href="https://g20sfwg.org/wp-content/uploads/2025/07/SFWG-P2a_Adaptation-and-Transition-Plans-2.pdf">https://g20sfwg.org/wp-content/uploads/2025/07/SFWG-P2a_Adaptation-and-Transition-Plans-2.pdf</a>. Physical and transition risks for which the Entity plans to implement adaptation and resilience measures may include those to local communities, ecosystems, workers, suppliers and customers, as well as to the Entity's physical assets, supply chains and operational activities.</i></p> | <p><b>New</b></p> <p><i>Applicable: All Entities</i></p> |
| <p>4.4.1.2. <b>Leading practice:</b> Undertake comprehensive <u>climate risk management</u>, either as a discrete management system or integrated into other management systems.</p> <p><i>Explanatory notes: <a href="https://www.adaptationcommunity.net/climate-risk-assessment-management/">https://www.adaptationcommunity.net/climate-risk-assessment-management/</a>.</i></p>  | <p><b>New</b></p> <p><i>Applicable: All Entities</i></p> |

## 5. Nature

### Overview of subsections

- 5.1. Biodiversity and ecosystem services
- 5.2. Water stewardship
- 5.3. Air quality
- 5.4. Pollution
- 5.5. Land stewardship
- 5.6. Ongoing rehabilitation of disturbed land (Bauxite mining)

Table 2: Draft Materiality Matrix: Nature-related impacts

*Downstream applicability:* Under the proposed **streamlined certification option** for downstream (fabricating) Entities, this section would NOT be mandatory for certification for these Entities. See section 'Overall feedback on Performance Standard V4 in the [consultation survey](#)

### 5.1. Biodiversity and ecosystem services

**Context for consultation:** Following the aim to strengthen materiality throughout the Performance Standard, Criteria 5.1.1-5.1.4 apply only to Entities that have material risks or impacts related to biodiversity and ecosystem services. This includes all mining and refining activities, plus any other Entities that have identified material risks, e.g. through the risk assessment or environmental management system under Section 2. Criterion 5.1.1.5 addresses biodiversity improvements for all other Entities.

See also [Table 2: Draft materiality matrix for nature-related impacts](#) as guidance to identify material impacts

| Criterion 5.1.1. The Entity carries out a site level impact assessment to understand its impacts on biodiversity   | Notes   |
|--|---|
| 5.1.1.1. Carry out a <u>biodiversity impact assessment</u> , which considers the Entity's impacts through land use and activities. This assessment shall: <ul style="list-style-type: none"> <li>a. Utilise <u>qualified specialists</u>;</li> <li>b. Incorporate consultation with <u>affected communities</u> and other relevant <u>stakeholders</u>;</li> <li>c. Establish a biodiversity baseline using a credible methodology;</li> <li>d. Consider impacts within the <u>area of influence</u> (see 2.1) including cumulative impacts on biodiversity;</li> <li>e. Consider the feasibility and opportunity to mitigate identified impacts, in line with the <u>biodiversity mitigation hierarchy</u> (including an assessment of residual impacts on natural and critical habitats);</li> <li>f. Consider, where relevant, impacts of noise, vibration, light, dust, heat, and emissions on local fauna and flora (non-exhaustive list);</li> <li>g. Consider impacts of invasive alien species.</li> </ul> | <p>Major change (8.1) - more detailed</p> <p>Applicable: Mining/ refining + Entities with material risks related to biodiversity* (see notes)</p> |

|   |  |
|---|--|
| <p><i>Explanatory notes: For (d), the baseline should be set before material impacts occur for <u>new projects and major changes</u>, or 2020 or earlier for existing operations. * Entities with material nature-related risks will typically include facilities located in/near Protected Areas or Critical Habitats, and those with IUCN Red List species.</i></p> |  |
| <p>5.1.1.2. <b>Leading Practice: Publicly disclose</b> a summary of the findings of the biodiversity impact assessment.</p>   | <p><b>New</b><br/><i>Applicable: same as 5.1.1.1</i></p> |

| Criterion 5.1.2. The Entity develops and implements a management plan to address impacts on biodiversity   | Notes   |
|--|---|
| <p>5.1.2.1. Develop and implement a <u>biodiversity</u> management plan to mitigate <u>material</u> risks or identified residual impacts to biodiversity or impacted biodiversity features (as per 5.1.1). Development of the plan shall:</p> <ul style="list-style-type: none"> <li>a. Utilise <u>qualified specialists</u>;</li> <li>b. Incorporate consultation with <u>affected communities</u> and other relevant <u>stakeholders</u> (where present);</li> <li>c. Apply the <u>biodiversity mitigation hierarchy</u> and demonstrate how measures are prioritised to first avoid and then minimise impacts.</li> </ul>   | <p>Existing (8.2a-c)<br/><i>Applicable: same as 5.1.1.1</i></p>   |
| <p>5.1.2.2. Incorporate into the biodiversity management plan a commitment, timeline, and measures to achieve no net loss (NNL) or net gain, for residual impacts. This includes:</p> <ul style="list-style-type: none"> <li>a. Clear <b>publicly disclosed</b> methodology and metrics;</li> <li>b. Use of 2020 as baseline year for existing operations, and pre-impact baseline for new operations;</li> <li>c. Specific actions and programmes with deadlines and adequate resourcing to achieve progress towards targets;</li> <li>d. Anticipated completion date for achieving no net loss or net gain; for bauxite mining operations, this shall be by completion of closure.</li> </ul> <p><i>Explanatory notes: Where biodiversity offsets are used (in alignment with the mitigation hierarchy) as part of NNL or net gain strategies, these should include long-term monitoring, typically at least 20 years.</i></p> | <p><b>Minor change (8.2b)</b> – more specificity + reference to Net Gain added<br/><i>Applicable: same as 5.1.1.1</i></p> |
| <p>5.1.2.3. Set time-bound targets towards achieving no net loss or net gain and measure progress against these targets.</p> <p><i>Explanatory notes: Time-bound targets are advised to be set within 20 years, with more frequent interim targets to measure progress.</i></p>  | <p><b>Minor change (8.2a-b)</b><br/><i>Applicable: same as 5.1.1.1</i></p>  |
| <p>5.1.2.4. <b>Publicly disclose</b> the biodiversity management plan.</p>   | <p>Existing (8.2g)<br/><i>Applicable: same as 5.1.1.1</i></p>   |
| <p>5.1.2.5. <b>Leading Practice:</b> Demonstrate active engagement with other stakeholders to manage biodiversity or ecosystem services at a landscape or community level (beyond site boundaries).</p>  | <p><b>New</b><br/><i>Applicable: same as 5.1.1.1</i></p>  |

| Criterion 5.1.3. The Entity measures progress and demonstrates improvements related to biodiversity  | Notes   |
|--|---|
| 5.1.3.1. Implement a monitoring programme to evaluate the effectiveness of the <u>biodiversity</u> management plan.  | Minor change (8.2d-f)<br><i>Applicable: same as 5.1.1.1</i>       |
| 5.1.3.2. <b>Publicly disclose</b> progress against the biodiversity management plan.   | Major change (8.2g)<br><i>Applicable: same as 5.1.1.1</i>         |
| 5.1.3.3. <b>Leading Practice:</b> Demonstrate evidence of implemented measures/actions and positive trends against interim indicators for biodiversity over the preceding three year-period, using credible measurement frameworks, in line with the targets set in the biodiversity management plan.<br><br><i>Explanatory notes: This could be evidenced through use of advanced monitoring tools, for example (but not limited to): use of environmental DNA (eDNA), acoustic monitoring, automated camera traps with AI tools for species recognition, remote sensing, or satellite monitoring. This includes all sites within the certification scope that have material impacts on biodiversity. For Bauxite mines, this can include biodiversity in previously disturbed areas under rehabilitation, or in actively managed set-asides, provided additionality is demonstrated.</i> | New<br><i>Applicable: same as 5.1.1.1</i><br><b>Outcome-based</b> |
| 5.1.3.4. <b>Leading Practice:</b> Collaborate with <u>affected communities</u> and other relevant <u>stakeholders</u> to combine traditional ecological knowledge with other information sources and carry out community-led monitoring of impacts on biodiversity over time.  | New<br><i>Applicable: same as 5.1.1.1</i>                         |

| Criterion 5.1.4. The Entity identifies, manages and mitigates material impacts on priority ecosystem services  | Notes  |
|--|--|
| 5.1.4.1. Where the Entity contributes to or is likely to impact <u>priority ecosystem services</u> in the <u>area of influence</u> , undertake a systemic review to identify these impacts, in consultation with <u>affected communities</u> and other key stakeholders (including <u>Indigenous Peoples</u> where present). | Existing (8.1b)<br><i>Applicable: same as 5.1.1.1</i>    |
| 5.1.4.2. Ensure that maintenance and, where feasible, enhancement of priority ecosystem services is addressed in the relevant management plan (as per 5.1) and carry out regular monitoring to measure impacts on priority ecosystem services over time.   | Minor change (8.3)<br><i>Applicable: same as 5.1.1.1</i> |

**Context for consultation:** Criterion 5.1.5 applies only to Entities that do NOT have material risks on biodiversity (for example, this might include a rolling mill located in an industrial park). Stakeholders are invited to comment specifically on whether ASI should maintain some flexible expectation for these Entities to work on some type of biodiversity improvement (as per 5.1.5) or remove this altogether. To add your feedback, please visit the 'Nature' section in the [Consultation Survey](#).

| Criterion 5.1.5. The Entity takes steps to improve biodiversity and/or ecosystem services within its own operations, surrounding areas, or value chain  | Notes  |
|---|--|
| <p>5.1.5.1. Implement measures to <i>either</i>:</p> <ul style="list-style-type: none"> <li>a. Improve <u>biodiversity</u> within its own sites and operations; and/or</li> <li>b. Collaborate with other organisations or <u>stakeholders</u> to improve biodiversity and/or <u>priority ecosystem services</u> in the local community or surrounding areas; and/or</li> <li>c. Collaborate with suppliers or through multi-stakeholder initiatives to address biodiversity risks in the supply chain [See <i>Section 3: Responsible Sourcing and Due Diligence</i>, which covers <u>due diligence</u> around environmental impacts in the supply chain].</li> </ul> <p><i>Explanatory notes: Improving biodiversity on own sites might include converting unused paved or lawn areas to natural habitats, planting native woodland strips, installing a green roof or rain garden, or putting up bat boxes or bird-nest towers in appropriate habitats. Collaboration with the community might include investing in local woodland restoration or clean-up and monitoring of local waterways.</i></p> | <p><b>New</b></p> <p><i>Applicable: All Entities (excluding mining/ refining/ those with material impacts, as per 5.1.1.1)</i></p> |

## 5.2. Water stewardship

| Criterion 5.2.1. The Entity carries out a site level assessment to understand its impacts on water   | Notes   |
|--|---|
| <p>5.2.1.1. If <u>material</u> risks to water quality and/or availability are identified within a catchment, then the Entity shall carry out a site level assessment of material risks identified. This assessment shall:</p> <ul style="list-style-type: none"> <li>a. Consider risks within the <u>area of influence</u>, including cumulative impacts of water use and discharge;</li> <li>b. Utilise <u>qualified specialists</u>;</li> <li>c. Incorporate consultation with <u>affected communities</u> and other relevant <u>stakeholders</u>.</li> </ul> <p><i>Explanatory notes: If mining/refining, the risk assessment should include risks from activities on water catchments (water tables, water flow, groundwater levels and flow, access for other users, potential unplanned discharges), and water quality. The Entity should also consider measures for managing silt-laden runoff, and where possible also consider key areas with groundwater dependent ecosystems/biomes such as forests at seepage zones, including strategies to prevent erosion, sedimentation, and associated water quality degradation.</i></p> | <p><b>Minor change (7.1b)</b> – added detail around site level assessment)</p> <p><i>Applicable: Mining + other Entities with material risks related to water</i></p> |
| <p>5.2.1.2. Where material impacts on water quality or availability are identified, the Entity shall inform affected communities and other relevant stakeholders of these impacts as well as mitigation measures and monitoring.</p>   | <p><b>Major change (6.4a)</b> – more detail; expanded from spills/ leaks</p> <p><i>Same as 5.2.1.1</i></p>  |
| <p>5.2.1.3. <b>Leading Practice:</b> In carrying out the risk assessment, consider impacts on the water catchment area, using established frameworks or methodologies.</p> <p><i>Explanatory notes: Applicability for this requirement <u>excludes</u> mining activities, as this is covered as minimum requirement for these Entities under 5.2.1.1</i></p>   | <p><b>Minor change (7.1b)</b></p> <p><i>Applicable: refining, smelting, recycling/ remelting,</i></p>   |

|  |   |
|--|---|
|  | <i>fabricating (see notes)</i>                              |
| 5.2.1.4. <b>Publicly disclose</b> on an annual basis: <ul style="list-style-type: none"> <li>a. Material discharges to water (Entity’s own activities) and</li> <li>b. Water withdrawal and use by source and type.</li> </ul> | Existing (6.2a, 7.1a)<br><i>Applicable: Same as 5.2.1.1</i> |

| Criterion 5.2.2. The Entity develops and implements a management plan to address water-related risks and impacts   | Notes   |
|--|---|
| 5.2.2.1. Develop and implement a water <u>management plan</u> to address water-related risks. Development of the plan shall: <ul style="list-style-type: none"> <li>a. Utilise <u>qualified specialist(s)</u> (including Indigenous Peoples where relevant);</li> <li>b. Incorporate consultation with <u>affected communities</u>, and other relevant <u>stakeholders</u>;</li> <li>c. Include collaboration with other stakeholders to set long term plans towards sustainable water use;</li> <li>d. Set context-specific water targets.</li> </ul> | Minor change (7.2a)<br><i>Applicable: Same as 5.2.1.1</i> |
| 5.2.2.2. <b>Leading Practice:</b> Explicitly address climate-related risks to water availability and quality as part of the Entity’s <u>climate risk management</u> approach (see <i>Criterion 4.4.1 under ‘Climate’</i> ).  | New<br><i>Applicable: Same as 5.2.1.1</i>                 |
| 5.2.2.3. <b>Leading Practice:</b> Maintain a water balance as per ICMM (International Council on Mining and Metals) guidelines.<br><i>Key reference: ICMM Water Reporting: Good practice guide.</i>  | New<br><i>Applicable: Same as 5.2.1.1</i>                 |
| 5.2.2.4. <b>Leading Practice:</b> Hold valid certification against the AWS International Water Stewardship Standard for any sites with <u>material</u> impacts on water or sites located in a water-stressed region.<br><i>Key reference: International Water Stewardship Standard. This applies to sites within the Entity’s certification scope.</i>   | New<br><i>Applicable: Same as 5.2.1.1</i>                 |

| Criterion 5.2.3. The Entity measures progress and evidences water outcomes and improvements  | Notes   |
|--|---|
| 5.2.3.1. Implement a monitoring programme to evaluate the effectiveness of the water <u>management plan</u> , including groundwater levels and water quality as applicable.  | Minor Change (7.2) – more specificity<br><i>Applicable: Same as 5.2.1.1</i> |
| 5.2.3.2. <b>Leading practice:</b> Demonstrate improvements against context-specific targets as per the water management plan.<br><i>Explanatory notes: This can include improvements in water efficiency, a reduction in freshwater withdrawals in water stressed regions, or improvements in water quality at point of discharge.</i> | New<br><i>Applicable: Same as 5.2.1.1</i>                                   |

|  |   |
|--|---|
| <p>5.2.3.3. <b>Leading Practice:</b> Demonstrate that for the preceding three-year period, there were no exceedances of key pollutant thresholds as stated in the Entity’s environmental permits for discharges.</p> <p><i>Explanatory notes: Where the permit does not specify a threshold for any pollutant of material risk, the Entity shall establish and adopt numeric thresholds in its water management plan, set at least as stringent as recognised benchmarks for the receiving environment, and demonstrate no exceedances against those thresholds.</i></p> | <p><b>New</b></p> <p><i>Applicable: Same as 5.2.1.1</i></p> <p><b>Outcome-based</b></p> |
| <p>5.2.3.4. <b>Leading Practice:</b> Implement SBTN (Science Based Target Network)-validated freshwater targets for all sites in the certification scope that have <u>material</u> risks related to water availability.</p> <p><i>Key reference: Science-Based Targets Network freshwater targets.</i></p>   | <p><b>New</b></p> <p><i>Applicable: Same as 5.2.1.1</i></p>                             |

|  |   |                     |
|--|---|---------------------|
| <p><b>Criterion 5.2.4. The Entity implements a strategy to maximise water recycling and reduce freshwater consumption</b></p>  |   | <p><i>Notes</i></p> |
| <p>5.2.4.1. <b>Leading Practice:</b> Develop and implement a water reuse/recycling strategy that reduces reliance on freshwater withdrawals by integrating closed-loop water recycling processes into production and cooling systems. As part of the strategy:</p> <ol style="list-style-type: none"> <li>Include measurable targets;</li> <li>For residues generated as part of the water recycling, characterise and manage residues from water recycling processes in line with the waste management hierarchy;</li> <li>For residues generated as part of the water recycling, monitor the proportion of residues valorised vs disposed.</li> </ol>  | <p><b>New</b></p> <p><i>Applicable: Same as 5.2.1.1</i></p> |                     |
| <p>5.2.4.2. <b>Leading Practice: Publicly disclose</b> water reuse/recycle volumes for:</p> <ol style="list-style-type: none"> <li>All sites (as an aggregated total) and</li> <li>All sites situated in areas of water stress (as an aggregated total).</li> </ol> <p><i>Explanatory notes: This refers to all sites within the certification scope. Entities can align ‘recycling’ and ‘reuse’ definitions with the Minerals Council of Australia Water Accounting Framework definition. This includes water use with and without treatment. ‘Reused water’ is worked water that is used again in a task without treatment. ‘Recycled water’ is treated water that is used in a task. <b>Key reference:</b> Minerals Council of Australia Water Accounting Framework</i></p> | <p><b>New</b></p> <p><i>Applicable: Same as 5.2.1.1</i></p> |                     |

### 5.3. Air quality

|   |   |                     |
|---|---|---------------------|
| <p><b>Criterion 5.3.1. The Entity develops and implements a <u>management plan</u> to address risks to air quality</b></p>  |   | <p><i>Notes</i></p> |
| <p>5.3.1.1. If <u>material</u> risks to air quality are identified, develop and implement an air quality <u>management plan</u> to address these risks, which includes targets for air quality and/or emissions to air.</p> <p>Where relevant, incorporate consultation with <u>affected communities</u> and other relevant <u>stakeholders</u> in developing the plan and targets.</p> | <p><b>Minor change (6.1b)</b></p> <p><i>Applicable: Entities with material risks to air quality</i></p> |                     |

|   |  |
|---|--|
| <p>5.3.1.2. Where there are material risks related to dust emissions:</p> <ol style="list-style-type: none"> <li>In collaboration with affected communities, identify all potential sources of dust mobilisation from own operations (including PM<sub>2.5</sub> and PM<sub>10</sub>) and identify risks to <u>workers</u>, local communities and <u>biodiversity</u>;</li> <li>Implement a dust management plan to minimize levels of dust (can be integrated with the air quality plan);</li> <li>Monitor progress (including dust deposition levels) regularly.</li> </ol> | <p><b>New</b><br/><i>Applicable: Entities with material risks related to dust</i></p>  |
| <p>5.3.1.3. <b>Publicly disclose</b> at least a summary of the latest version of the air quality/ dust management plan(s), including targets and monitoring design.</p> <p><i>Explanatory notes: Disclosures around context-based targets can include how input from consultation with affected communities was taken into account, where this is relevant.</i></p>   | <p><b>Minor change (6.1f)</b> – More detail<br/><i>Applicable: Same as 5.3.1.1</i></p> |

| Criterion 5.3.2. The Entity measures progress and evidences air quality outcomes and improvements   | Notes   |
|---|---|
| <p>5.3.2.1. Implement a monitoring programme to evaluate the effectiveness of the air quality <u>management plan</u>.</p> <p><i>Explanatory notes: Monitoring of emissions could involve measuring at points of impact, for example, within local communities.</i></p>  | <p><b>Minor change (6.1c-e)</b><br/><i>Applicable: Same as 5.3.1.1</i></p>        |
| <p>5.3.2.2. <b>Leading Practice:</b> Demonstrate that for the preceding three-year period, there were no incidents of exceeding emission thresholds at any on-site monitoring locations or off-site monitoring locations (where the emissions can be reasonably attributed to the site’s operations).</p> <p><i>Explanatory notes: Consider baseline (pre-existing conditions)/analogue (comparable undisturbed sites) conditions when setting depositional limits.</i></p> | <p><b>New</b><br/><i>Applicable: Same as 5.3.1.1</i><br/><b>Outcome-based</b></p> |
| <p>5.3.2.3. <b>Leading Practice:</b> Demonstrate emissions below WHO Air Quality Guidelines, for PM<sub>10</sub> (24-hour average) at 45 µg/m<sup>3</sup> and PM<sub>2.5</sub> (24-hour average) at 15 µg/m<sup>3</sup> (12-month average), at any on-site monitoring locations or at off-site monitoring locations (where the emissions can be reasonably attributed to the site’s operations).</p>  | <p><b>New</b><br/><i>Applicable: Same as 5.3.1.1</i><br/><b>Outcome-based</b></p> |
| <p>5.3.2.4. <b>Leading Practice:</b> Demonstrate improvement in dust emissions and impacts over the preceding three-year period, in line with targets set in the Entity’s air quality or dust management plan.</p>  | <p><b>New</b><br/><i>Applicable: same as 5.3.1.2</i><br/><b>Outcome-based</b></p> |

| Criterion 5.3.3. The Entity discloses its emissions to air  | Notes   |
|---|---|
| <p>5.3.3.1. <b>Publicly disclose <u>material</u></b> emissions to air, including analysis of monitoring data, on an annual basis.</p> | <p>Existing (6.1a)<br/><i>Applicable: same as 5.3.1.1</i></p> |

|  |   |
|--|---|
| <p>5.3.3.2. <b>Leading Practice:</b> Monitor and <b>publicly disclose</b> air quality within the airshed annually, together with a summary of the current dispersion model.</p> <p><i>Explanatory notes: An airshed refers to a specific geographical area where local topography and meteorology limit the dispersion of pollutants away from the area.</i></p> | <p><b>New</b></p> <p><i>Applicable: same as 5.3.1.1</i></p> |
|--|---|

## 5.4. Pollution

| Criterion 5.4.1. The Entity discloses any significant spills or leakages, and takes actions to prevent recurrence   | Notes  |
|---|--|
| <p>5.4.1.1. If a <u>significant spill</u> has occurred, disclose to <u>affected communities</u> and other relevant <u>stakeholders</u> the volume, type and potential impact of the spill as soon as practicable after an incident.</p> | <p><i>Existing (6.4a)</i></p> <p><i>Applicable: all Entities if a significant spill occurred</i></p> |
| <p>5.4.1.2. If a significant spill has occurred, undertake and <b>publicly disclose</b> an <u>impact assessment</u>, root causes and remediation actions taken on an annual basis.</p>  | <p><i>Existing (6.4b)</i></p> <p><i>Applicable: same as 5.4.1.1</i></p>                              |
| <p>5.4.1.3. <b>Leading practice:</b> Demonstrate that for the preceding three-year period, no significant spills occurred.</p>  | <p><b>New</b></p> <p><i>Applicable: same as 5.4.1.1</i></p> <p><b>Outcome-based</b></p>              |

| Criterion 5.4.2. The Entity develops and implements a management plan to address risks of soil contamination  | Notes  |
|---|--|
| <p>5.4.2.1. If <u>material</u> risks related to soil contamination are identified (from ongoing operations as well as uncontrolled releases):</p> <ol style="list-style-type: none"> <li>Develop and implement a <u>management plan</u> to prevent, detect, and remediate these risks when they occur. This includes compliance controls and a monitoring programme.</li> <li>Inform <u>affected communities</u> and other key <u>stakeholders</u> on key aspects of the plan.</li> </ol> <p><i>Explanatory notes: Where affected communities consider contamination to soil to be a priority issue (see 7.2: Community consultation), the development of the plan should also incorporate consultation with these communities. For water-related contamination risks, refer to 5.2 on water stewardship. For air contamination risks, refer to 5.3 on air quality.</i></p> | <p><i>Existing (6.3b and 6.4a)</i></p> <p><i>Applicable: Entities with material risks related to contamination of soil</i></p> |
| <p>5.4.2.2. <b>Leading Practice:</b> Implement sensors or other technology to automatically and in real time detect the initiation of an uncontrolled release and quickly address it.</p>   | <p><b>New</b></p> <p><i>Applicable: same as 5.4.2.1</i></p>  |

| Criterion 5.4.3. The Entity sets targets and monitors progress related to soil contamination         |  | Notes  |
|--|--|--|
| 5.4.3.1. Carry out regular monitoring of soil quality in the receiving environment.                  |  | <b>New</b><br><i>Applicable: same as 5.4.2.1</i> |
| 5.4.3.2. <b>Publicly disclose</b> the results of soil quality monitoring at least every three years. |  | <b>New</b><br><i>Applicable: same as 5.4.2.1</i> |

| Criterion 5.4.4. The Entity identifies, assesses, and mitigates risks associated with hazardous chemicals used in its own operations  |  | Notes  |
|---|--|--|
| 5.4.4.1. Identify and assess risks related to the use of hazardous chemicals within the Entity’s operations, considering the severity of hazards and likelihood of exposure to people and the environment.<br><br><i>Explanatory notes: The risk assessment for use of hazardous chemicals should be included in the social and environmental risk assessment (see 2.2: Risk assessments, under Management Systems)</i> |  | <b>New</b><br><i>Applicable: same as 5.4.2.1</i> |
| 5.4.4.2. <b>Leading Practice:</b> Implement and document design and process strategies within the Entity’s operations to eliminate or substitute hazardous chemicals and mitigate identified risks throughout the product lifecycle stages under the Entity’s control.  |  | <b>New</b><br><i>Applicable: same as 5.4.2.1</i> |

## 5.5. Land stewardship

*Land stewardship involves the responsible management and protection of land resources. Its aim is to ensure long-term health and productivity of land while balancing economic, social, and environmental needs.*

| Criterion 5.5.1. The Entity respects a ‘No Go’ commitment for World Heritage properties  |  | Notes   |
|--|--|---|
| 5.5.1.1. The Entity shall not explore or develop new projects or make major changes in <u>World Heritage properties</u> .  |  | Existing (8.5a)<br><i>Applicable: all Entities</i>  |
| 5.5.1.2. Take all possible steps to ensure that existing operations in World Heritage properties, as well as existing and future operations adjacent to World Heritage properties, are not incompatible with the outstanding universal value for which these properties are listed and do not put the integrity of these properties at risk. |  | Existing (8.5b)<br><i>Applicable: Entities with operations in or near World Heritage properties</i> |

| Criterion 5.5.2. Activities are not carried out in protected areas, unless under specific circumstances with appropriate controls in place  |  | Notes  |
|---|--|--|
| 5.5.2.1. Identify <u>protected areas</u> within its <u>area of influence</u> .<br><i>Explanatory notes: Refer to 2.1 on documenting the area of influence (under Section 2: Management Systems).</i>  |  | Existing (8.6a)<br><i>Applicable: all Entities</i>   |
| 5.5.2.2. Where there are protected areas identified as per 5.5.2.1, comply with any regulations, covenants, and legal requirements attributed to these protected areas.   |  | Existing (8.6b)<br><i>Applicable: Entities with Protected areas within their area of influence</i> |
| 5.5.2.3. Implement <u>management plans</u> that are developed through meaningful stakeholder engagement, including reasonable efforts to collaborate with the relevant protected areas management authorities and, where possible, with the participation of <u>affected communities</u> , to ensure that the Entity's activities and facilities do not adversely impact the integrity of the special values for which the protected areas were designated and/or the declarations of <u>Indigenous Peoples</u> . |  | Minor change (8.6c)<br><i>Applicable: same as 5.5.2.2</i>  |
| 5.5.2.4. <b>Publicly disclose</b> the management plan and share with affected communities in an <u>accessible</u> format.   |  | Existing (8.6d)<br><i>Applicable: same as 5.5.2.2</i>  |

**Context for consultation:** For Bauxite mining operations, criterion 5.5.3 is **in addition to** 5.5.2.

| Criterion 5.5.3. Bauxite mining activities are not carried out in protected areas, unless under specific circumstances with appropriate controls in place  |  | Notes  |
|--|--|--|
| 5.5.3.1. The Entity shall not explore or mine in <u>protected areas</u> , unless all the following exceptional conditions are satisfied: <ol style="list-style-type: none"> <li>a. An independent third-party assessment which addresses the presence of, and potential impacts on protected areas is carried out, which:               <ul style="list-style-type: none"> <li>• Is conducted by an external <u>qualified specialist</u>;</li> <li>• Includes consultation with <u>affected communities</u> and other relevant <u>stakeholders</u>.</li> <li>• Is <b>publicly disclosed</b> and updated as required;</li> </ul> </li> <li>b. The Entity can demonstrate that they are implementing additional programs, as appropriate, to promote or deliver tangible benefits to the conservation aims and effective management of the area.</li> </ol> <p><i>Key reference: IFC Performance Standard 6 (for b.)</i></p> |  | Minor change (8.6e.i-ii) – added consultation (vs ‘sharing’) and added point ‘b’)<br><i>Applicable: Mining</i> |

|  |  |
|--|--|
| <p>5.5.3.2. In situations where <u>Indigenous Peoples</u> are potentially affected, the Entity shall not explore or mine in protected areas, unless (in addition to requirements in 5.5.3.1), they have given their <u>Free, Prior and Informed Consent</u> (FPIC), through a transparent FPIC process as per Section 7.6.</p> | <p>Existing (8.6e.iii)<br/><i>Applicable: Mining</i></p> |
|--|--|

| <b>Criterion 5.5.4. Bauxite mining activities are not carried out in critical habitats unless under specific circumstances with appropriate controls in place</b>  | <i>Notes</i>                                    |
|--|---|
| <p>5.5.4.1. No operations are carried out in <u>critical habitats</u>, unless the Entity can demonstrate that:</p> <ol style="list-style-type: none"> <li>a. No other viable alternatives in the region exist;</li> <li>b. The operations will not lead to residual adverse impacts on those <u>biodiversity</u> values for which the critical habitat was designated (or the supporting ecological processes);</li> <li>c. The operations will not lead to a net and lasting reduction in the global and/or national/regional population of any species classified as ‘Threatened’ under the IUCN Red List categories over a reasonable period of time;</li> <li>d. A robust, appropriately designed, and long-term biodiversity monitoring and evaluation program for these critical habitat(s) is integrated into the overall management system and biodiversity <u>plan</u>;</li> <li>e. Targets and pathways to achieve objectives outlined in the overall management system or biodiversity plan for these specific critical habitats have been implemented;</li> <li>f. Consultation has been carried out with <u>affected communities</u> and other key <u>stakeholders</u>.</li> </ol> <p><i>Explanatory notes: For 5.5.4.1b, note that the Entity’s measurable adverse impacts on the biodiversity values can be mitigated through a range of mitigation measures implemented by the Entity throughout the life of the project and in alignment with the mitigation hierarchy, thereby allowing activities to take place if this (and the rest of the conditions) are fulfilled. For 5.5.4.1c: Under the IUCN Red List categories, ‘Threatened’ species include: Critically Endangered (CR), Endangered (EN), and Vulnerable (VU) categories. It is advised for an Entity to cross-check with national or regional frameworks and apply the highest threat category found. Where operations in critical habitats relate to new project or major changes, see also 2.6: Impacts of new projects or major changes. <b>Key reference:</b> IFC Performance Standard 6.</i></p> | <p><b>New</b><br/><i>Applicable: Mining</i></p> |

| <b>Criterion 5.5.5. The Entity identifies, assesses, and mitigates risks associated with soil erosion</b>  | <i>Notes</i>                                    |
|--|---|
| <p>5.5.5.1. If <u>material</u> risks related to soil erosion are identified under the <u>risk assessment</u> process (see 2.2: Risk assessments), the Entity shall develop and implement an erosion and sediment control <u>plan</u> to address these risks.</p> <p><i>Explanatory notes: This can be a standalone plan or integrated into other plans such as the biodiversity or water plan.</i></p> | <p><b>New</b><br/><i>Applicable: Mining</i></p> |

## 5.6. Ongoing rehabilitation of disturbed land (Bauxite mining)

| <b>Criterion 5.6.1. Ongoing rehabilitation is carried out on disturbed land impacted by the Entity, to minimise negative impacts and work towards no net loss/ net gain of biodiversity</b>   | <i>Notes</i>  |
|---|---|
| 5.6.1.1. Develop and implement a <u>plan</u> for the ongoing <u>rehabilitation</u> of disturbed land, in <u>consultation</u> with <u>affected communities</u> and other <u>stakeholders</u> .   | <b>New</b> (intent covered in v3)<br><i>Applicable: Mining</i>                |
| 5.6.1.2. Commence rehabilitation of all disturbed land within three years of completion of mining on a specific area, as per the rehabilitation <u>plan</u> (5.6.1.1).<br><br><i>Explanatory notes: An area is usually considered available for rehabilitation or restoration at the cessation of mining. It is recognised that mining may occur in stages, and an area may remain open in anticipation of additional stages of mining and is not available for remediation in the meantime. However, it is required that in such situations the Entity demonstrate that future mining is actively planned, for instance by demonstrating that economic bauxite is present and that there are definitive and realistic schedules to mine the area. Areas cannot be left unrehabilitated based on conceptual future mining intentions. ‘Commence rehabilitation’ means the first substantive step of rehabilitation that establishes the land towards an agreed post mining land use, where the next steps are monitoring and maintenance. For rehabilitation aimed at re-establishment of native vegetation, ‘commence rehabilitation’ will normally mean spreading topsoil, ripping the land and planting seedlings (tubestock).</i> | <b>Minor change (8.7g)</b> – specified timeframe<br><i>Applicable: Mining</i> |
| 5.6.1.3. Conduct land clearance and rehabilitation using established good practices. This includes: <ol style="list-style-type: none"> <li>The integrity of stockpiled topsoil is maintained (including biodiversity), and topsoil is respread;</li> <li>Topsoil volumes are tracked and topsoil requirements are estimated to allow planning of topsoil requirements;</li> <li>Invasive species are controlled;</li> <li>Erosion and sediment controls are applied to prevent sediment laden water from leaving the rehabilitated areas.</li> </ol> <i>Explanatory notes: Other good practices include: no form of burning of vegetation as a method for land clearing, land is ripped to improve rehabilitation success, re-establishment of vegetation is achieved through planting of native seedlings, unless robust field trials or other robust evidence can demonstrate this is not necessary, the species mix used includes key indicator species that are key to the pre-disturbance ecosystem, surface water and local hydrology are re-established.</i>   | <b>New</b><br><i>Applicable: Mining</i>                                       |
| 5.6.1.4. Demonstrate that materials from land clearing (e.g., timber, soil, stone) are repurposed on-site, where feasible, before considering recycling or disposal.  | <b>New</b><br><i>Applicable: Mining</i>                                       |
| 5.6.1.5. <b>Leading Practice:</b> Implement all of the following rehabilitation actions: <ol style="list-style-type: none"> <li>Re-establish soil horizons within the re-spread topsoil profile;</li> <li>Return organic matter from cleared vegetation to the soil to improve soil health;</li> <li>Prioritise species of cultural significance in species selection;</li> </ol>   | <b>New</b><br><i>Applicable: Mining</i>                                       |

|  |   |
|--|---|
| <ul style="list-style-type: none"> <li>d. Proactively work to ensure wildlife re-establishment through actions such as the use of temporary artificial habitat and use of species conducive to wildlife;</li> <li>e. Maintain wildlife corridors between rehabilitated areas and native vegetation not yet cleared for mining.</li> </ul>  |   |
| <p>5.6.1.6. <b>Leading Practice:</b> Demonstrate that ongoing rehabilitation efforts are on track to achieve no net loss / net gain of biodiversity outcomes (as per the Biodiversity Management plan, see 5.1), by commissioning an independent, third-party verification of rehabilitation outcomes at least every five years; share outcomes with affected communities and other stakeholders in an accessible format.</p> <p><i>Explanatory notes: The third-party verifier should have sufficient expertise and technical skills to assess rehabilitation progress, using credible methodologies. The level of assessment required to make this judgement is to be determined by the third party themselves. It is not expected though that the entire rehabilitation areas will be inspected every assessment. It is likely that the person conducting the assessment would review records, such as the Entity's own rehabilitation monitoring, then conduct a ground truthing of a subset of rehabilitation areas. The subset of areas assessed on ground will be prioritised, typically focusing on 'high risk' time periods such as 1-3 years post-rehabilitation, and a smaller sample of medium to high maturity rehabilitation areas. The assessor may choose to use remote methods (i.e. remote imaging, remote piloted vehicles etc.) in combination with on ground checks. Limited rehabilitation failures are a normal part of an overall successful trajectory. Conformance requires at least 80% of rehabilitated areas to be meeting the required criterion but allows for up to 20% of rehabilitated areas to fall short of the criterion, provided that the Entity has assessed and developed (or is developing) mitigation strategies.</i></p> | <p><b>New</b><br/><i>Applicable: Mining</i></p> |

| Criterion 5.6.2. Affected communities and other stakeholders are informed and engaged in ongoing rehabilitation progress  | Notes  |
|---|--|
| <p>5.6.2.1. <b>Publicly disclose</b> and share with <u>affected communities</u> and other <u>stakeholders</u> (including <u>Indigenous Peoples</u> where present) an annual report on <u>rehabilitation</u> progress, that includes:</p> <ul style="list-style-type: none"> <li>a. A map of cleared and rehabilitated areas [update annually];</li> <li>b. Quantitative measurements of areas cleared and rehabilitated [update annually];</li> <li>c. The ratio of cleared land to land under rehabilitation [update annually];</li> <li>d. Tracking of rehabilitation success as measured against objectives in the rehabilitation plan [updated every three years].</li> </ul> <p><i>Explanatory notes: Where the Entity has carried out an external verification of rehabilitation progress as per 5.6.1.5, this can also be included in the annual report.</i></p> | <p><b>Minor change (8.7i)</b> – expanded<br/><i>Applicable: Mining</i></p> |
| <p>5.6.2.2. Provide meaningful economic opportunities for affected communities (including Indigenous Peoples where present) to be involved in ongoing rehabilitation activities through employment and business contracts.</p>  | <p><b>New</b><br/><i>Applicable: Mining</i></p>                            |
| <p>5.6.2.3. <b>Leading Practice:</b> Involve Indigenous Peoples as equal or lead partners in the planning, governance, implementation and evaluation of the rehabilitation program.</p>   | <p><b>New</b><br/><i>Applicable: Mining</i></p>                            |

**Table 2. Draft materiality matrix for nature-related impacts**

**Context:** This draft materiality matrix was developed with input from the ASI Nature Working Group and technical experts. It is intended as a guidance resource and does not substitute for an Entity's own risk assessment: the final materiality judgement and applicability decision remains with the Entity and auditors, based on site-specific context.

| Impact area                            | General factors that increase risk  | Materiality at different stages of the value chain |                  |                    |                      |  |
|--|---|--|------------------|--------------------|----------------------|--|
|  |   | Bauxite mining                                     | Alumina refining | Aluminium smelting | Casthouse/ Remelting | Manufacturing (semi-fab & fabrication) |
| Biodiversity/ Ecosystem services       | *Risks dependent on site location. Consider proximity to protected areas, critical habitats, threatened species, areas with communities highly dependent on ecosystem services, etc.<br><u>Refining:</u> consider land needed for bauxite residue disposal, including vegetation clearance  | Critical   | High*            | Medium*            | Low*                 | Low*                                   |
| Water availability                     | **Risks dependent on site location, especially areas of water stress or where there are other heavy water users.<br><u>Mining:</u> Consider impacts of bauxite washing. Groundwater impacts, surface run-off, seepage sites, risk with regard to sedimentation and turbidity<br><u>Smelting:</u> significant water used for cooling and in some cases for gas scrubbers)  | Critical**   | High**           | High**             | Medium**             | Low**                                  |
| Water quality (discharges/ wastewater) | High use of chemicals, including for cleaning and finishing processes/ potential for contamination mobilisation<br>High volume of industrial discharges<br><u>Mining:</u> consider proximity to sensitive springs and creeks, and local communities' dependence on water; soil erosion and runoff<br><u>Refining:</u> Water intensive refining process (Bayer process), Bauxite residue risks   | High   | High/ Critical   | High               | Medium               | Low                                    |
| Pollution                              | Pollution includes contamination of soil and ground water, e.g. through leaching, waste storage and disposal, etc.<br>Risk factors: High use of chemicals and hazardous wastes; storage of tailings or bauxite residue<br><u>Mining:</u> consider risks of sedimentation, turbidity, and mobile equipment<br><u>Refining:</u> caustic and acid related impacts<br><u>Smelting:</u> Polycyclic Aromatic Carbons, heavy metals, acids, fluorides, SPL storage | Medium   | High             | High               | Low                  | Low                                    |
| Air quality                            | Dust generation<br>Emissions (both at stack and fugitive)<br><u>Refining:</u> Tailings dust generation, VOCs from digestion and calcination, mercury)<br><u>Smelting:</u> PFCs, fluorides, particulate matters<br><u>Casthouse/ remelting:</u> (particulate matter, VOCs)   | High   | High/Critical    | Critical           | High                 | Medium                                 |
| Land stewardship                       | Conversion of natural habitats<br>Site location (protected areas, critical habitats, etc)<br>Impacts on local communities (cross reference)   | Critical   | High             | Low                | Low                  | Low                                    |
| Other nature-related issues            | <i>Examples:</i> <u>Mining:</u> Noise, light, waste (e.g. tires); <u>Smelting:</u> waste heat, spent pot lining (SPL); <u>Casthouse/ remelting:</u> Dross, slag, use of lubricants, noise, thermal pollution (heated water discharge)   |  |                  |                    |                      |  |

## 6. Circularity

### Overview of subsections

- 6.1. Circularity strategy and performance
- 6.2. Life cycle assessment (LCA)
- 6.3. Product & process design
- 6.4. Aluminium process scrap
- 6.5. End-of-life of aluminium-containing products
- 6.6. Spent Pot Lining (SPL)
- 6.7. Dross
- 6.8. Other high impact resources

### 6.1. Circularity strategy and performance

| Criterion 6.1.1. The Entity integrates circularity into the organisation’s overarching strategy to support the transition to a circular economy   | Notes  |
|---|--|
| <p>6.1.1.1. Demonstrate a commitment to circularity through the Entity’s overarching sustainability <u>policy</u> or a stand-alone circularity policy or equivalent commitment. This includes how the Entity contributes to the broader transition to a circular economy, in alignment with circular economy principles.</p> <p><i>Key references: ISO 59004:2024</i></p>   | <p><b>New</b><br/><i>Applicable: All Entities</i></p>                  |
| <p>6.1.1.2. Quantify and document, on an annual basis and across all the operations within the certification scope, the following <u>resource</u> inflows:</p> <ul style="list-style-type: none"> <li>a. Aluminium and precursors consumption (including direct consumption of bauxite, alumina, aluminium scrap and aluminium-containing wastes (e.g. dross) and</li> <li>b. Material inputs of significant volume or relevance to circularity, based on materiality.</li> </ul> <p><i>Explanatory notes: This requirement applies to all forms of direct aluminium consumption, including bauxite, alumina, primary aluminium, aluminium products, or scrap, regardless of product shape (e.g. sheet, extrusion, castings). Where relevant, aluminium use may be broken down by principal alloy groups to support analysis of circularity potential, especially where alloy type affects recyclability or material flows.</i></p> | <p><b>New</b><br/><i>Applicable: All Entities</i></p>                  |
| <p>6.1.1.3. Quantify and document, on an annual basis and across all the operations within the certification scope, the generation of the following resource outflows (excluding products), classified by their management, treatment, or disposal method:</p> <ul style="list-style-type: none"> <li>a. Recoverable resources (e.g. aluminium scrap, dross, anode butts, by-products);</li> <li>b. Non-recoverable resources (e.g. hazardous and non-hazardous residual or discarded materials);</li> </ul>  | <p><b>Major change (6.5.a)</b><br/><i>Applicable: All Entities</i></p> |

|   |  |
|---|--|
| a. Mineral and non-mineral resource outflows (for upstream Entities).   |  |
| 6.1.1.4. Identify and analyse potential risks and key areas of opportunity for circularity.   | New<br><i>Applicable: All</i>          |
| 6.1.1.5. Evaluate and periodically verify third-party management of the Entity’s recoverable and non-recoverable resource outflows, including hazardous materials, to ensure compliance with applicable environmental and safety standards.   | New<br><i>Applicable: All</i>          |
| 6.1.1.6. <b>Leading practice:</b> Implement an action <u>plan</u> for circularity, which shall be aligned with circular economy principles and the organisation’s overarching strategy, and implemented at the appropriate operational level. The plan shall include:<br>a. Identification of priority areas based on materiality considerations, including risks and opportunities;<br>b. Strategic objectives and timelines, with measurable targets where feasible;<br>c. Actions informed by the <u>resource</u> use assessment (see 6.1.1.2 and 6.1.1.3);<br>d. Alignment with the mitigation hierarchy, prioritising prevention, minimisation, and reuse. | New<br><i>Applicable: All Entities</i> |

|  |  |
|--|--|
| <b>Criterion 6.1.2.</b> The Entity drives measurable circularity gains and transparently reports progress on circularity performance   | <i>Notes</i>   |
| 6.1.2.1. <b>Leading practice:</b> Measure the effectiveness and <b>publicly disclose</b> the Entity’s efforts in implementing the circularity action <u>plan</u> , including positive outcomes achieved through investments, circular business models, capacity building, and/or partnerships that support circularity goals.<br><br><i>Explanatory notes: This may include both quantitative (KPIs, metrics) and qualitative (case studies, lessons learned) measures. Key references: ISO 59020:2024, Global Circularity Protocol for business (GCP)</i> | New<br><i>Applicable: All Entities</i><br><b>Outcome-based</b> |
| 6.1.2.2. <b>Leading practice:</b> Quantify and <b>publicly disclose</b> the Entity’s circularity rate.<br><br><i>Explanatory notes: The circularity rate measures the percentage of reused, repurposed and recycled input materials used to manufacture the Entity’s primary products. It is calculated as the ratio of the total circular input materials used to total input materials used. Key references: ISO 14051:2011, GRI 301: Materials 2016 (Disclosure 301-2 + reused &amp; repurposed inflows)</i>  | New<br><i>Applicable: All Entities</i>                         |

## 6.2. Life cycle assessment (LCA)

|   |   |
|---|---|
| <b>Criterion 6.2.1.</b> The Entity assesses the environmental impacts of aluminium-containing products through life cycle assessment, and used the results to inform design and process improvements  | <i>Notes</i>  |
| 6.2.1.1. Evaluate the life cycle environmental impacts of the Entity’s major product lines where aluminium is a significant component.<br><br><i>Explanatory notes: ‘Major product lines’ (where aluminium is a significant component) refer to the products or product groups that represent the most significant aluminium use within an entity’s operations, in a way that reflects the size and complexity of their activities. This may include:</i> | Existing (4.1.a)<br><i>Applicable: All Entities</i> |

|  |   |
|--|---|
| <ul style="list-style-type: none"> <li>Product lines that collectively account for more than two-thirds of the aluminium used by the Entity;</li> <li>The top products or product lines (e.g. top five or fewer) that together comprise the majority of aluminium throughput (e.g. &gt;80%), where appropriate for the business model (e.g. facilities with a small number of high-volume products);</li> <li>Alternative approaches may be used based on operational context but must be clearly justified and documented during an ASI Audit.</li> </ul> <p>The scope of the LCA (whether cradle-to-gate or cradle-to-grave) includes associated facilities, such as harbours and on-site energy production, to provide a more comprehensive view of environmental impacts. <b>Key references:</b> ISO 14040, ISO 14044, ISO 21930, ISO 15804.</p> | <b>Equivalence: ISO 14044/ 21930/ 15084</b> |
| <b>6.2.1.2. Leading practice:</b> Use LCA results to inform and improve <u>product design</u> and/or manufacturing processes, including purchasing activities.   | <b>New</b><br><i>Applicable: All</i>        |

| <b>Criterion 6.2.2. The Entity makes available transparent life cycle information to stakeholders, enabling informed decisions</b>  | <i>Notes</i>  |
|---|---|
| <b>6.2.2.1.</b> Ensure any communication on life cycle assessments (LCAs) includes access to the LCA information and its underlying assumptions, including system boundaries.                                     | <b>Minor change (4.1.c)</b><br><i>Applicable: All</i> |
| <b>6.2.2.2.</b> Review the LCA at least every five years and update it as needed.   | <b>New</b><br><i>Applicable: All</i>                  |
| <b>6.2.2.3. Leading practice:</b> If public claims are made regarding product LCA results, these shall be disclosed in a third-party verified format.<br><i>Key references: ISO 14040/44, ISO 14025, EN 15804</i> | <b>New</b><br><i>Applicable: All</i>                  |
| <b>6.2.2.4. Leading practice:</b> Contribute verified life cycle inventory (LCI) data to global or regional aluminium life cycle assessment (LCA) databases or industry surveys (e.g. Aluminium Association).     | <b>New</b><br><i>Applicable: All</i>                  |

### 6.3. Product and process design

| <b>Criterion 6.3.1. The Entity integrates circularity principles into product design</b>   | <i>Notes</i>  |
|--|---|
| <b>6.3.1.1.</b> Where aluminium is a significant component, integrate circularity objectives into the <u>product design</u> and <u>product development</u> to facilitate integration into <u>circular pathways</u> .<br><p><i>Explanatory notes: Circularity objectives may include reuse, modularity, durability, material efficiency, and/or ease of disassembly. Where the Entity has limited control over product design (e.g. under build-to-spec or contract manufacturing arrangements), it should demonstrate efforts to influence and collaborate with clients or design owners to integrate circularity considerations where feasible. Influence may include providing input on alloy selection, material efficiency, recyclability, or disassembly features. The objective is to encourage design choices that enhance circularity outcomes, even when the Entity does not make final design decisions.</i></p> <p><i>For the definition of where ‘aluminium is a significant component’, see Notes under Requirement 6.2.1.1. <b>Key reference:</b> <a href="#">ASI’s Concept Paper on Circular Product Design</a></i></p> | <b>Major change (4.2)</b><br><i>Applicable: Semi-fabricating, Fabricating</i> |

|   |  |
|---|--|
| <p>6.3.1.2. <b>Leading practice:</b> Integrate insights from end-of-life recovery data (demolition projects) into product and system design processes, with the aim of enhancing circularity outcomes in future applications.</p> | <p><b>New</b><br/><i>Applicable: Semi-fabricating, Fabricating</i></p> |
|---|--|

|   |  |              |
|---|--|--------------|
| <p><b>Criterion 6.3.2.</b> The Entity provides clear end-of-life guidance of aluminium-containing products.</p>   |  | <p>Notes</p> |
| <p>6.3.2.1. Provide <u>accessible</u> information on end-of-use and/or end-of-life handling for products to the next user in the value chain (e.g. customers, dismantlers, recyclers) to support <u>circular pathways</u>.</p> <p><i>Explanatory notes: This may include documenting design intent, material specifications, and disassembly or recyclability instructions in an accessible format to support recovery and reuse. The level of detail should be proportionate to the product type: for some segments (e.g. beverage cans), this may focus on recyclability claims and material composition, while for others (e.g. automotive, construction) it may require detailed disassembly or deconstruction guidance. Information should be structured for practical use by the next user in the value chain (e.g. brand owners, dismantlers, recyclers), similar in clarity and usability to an assembly manual in reverse.</i></p> | <p><b>New</b><br/><i>Applicable: Semi-fabricating, Fabricating</i></p> |              |

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|--|---|--------------|
| <p><b>Criterion 6.3.3.</b> The Entity designs production systems and processes to improve resource efficiency and enable the recovery and reuse of aluminium and associated materials.</p>   |   | <p>Notes</p> |
| <p>6.3.3.1. Integrate circularity objectives into the design of newly or significantly modified manufacturing and processing systems, with specific attention to minimising <u>resource</u> loss and scrap generation and enabling material recovery.</p> <p><i>Explanatory notes: The focus should be on intentional design decisions taken before or during system implementation, not post-facto improvements alone. Where product portfolios or quality specifications vary significantly over time, circularity performance can be demonstrated through normalised indicators (e.g. scrap per unit output or per alloy type), or supported by additional justification (e.g. LCA results, downstream recovery outcomes) that show alignment with circular economy goals despite such variations.</i></p> <p><i>'New or significantly modified processes' may include: 1) Installation of new production lines or equipment; 2) Major upgrades or reconfiguration of existing systems; 3) Introduction of new product formats requiring process changes, 4) Implementation of new automation or control systems affecting material flow.</i></p> | <p><b>New</b><br/><i>Applicable: All Entities</i></p> |              |

## 6.4. Aluminium process scrap

|   |   |              |
|---|---|--------------|
| <p><b>Criterion 6.4.1.</b> The Entity enhances segregation, recycling and resource efficiency of aluminium process scrap</p>  |   | <p>Notes</p> |
| <p>6.4.1.1. Minimise the generation of <u>aluminium process scrap</u> within all operations covered by the certification scope.</p> <p><i>Explanatory notes: Scrap generation may temporarily increase due to product mix changes or quality requirements. Where justified by broader circularity or lifecycle benefits, such trade-offs should be documented, and tools like LCA may be used to support these decisions.</i></p> | <p>Existing (4.3)<br/><i>Applicable: Smelting, Recycling/</i></p> |              |

|   |   |
|---|---|
| <p><i>This requirement focuses on scrap arising from the Entity's own processes; portfolio-driven or build-to-print variations may be normalised (e.g., scrap per unit output or per alloy type) or otherwise justified when design specifications are externally controlled.</i></p> | <p>Remelting, Semi-fabricating, Fabricating</p>   |
| <p>6.4.1.2. Segregate aluminium process scrap by alloy type and grade to facilitate recycling.<br/><i>Explanatory notes: This can be carried out internally or through qualified external service providers.</i></p>  | <p>Existing (4.3)<br/>Applicable: Semi-fabricating, Fabricating</p>                       |
| <p>6.4.1.3. When generated, collect and recycle and/or reuse at least 95% of aluminium process scrap.<br/><i>Explanatory notes: This can be carried out internally or through qualified external service providers.</i></p>   | <p>Minor change (4.3)<br/>Applicable: Semi-fabricating, Fabricating<br/>Outcome-based</p> |

| Criterion 6.4.2. The Entity transparently communicates recycled content in aluminium-containing products.   | Notes  |
|---|--|
| <p>6.4.2.1. Assess the recycled content of the major aluminium-containing product lines.<br/><i>Explanatory notes: Entities may use accepted standards (e.g. ISO 14021:2016, EN 45557:2020) or equivalent industry-recognised methodologies.</i></p>  | <p>New<br/>Applicable: Smelting, Recycling/ Remelting, Semi-fabricating, Fabricating</p> |
| <p>6.4.2.2. Provide information to commercial partners upon request, including the methodology and system boundaries applied to recycled content calculations.</p>  | <p>New<br/>Applicable: same as 6.4.2.1</p>   |
| <p>6.4.2.3. <b>Leading practice:</b> If public claims are made regarding the recycled content of aluminium-containing products, ensure these are supported by third-party verification.<br/><i>Explanatory notes: Claims should clarify whether content is pre-consumer or post-consumer and clearly state the basis for any claims. Key references: ISO 14026:2017</i></p> | <p>New<br/>Applicable: same as 6.4.2.1</p>   |

## 6.5. End-of-life of aluminium-containing products

| Criterion 6.5.1. The Entity supports effective end-of-life recovery, reuse and recycling of aluminium-containing products |   | Notes  |
|---|---|--|
| 6.5.1.1.  | Define roles and measurable targets in end-of-life recovery, reuse and recycling-related activities (e.g. Extended Producer Responsibility - EPR, Deposit Return Scheme - DRS, deconstruction) and review them at least every five years or when significant changes occur. | <p><b>Minor change (4.4.b)</b></p> <p><i>Applicable: Recycling/ Remelting, Semi-fabricating, Fabricating</i></p>                         |
| 6.5.1.2.  | Engage with and contribute to local, regional or national collection and recycling systems to support initiatives to increase recycling rates in their respective markets for their products containing aluminium.  | <p>Existing (4.4.d)</p> <p><i>Applicable: Recycling/ Remelting, Semi-fabricating, Fabricating</i></p>                                    |
| 6.5.1.3.  | <b>Leading practice:</b> Quantify the outcomes and, where feasible, <b>publicly disclose</b> the Entity’s contribution to aluminium end-of-life collection and recovery systems.  | <p><b>New</b></p> <p><i>Applicable: Semi-fabricating, Fabricating</i></p>  |
| 6.5.1.4.  | <b>Leading practice:</b> Establish targets and processes to increase the proportion of <u>post-consumer scrap</u> in new products or processes, where technically feasible and consistent with quality specifications.  | <p><b>New</b></p> <p><i>Applicable: Facilities with casting processes, Semi-fabricating, Fabricating</i></p> <p><b>Outcome-based</b></p> |

## 6.6. Spent Pot Lining (SPL)

| Criterion 6.6.1. The Entity minimises environmental risks linked to spent pot lining (SPL) |  | Notes   |
|--|--|---|
| 6.6.1.1.   | Implement storage and management practices for spent pot lining (SPL) that effectively prevent environmental harm. This includes: <ol style="list-style-type: none"> <li>a. Preventing any release of SPL or its leachates;</li> <li>b. Allowing the landfilling of untreated SPL, for the purpose of treatment, only in permitted, engineered facilities specifically designed to prevent environmental contamination;</li> <li>c. Forbidding discharge into freshwater, brackish, or marine environments.</li> </ol> | <p><b>Minor change (6.7.a, c, e and f)</b></p> <p><i>Applicable: Smelting</i></p> |

|  |  |
|--|--|
| <p><i>Explanatory notes: Entities should follow environmental standards and mitigate risk through monitoring, containment, and treatment. 'Treated SPL' refers to material that has undergone chemical, physical (in-situ or external) processes that neutralise its reactive compounds or otherwise render it non-hazardous prior to or during disposal. Key references: IAI Sustainable Spent Pot Lining Management Guidance v2020</i></p> |  |
| <p>6.6.1.2. Conduct a review at least every three years of alternative options to landfilling and/or stockpiling of spent pot lining (SPL), where relevant</p>   | <p>Minor change (6.7.d)<br/>Applicable: Smelting</p> |

| <p><b>Criterion 6.6.2. The Entity improves recovery and recycling of spent pot lining (SPL) to prevent landfilling</b></p>  | <p>Notes</p>  |
|---|---|
| <p>6.6.2.1. Implement processes for the recovery and recycling of carbon and refractory materials from spent pot lining (SPL).</p>  | <p>Existing (6.7.b)<br/>Applicable: Smelting</p>      |
| <p>6.6.2.2. <b>Leading practice:</b> Demonstrate a sustained increase in the proportion of recovered SPL materials reintegrated into the production process or other viable commercial applications, relative to the site's own baseline.</p> | <p>New<br/>Applicable: Smelting<br/>Outcome-based</p> |
| <p>6.6.2.3. <b>Leading practice:</b> Implement processes for the recovery and recycling of chemicals from SPL.</p>  | <p>New<br/>Applicable: Smelting</p>                   |

## 6.7. Dross

| <p><b>Criterion 6.7.1. The Entity minimises environmental risks linked to dross</b></p>  | <p>Notes</p>   |
|--|--|
| <p>6.7.1.1. Implement storage and management practices for dross that prevent the release or dispersal of dross, dust, or leachate into the environment. Disposal shall only occur at permitted, engineered facilities specifically designed to prevent environmental contamination and protect freshwater, brackish, marine, and air environments.</p> <p><i>Explanatory notes: 'Engineered facilities' are those approved by authorities and designed with environmental protection systems.</i></p> | <p>Minor change (6.8.a)<br/>Applicable: Smelting, Recycling/ Remelting</p> |
| <p>6.7.1.2. Conduct a review at least every three years of alternative options to landfilling of dross residues.</p> <p><i>Explanatory notes: Only applies to entities performing landfilling of dross residues.</i></p>   | <p>Existing (6.8.d)<br/>Applicable: Same as 6.7.1.1</p>                    |

| Criterion 6.7.2. The Entity improves recovery and recycling of dross  | Notes  |
|---|--|
| <p>6.7.2.1. Implement processes to maximise the recovery and recycling of aluminium from dross and dross residues.</p> <p><i>Explanatory notes: The recovery may be carried out internally or through qualified external service providers.</i></p>                     | <p>Existing (6.7.b&amp;c) - reworded</p> <p><i>Applicable: Smelting, Recycling/ Remelting</i></p>      |
| <p>6.7.2.2. <b>Leading practice:</b> Demonstrate a sustained increase in the proportion of recovered dross materials reintegrated into the production process or other viable commercial applications, substantially reducing or eliminating the need for disposal.</p> | <p><b>New</b></p> <p><i>Applicable: Smelting, Recycling/ Remelting</i></p> <p><b>Outcome-based</b></p> |

## 6.8. Other high-impact resources

| Criterion 6.8.1. The Entity improves the circularity of significant resource outflows and legacy resources  | Notes  |
|---|--|
| <p>6.8.1.1. <b>Leading practice:</b> Demonstrate continuous improvement in the management of significant <u>resource</u> outflows, through either a reduction in generation intensity and/or an increase in the percentage reused, recycled, or repurposed relative to the site's own baseline.</p> <p><i>Explanatory notes: Future work will be undertaken to help define significant resource outflows, metrics, data collecting and reporting techniques, frequency of assessment, and application (e.g. legacy waste or historically hoarded materials). These resource outflows may be recoverable or non-recoverable and may include residual materials that can be processed into value. This requirement applies to significant resource outflows other than bauxite residue (see 10.3: Bauxite residue circularity), spent pot lining (SPL) (see 6.6), and dross (see 6.7)</i></p> | <p><b>New</b></p> <p><i>Applicable: All Entities</i></p> <p><b>Outcome-based</b></p> |
| <p>6.8.1.2. <b>Leading practice:</b> Develop and implement a <u>plan</u> to assess and, where feasible, reprocess or reclaim non-recoverable or legacy resources (e.g. historically stockpiled or landfilled materials), either during operations or at closure. The plan shall identify recovery opportunities, barriers, and actions to enable future valorisation or reduction of long-term environmental liabilities.</p> <p><i>Explanatory notes: This applies to resources previously considered non-recoverable due to technological or economic constraints. The plan may include R&amp;D partnerships, pilot trials, or feasibility studies and should prioritise high-volume or high-impact materials.</i></p>  | <p><b>New</b></p> <p><i>Applicable: All Entities</i></p>                             |

## 7. Community Rights and Participation

### Overview of subsections

- 7.1. Identification of affected communities
- 7.2. Community consultation
- 7.3. Community impacts
- 7.4. Community benefits
- 7.5. Indigenous Peoples
- 7.6. Free, Prior, and Informed Consent
- 7.7. Cultural heritage and sacred sites
- 7.8. Security practices
- 7.9. Legacy impacts

**Note on applicability:** The PS V4 Consultation Draft aims to increase the focus on materiality – helping Entities focus on the issues that matter most. This in this section most requirements apply only for upstream (mining/ refining/ smelting) Entities, where community impacts are often most significant.

For **midstream (recycling/ remelting/ semi-fabricating) Entities:** Only 3 requirements apply in most cases\*, which are similar to current PS V3 criteria. [\*unless there are Indigenous Peoples, cultural heritage sites, or security forces, in which cases respective sections apply]

| Applicable requirements for midstream/ downstream Entities under Section 7  | Notes   |
|---|---|
| 7.1.1.1. Identify and document affected communities within the Entity's area of influence. Where Indigenous Peoples are present within the area of influence, see also 7.5: <i>Indigenous Peoples</i> . | Minor change (9.1c)<br><i>Applicable: All Entities</i>                            |
| 7.3.1.1 Inform affected communities of potential significant impacts from the Entity's operations, and provide opportunities for their feedback   | Existing (9.7)<br><i>Applicable: Recycling/ remelting, semi- fab, fabricating</i> |
| 7.3.1.2 Effectively address issues and concerns raised by affected communities, through a transparent process.  | Existing (9.7a)<br><i>Applicable: All Entities</i>                                |

For **downstream (fabricating) Entities:** If the proposed **streamlined certification** proposal moves forward (see Introduction to the PS V4 and the section 'Overall feedback on the Performance Standard V4 in the [Consultation Survey](#)), no requirements under Section 7 would be mandatory for downstream Entities. If they chose to certify against this section, the same three requirements would apply as for midstream Entities.

## 7.1. Identification of affected communities

| Criterion 7.1.1. The Entity identifies and documents affected communities through a transparent and collaborative process  | Notes  |
|--|--|
| 7.1.1.1. Identify and document <u>affected communities</u> within its <u>area of influence</u> . Where <u>Indigenous Peoples</u> are present within the area of influence, see also 7.5: <i>Indigenous Peoples</i> .                   | Minor change (9.1c)<br><i>Applicable: All</i>        |
| 7.1.1.2. Inform affected communities of the purpose and process to identify these communities (as per 7.1.1.1), share the findings with affected communities in an <u>accessible</u> format and provide opportunities for their input. | New<br><i>Applicable: Mining/ refining/ smelting</i> |

## 7.2. Community consultation

*Context: consultation with affected communities can cover issues related to ongoing operations of the Entity (for example, impacts on the local environment, or concerns about road traffic). Consultation may also identify concerns related to new projects and major changes (see also 2.6: Impacts of new projects or major changes). It can also identify ongoing concerns related to legacy activities – for example, persisting issues with water contamination from historic operations. Addressing such issues is covered under 7.3 (for ongoing impacts) and/or under 7.9: Legacy Impacts.*

| Criterion 7.2.1. Affected communities are consulted meaningfully on key processes and decisions that may affect them, their rights and interests.   | Notes   |
|---|---|
| 7.2.1.1. Inform <u>affected communities</u> of their right to be part of a <u>consultation</u> process on decisions that may impact them, their right to choose their own community representatives to participate in consultation, and their right to raise a complaint ( <i>see 1.2 Complaints resolution mechanism</i> ).<br><br><i>Explanatory notes: Consultation should consider risks and impacts on affected communities, as identified through 2.2: Risk assessment and 2.4: Human rights due diligence (own operations).</i>  | Minor change (9.1)<br><i>Applicable: Mining/ refining/ smelting</i>                                     |
| 7.2.1.2. Develop a community engagement <u>plan</u> that supports meaningful consultation on priority issues. As per the plan, inform affected communities of key processes or decisions that may impact them, identify priority issues (based on community input), and carry out consultation on these priorities. As per the plan:<br><br>a. Consultation is carried out in advance of the decision/activity and potential impacts, including sharing a timeline of activities;<br>b. Engagement methods are accessible and inclusive (considering women or other vulnerable groups, language, technology, literacy, timing, format of session etc.);<br>c. There are opportunities for two-way feedback throughout a project lifecycle.<br><br><i>Explanatory notes: Where decisions or impacts have already occurred (e.g. legacy operations) point a) may not be possible.</i> | New as explicit requirement partially under 9.1c / 9.7<br><i>Applicable: Mining/ refining/ smelting</i> |
| 7.2.1.3. Where there are potentially <u>significant impacts</u> to affected communities, in addition to 7.2.1.2, the Entity shall demonstrate how consultation specifically supports active exchange of viewpoints and inclusion of affected communities' input into decision-making.   | New – previously guidance (9.4)   |

|  |   |
|--|---|
| <p><i>Explanatory notes: Impacts may be identified through the human rights due diligence process (see 2.4). <b>Key reference:</b> Definition of Informed Consultation and Participation, IFC Performance Standard 1, para. 31.</i></p>  | <p><i>Applicable: Mining/ refining/ smelting</i></p>  |
| <p><b>7.2.1.4. Leading practice:</b> Implement a participatory monitoring and evaluation system to help assess the effectiveness of consultation processes, as per 7.2.1.</p> <p><i>Explanatory notes: Participatory means that stakeholders/rightsholders are involved in the monitoring and evaluation, including determining the effectiveness of the implemented measures.</i></p> | <p><b>New-</b> previously guidance (9.3)</p> <p><i>Applicable: Mining/ refining/ smelting</i></p> |

| <b>Criterion 7.2.2. Communities are sufficiently supported and informed to engage effectively in consultation</b>  | <i>Notes</i>  |
|--|---|
| <p><b>7.2.2.1.</b> Demonstrate that staff who are responsible for engaging with <u>affected communities</u> are culturally competent.</p> <p><i>Explanatory notes: Cultural competence includes awareness and consideration of factors such as language adaptation and accepted ways of communication, local decision-making processes, and power dynamics. It also includes avoiding any practices that may be considered disrespectful, or which could lead to diminished trust between the Entity and affected communities. Demonstrating competency could include having relevant experience (including as a member of affected communities) as well as more formalized training around cultural competency. Additional training and competencies may be required where affected communities include Indigenous Peoples.</i></p> | <p><b>Minor change (9.3)</b></p> <p><i>Applicable: Mining/ refining/ smelting</i></p>       |
| <p><b>7.2.2.2.</b> Where <u>Indigenous Peoples</u> are included (as per 7.1.1.1), offer targeted support to enable these groups to participate effectively in <u>consultation</u>.</p> <p><i>Explanatory notes: This may include, but is not limited to: access to independent experts, capacity building and other facilitation methods, to be provided at the cost of the Entity.</i></p>  | <p><b>New</b></p> <p><i>Applicable: Mining/ refining/ smelting</i></p>                      |
| <p><b>7.2.2.3.</b> Incorporate local knowledge and customs into planning the consultation process and demonstrate respect for traditional decision-making and consultation protocols.</p>  | <p><b>New-</b> previously guidance</p> <p><i>Applicable: Mining/ refining/ smelting</i></p> |

| <b>Criterion 7.2.3. Consultation processes effectively identify and respond to issues and build trust and engagement with affected communities</b>   | <i>Notes</i>   |
|--|--|
| <p><b>7.2.3.1.</b> Activities and outcomes of the <u>consultation</u> process are documented, including how feedback from <u>affected communities</u> has been considered. Key outcomes (including decisions or actions agreed and points of opposition) are shared with affected communities in a manner that is deemed meaningful and <u>accessible</u> by them.</p> <p><i>Explanatory notes: This requirement covers specific, focused and purposeful consultation with the objectives of sharing information about key activities proposed and or underway by an Entity, to hear from affected communities and provide a means of response. Through this process, there is an opportunity to build trust and relationships between the parties for ongoing and positive engagement. The intent is to</i></p> | <p><b>New</b></p> <p><i>Applicable: Mining/ refining/ smelting</i></p> |

|   |   |
|---|---|
| <p><i>maintain transparency and accountability for important points discussed and agreed through a consultation process. This recognises the power imbalance that often characterises a consultation process.</i></p>   |   |
| <p>7.2.3.2. Members of affected communities understand the purpose of consultation and can raise concerns, including through the <u>complaints resolution mechanism</u> (see 1.2). They do not experience and are not aware of examples of reprisals or intimidation in response to feedback.</p> | <p><b>New</b><br/><i>Applicable: Mining/ refining/ smelting</i></p> |

### 7.3. Community impacts

**Context for consultation:** This criterion is about managing impacts on affected communities. This is closely aligned with 2.2 (risk assessments) and 2.6 (impact assessments for new projects or major changes), which incorporates input from affected communities and also addresses management of these impacts (see 2.6.2). Depending on the context, criterion 7.3.1 may address impacts from ongoing operations, new projects or major changes (see 2.6), and/or continuing impacts from legacy activities.

| <b>Criterion 7.3.1. Impacts and concerns raised through consultation with affected communities are addressed effectively</b>  | <i>Notes</i>   |
|---|--|
| <p>7.3.1.1. Inform <u>affected communities</u> of potential <u>significant impacts</u> from the Entity's operations and provide opportunities for their feedback.<br/><i>Explanatory notes: This applies to midstream and (potentially) downstream Entities, pending outcomes of the consultation on streamlined certification option for downstream. It is covered for upstream Entities under 7.2 Community consultation, and for new projects/ major changes under section 2.6.</i></p>  | <p>Existing (9.7)<br/><i>Applicable: Recycling/ remelting, semi-fabricating, fabricating</i></p> |
| <p>7.3.1.2. Effectively address issues and concerns raised by affected communities, through a transparent process.<br/><i>Explanatory notes: In line with the human rights due diligence process (see 2.4), the Entity is expected to mitigate negative social and environmental impacts on local communities. The intent of consultation is not only to allow communities to raise concerns, but for these issues to be addressed effectively by the Entity (refer to UNGPs effectiveness criteria). Evidence might include documented notes or timelines/ commitments for action from the Entity, and evidence of follow-up measures taken in a timely manner (supported by direct interviews from affected community members). For impacts specifically linked to new projects or major changes, see also sub-section 2.6. <b>Key reference:</b> UN Guiding Principles (UNGPs) Effectiveness criteria.</i></p> | <p>Existing (9.7a) – minor rewording<br/><i>Applicable: All Entities</i></p>                     |
| <p>7.3.1.3. As per 7.3.1.2, consider specifically any impacts on traditional livelihoods and cultural customs of affected communities, and where applicable, implement actions to mitigate these impacts.<br/><i>Explanatory notes: This could consider, for example, changes to local populations (e.g. influx of foreign workers) and impacts on local community health and welfare.</i></p>  | <p><b>New</b><br/><i>Applicable: Mining/ Refining/ Smelting</i></p>                              |

### 7.4. Community benefits

**Context for consultation:** This section applies only where there are material impacts on affected communities (for example, it might not apply for a smelter located in an industrial park).

| Criterion 7.4.1. Identify benefits in collaboration with affected community in a transparent and inclusive manner   | Notes  |
|---|--|
| <p>7.4.1.1. Develop a community benefits (or socio-economic development) <u>plan</u> in consultation with <u>affected communities</u>. The plan shall include:</p> <ol style="list-style-type: none"> <li>Baseline assessment including environmental and social data</li> <li>Long-term strategies (minimising one-time payments) and considerations of sustainability beyond the project</li> <li>Required resources for implementation</li> <li>Considerations for equitable benefits (accounting for vulnerable/marginalized groups)</li> <li>Consideration of <u>ecosystem services</u> (see Section 5.1 Biodiversity and ecosystem services)</li> <li>Monitoring, evaluation and reporting mechanism.</li> </ol> <p><i>Explanatory notes: Benefits are not limited to economic aspects or employment and can include measures to strengthen education, environment, cultural and community governance based on the community's needs and aspirations.</i></p>   | <p><b>New</b></p> <p><i>Applicable: Mining/ Refining/ Smelting, where there are material impacts on affected communities</i></p> |
| <p>7.4.1.2. Where there are affected <u>Indigenous Peoples</u>, the Entity shall begin a preliminary development process with the aim to establish a community agreement, through a mutually agreed process and timeframe. This shall be carried out in line with <u>Free, Prior, and Informed Consent</u> processes as per 7.6.</p> <p><i>Explanatory notes: A community agreement builds on the community plan (7.4.1.1) but is a legally binding document that has signatories from both the Entity and the affected communities. A preliminary development process might include informing affected Indigenous Peoples about the benefits of such an agreement, the process to develop one, and discussing what such an agreement will include. During the development process, the Entity would be expected to show progress and clear actions toward development of an agreement during this period. Expectations for establishing community agreements specifically as part of new projects or major changes are under 2.6: Impacts of new projects and major changes (see 2.6.2.3).</i></p> | <p><b>New</b></p> <p><i>Applicable: same as 7.4.1.1</i></p>  |
| <p>7.4.1.3. <b>Leading practice:</b> Establish a community agreement in collaboration with affected communities. The agreement (or at least a summary covering key points) is shared with affected communities in an <u>accessible</u> format.</p> <p><i>Explanatory notes: A community agreement builds on the community plan (7.4.1.1) but is a legally binding document that has signatories from both the Entity and the affected communities (typically representing a group of people). The agreement typically sets out specific, tangible benefits that the Entity will provide (e.g. hiring practices, job training programmes, investment in community infrastructure), along with timeframes. Signatories from affected communities are people nominated as representatives of affected communities by the affected communities.</i></p>   | <p><b>New</b></p> <p><i>Applicable: same as 7.4.1.1</i></p>  |
| <p>7.4.1.4. <b>Leading Practice:</b> Establish a structure (e.g. committee) with representation from affected communities and the Entity to provide ongoing input to the community benefits plan or community agreement, where applicable.</p>  | <p><b>New</b></p> <p><i>Applicable: same as 7.4.1.1</i></p>  |
| Criterion 7.4.2. Communities have increased livelihood opportunities  | Notes  |
| <p>7.4.2.1. Develop a local procurement and hiring <u>plan</u>, which:</p> <ol style="list-style-type: none"> <li>Is developed in <u>consultation</u> with the <u>affected community</u> (if identified as a priority issue under 7.2)</li> </ol>   | <p><b>New</b></p>  |

|  |   |
|--|---|
| <ul style="list-style-type: none"> <li>b. Reflects the aspirations and capacity of the community</li> <li>c. Includes long-term strategies</li> <li>d. Considers the barriers and opportunities around local procurement and hiring.</li> </ul>  | <i>Applicable: same as 7.4.1.1</i>  |
| <p>7.4.2.2. <b>Leading practice:</b> Demonstrate positive impacts around local procurement and hiring, on average over the preceding three-year period, in line with targets set in the procurement and hiring plan (7.4.2.1).</p> <p><i>Explanatory notes: This could include for example, a demonstrated improvement in number or percentage of workers hired from the local community, the number of contracts or % of procurement spend from local suppliers. The Entity should document its definitions of local community and local supplier, and the metrics used to calculate any improvements over time</i></p> | <p><b>New</b></p> <p><i>Applicable: same as 7.4.1.1</i></p> <p><b>Outcome-based</b></p> |
| <p>7.4.2.3. <b>Leading practice:</b> Include in the local procurement and hiring plan (as per 7.4.2.1) long-term strategies and involvement of vulnerable/marginalized groups and those with accessibility issues (literacy, language, mobility).</p>  | <p><b>New</b></p> <p><i>Applicable: same as 7.4.1.1</i></p>                             |
| <p>7.4.2.4. <b>Leading practice:</b> Develop or collaborate on training or skills development programmes designed to improve employment for local affected community members. This can include establishing professional employment pathways for <u>Indigenous Peoples</u>, when present.</p>  | <p><b>New</b></p> <p><i>Applicable: same as 7.4.1.1</i></p>                             |

## 7.5. Indigenous Peoples

**Amended definition of Indigenous Peoples:** With input from the Indigenous People’s Advisory Forum, technical experts, and the Community Rights Working Group, ASI has proposed some amendments to the definition of Indigenous Peoples. These adjustments aim to maintain alignment with core international references such as ILO 169, through including individuals or communities would be characterised as Indigenous under international instruments, but do not use the explicit term ‘Indigenous’. Please refer to the adjusted definition under the glossary section here: Indigenous Peoples.

| Criterion 7.5.1. The Entity identifies Indigenous Peoples (as per the ASI definition) within its area of influence   | Notes   |
|--|---|
| <p>7.5.1.1. Develop and document the process for identifying affected <u>Indigenous Peoples</u>, in collaboration with Indigenous Peoples. This shall be done through a transparent, participatory rights-holder mapping process, using ASI’s inclusive definition of Indigenous Peoples.</p> <p><i>Explanatory notes: Indigenous People may not be physically close to the Entity due to historical displacement or other reasons, however they retain their cultural and customary obligations and rights for management of traditional lands.</i></p> | <p><b>Minor change (9.3)</b></p> <p><i>Applicable: Mining + any Entity where Indigenous Peoples are potentially present</i></p> |

| Criterion 7.5.2. Indigenous Peoples' rights and interests are understood and respected.   | Notes   |
|---|---|
| 7.5.2.1. Undertake a review of affected Indigenous Peoples rights (including customary rights) under <u>applicable law</u> , specifically as they relate to the Entity's activities and the requirements in Section 7 of the ASI Standards. Inform Indigenous Peoples of these rights in the context of this standard, in an <u>accessible</u> manner.  | Minor change (9.3)<br><i>Applicable: If Indigenous Peoples are present</i>    |
| 7.5.2.2. Implement policies and processes that respect the rights and interests of Indigenous Peoples (based on key international standards including ILO Convention 169 and the United Nations Declaration on the Rights of the Indigenous Peoples). These policies shall: <ol style="list-style-type: none"> <li>Respect the ownership (intellectual property) and control of traditional knowledge by Indigenous Peoples</li> <li>Be shared with any potentially affected Indigenous Peoples in an accessible manner</li> <li>Be <b>publicly disclosed</b>.</li> </ol> <p><i>Key references: ILO convention 169 on Indigenous and Tribal Peoples, 1989 United Nations Declaration on the Rights of the Indigenous Peoples, 2007.</i></p> | Minor change (9.3.a) - more specificity<br><i>Applicable: same as 7.5.2.1</i> |
| 7.5.2.3. <b>Leading practice:</b> Establish guidelines for how personnel, contractors, and other relevant parties linked to the Entity's sites shall respect these rights.  | New<br><i>Applicable: same as 7.5.2.1</i>                                     |

## 7.6. Free, Prior, and Informed Consent

| Criterion 7.6.1. Indigenous Peoples are informed of the Free, Prior, and Informed Consent (FPIC) process and their rights, and can effectively participate in the process  | Notes  |
|--|--|
| 7.6.1.1. Inform <u>Indigenous Peoples</u> about their right to <u>Free, Prior, and Informed Consent (FPIC)</u> in an <u>accessible</u> manner so that they understand the process and their right to give, withdraw or modify consent and/or seek additional information. <p><i>Explanatory notes: For FPIC to be explicit and documented it should be demonstrated objectively in a manner agreed upon by Indigenous Peoples. This will usually involve formal 'sign-off', for instance through execution of legally binding agreements, or a letter of support from representative organisations. Situations where FPIC is not formalised may include situations where the Indigenous Peoples themselves do not seek to formalise the outcome for their own reasons.</i></p> | Major change (9.3i.)<br><i>Applicable: If Indigenous Peoples are present</i> |
| 7.6.1.2. Implement measures to support Indigenous Peoples effective participation within the FPIC process, including: <ol style="list-style-type: none"> <li>Identification of capacity gaps and additional capacity building to address these (where desired by the affected groups)</li> <li>Accessible and culturally appropriate communication and engagement methods</li> <li>Addressing key barriers to participation, such as language, literacy, mobility (non-exhaustive)</li> <li>Inclusive representation of the community within the process</li> <li>Inclusion of traditional knowledge and customs within the process</li> </ol>   | New – previously guidance (9.3)<br><i>Applicable: same as 7.6.1.1</i>        |

- f. Respecting the rights of Indigenous Peoples to identify their own representatives
- g. Offer independent assistance (e.g. technical experts or organisations), chosen by the community and funded by the Entity.

*Explanatory notes: Entity-funded independent assistance should be offered to an extent that is reasonable and proportional to the community needs. The intent is to provide independent advice to the community for their consideration, to support informed participation/ decision making.*

Note: For new projects and major changes initiated pre-2022: criterion 7.6.2 **applies only for projects initiated after the Entity joined ASI**. For new projects and major changes initiated from 01 January 2022 onwards: this criterion applies to all projects. This approach is consistent with the ASI Performance Standard V3 (PS V3), so certified Entities should already be applying criterion 9.4 on FPIC from PS V3.

| <b>Criterion 7.6.2.</b> A process is carried out to obtain the Free, Prior, and Informed Consent (FPIC) of Indigenous Peoples in cases where there are potentially significant impacts on these communities   | Notes  |
|---|--|
| <p>7.6.2.1. Where <u>Indigenous Peoples</u> are present within the Entity’s <u>area of influence</u>, the Entity shall consult and cooperate in good faith with the Indigenous Peoples concerned through their own representative institutions in order to obtain their <u>Free, Prior and Informed Consent</u> (FPIC), in the following cases:</p> <ul style="list-style-type: none"> <li>a. Prior to the approval of new projects, major changes, or other operations that have potentially <u>significant impacts</u> on the land, territories, or other resources of Indigenous Peoples</li> <li>b. Prior to commencing any resettlement or displacement of Indigenous Peoples (see <i>Section 11: Displacement and Resettlement</i>)</li> <li>c. For any project that has unavoidable impacts on cultural, historical, or spiritual heritage that is essential to the identity of Indigenous Peoples (see 7.7)</li> <li>d. For mining Entities specifically, as part of the process to develop or altering a mine closure plan (see <i>Section 9: Mine Closure</i>)</li> <li>e. For mining Entities specifically, prior to commencing a new phase of operations affecting the lands, territories and other resources of Indigenous Peoples (particularly in connection with the development, utilization or exploitation of mineral, water or other resources)</li> </ul> <p><i>Explanatory notes: Identifying potential impacts for new projects/ major changes are covered through the impact assessment requirements (see Section 2.6 Impacts of new projects and major changes).</i></p> | <p>Minor change (9.4)- added ‘develop’ under point d</p> <p><i>Applicable: If Indigenous Peoples are present</i></p> |
| <p>7.6.2.2. Where FPIC is required as per 7.6.2.1, demonstrate that the consent is provided by the affected Indigenous Peoples. This shall include some form of documentation as agreed by both parties.</p> <p><i>Explanatory notes [draft assurance guidance]: To demonstrate conformance, Entities would be expected to show that legitimate community-based decision making was carried out, as per the FPIC process (see 7.6.1). Evidence might include resolutions issued by representatives of the affected Indigenous Peoples confirming their understanding of impacts and agreed mitigation measures/ commitments from the Entity, or a joint agreement signed (or otherwise validated) by representatives of both parties. This agreement would typically include specific actions, mitigations, benefits, timelines, and monitoring mechanisms. Auditors will cross-check such agreements with information from interviews with affected communities to validate that these communities (or their legitimate representatives) understand the terms and key</i></p>  | <p>Minor change (9.4)</p> <p><i>Applicable: If Indigenous Peoples are present</i></p>                                |

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| <p><i>points of the documentation, and to confirm that these were developed following the agreed FPIC process and respecting traditional decision-making.</i></p> <p><i>Entities may also need to show evidence demonstrating how draft agreements or plans were adjusted to reflect the concerns or input from affected Indigenous Peoples during the FPIC process. For example, additional mitigation actions were added, or community benefits were increased following a set of (documented) discussions. The nature of these adjustments and the steps to obtain input in line with the FPIC process would also be cross verified with information from community interviews.</i></p> |  |
|--|--|

| <b>Criterion 7.6.3.</b> Where Free, Prior, and Informed Consent (FPIC) is required, it is undertaken through a transparent and collaborative process   | Notes   |
|--|---|
| <p>7.6.3.1. Demonstrate that affected <u>Indigenous Peoples</u> provide consent to begin the <u>FPIC</u> process itself.</p> <p><i>Explanatory notes: different communities will have different ways of demonstrating their consent to engage. Where communities already have Consultation Protocols in place these may include specific steps for beginning engagement.</i></p>   | <p><b>New</b></p> <p><i>Applicable: If Indigenous Peoples are present</i></p>     |
| <p>7.6.3.2. Follow clear and agreed procedures for carrying out FPIC:</p> <ol style="list-style-type: none"> <li>Where affected Indigenous Peoples already have a protocol for FPIC, this protocol shall be followed, unless changes are agreed by the affected parties.</li> <li>Where an existing protocol does not exist, the Entity shall agree procedures for carrying out FPIC in <u>consultation</u> with affected Indigenous Peoples. This shall consider <u>human rights due diligence</u> and <u>impact assessments</u> (as per 2.4 and 2.6) and shall include roles and responsibilities, engagement mechanisms, decision-making protocols, and timelines.</li> </ol> | <p><b>New</b> – previously guidance</p> <p><i>Applicable: same as 7.6.3.1</i></p> |
| <p>7.6.3.3. Following the FPIC process, key impacts and risks of proposed activities are clearly communicated to, and understood by, the affected Indigenous Peoples.</p> <p><i>Explanatory notes: This relates to any activity or operation with potentially significant impacts on Indigenous Peoples; including those identified through impact assessments (see 2.6: Impacts of new projects and major changes).</i></p>   | <p><b>New</b> – previously guidance</p> <p><i>Applicable: same as 7.6.3.1</i></p> |
| <p>7.6.3.4. Document the FPIC process and outcomes, including key decisions, concerns and dissents, together with how these were integrated in decision making. The Entity shall share these with affected communities, maintaining confidentiality where requested.</p>   | <p><b>New</b> – previously guidance</p> <p><i>Applicable: same as 7.6.3.1</i></p> |

| <b>Criterion 7.6.4.</b> The Entity is accountable for agreements made within the FPIC process  | Notes   |
|--|---|
| <p>7.6.4.1. Establish a monitoring, evaluation and reporting mechanism, against the <u>FPIC</u> agreement</p> <ol style="list-style-type: none"> <li>Communicate regular updates on progress to affected <u>Indigenous Peoples</u> in an <u>accessible</u> format</li> </ol> | <p><b>New</b></p> <p><i>Applicable: If Indigenous</i></p> |

|   |   |
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| <p>b. <b>Publicly disclose</b> a summary of progress against the agreement on a periodic basis.</p> <p><i>Explanatory notes: Public disclosures should account for any concerns from affected Indigenous People about confidentiality of information. See 1.2: Complaints resolution mechanism, which requires Indigenous Peoples, where present, to be informed of the process to raise complaints and to be included in the review of the complaints mechanism.</i></p> | <p><i>Peoples are present</i></p>   |
| <p>7.6.4.2. <b>Leading practice:</b> Affected Indigenous Peoples are engaged in designing and carrying out the monitoring and evaluation efforts as per 7.6.4.1</p>   | <p><b>New</b></p> <p><i>Applicable: If Indigenous Peoples are present</i></p> |

## 7.7. Cultural heritage and sacred sites

| <b>Criterion 7.7.1. Identify impacts on cultural heritage and sacred sites and take measures to protect these sites and values</b>  | <i>Notes</i>   |
|---|--|
| <p>7.7.1.1. In consultation with <u>affected communities</u>, identify cultural heritage and sacred sites and other areas of cultural significance within the Entity's <u>area of influence</u>, along with potential impacts on these sites.</p>   | <p>Existing (9.5)</p> <p><i>Applicable: All Entities</i></p>   |
| <p>7.7.1.2. If cultural heritage or sacred sites (or other areas of cultural significance) are identified, the Entity shall, in <u>consultation</u> with affected communities, implement measures that:</p> <ol style="list-style-type: none"> <li>Avoid impacts on sacred or cultural heritage sites and values where possible</li> <li>Mitigate any non-avoidable current impacts on such sites</li> <li>Provide continued rights of access to such sites and values</li> </ol> <p><i>Explanatory notes: Providing remedy to address previous impacts to cultural heritage or sacred sites is covered under 7.9.1.1 (legacy impacts).</i></p> | <p><b>Minor change (9.5)</b> - remedy moved to 7.9</p> <p><i>Applicable: If cultural heritage or sacred sites are identified</i></p>   |
| <p>7.7.1.3. Where there are potentially significant impacts on cultural, historical or spiritual heritage that are essential to the identity of <u>Indigenous Peoples</u>, priority shall be given to the avoidance of such impacts. Where the impacts are unavoidable, the Entity shall obtain the <u>Free, Prior and Informed Consent</u> of Indigenous Peoples, as per 7.6: <i>Free, Prior, and Informed Consent</i>.</p>  | <p>Existing (9.5)</p> <p><i>Applicable: If cultural heritage or sacred sites are identified with respect to Indigenous Peoples</i></p> |

## 7.8. Security practices

| <b>Criterion 7.8.1.</b> The Entity implements procedures to ensure that security providers operate in line with international human rights standards, and that any risks or incidents of abuse are addressed  | Notes  |
|---|--|
| 7.8.1.1. Develop, implement and <b>publicly disclose</b> , a policy or statement that addresses security and <u>human rights</u> , aligned with the Voluntary Principles on Security and Human Rights (VPSHR).<br><br><i>Explanatory notes: Applies if public or private security forces are used. <b>Key reference:</b> The Voluntary Principles on Security and Human Rights, 2023, available at: <a href="https://www.voluntaryprinciples.org/the-principles/">https://www.voluntaryprinciples.org/the-principles/</a></i>                       | <b>Major change (9.9)</b><br><br><i>Applicable: If security providers are used</i> |
| 7.8.1.2. Provide training on the VPSHR, human rights, and cultural awareness to all Entity personnel involved in security-related decisions or activities.  | <b>New</b><br><br><i>Applicable: same as 7.8.1.1</i>                               |
| 7.8.1.3. Include requirements for compliance with the VPSHR and international human rights law in contracts with private security providers.  | <b>New- previously guidance</b><br><br><i>Applicable: same as 7.8.1.1</i>          |
| 7.8.1.4. Where public security forces are used, engage in dialogue with relevant government authorities to support adherence to the VPSHR and prevent misuse of force.  | <b>New</b><br><br><i>Applicable: same as 7.8.1.1</i>                               |
| 7.8.1.5. <b>Leading Practice:</b> Conduct an internal review of security arrangements and VPSHR implementation at minimum every three years and address any issues or improvement areas identified.   | <b>New</b><br><br><i>Applicable: same as 7.8.1.1</i>                               |
| 7.8.1.6. <b>Leading Practice:</b> Require all subcontracted security personnel supporting the Entity's operations to receive regular training on human rights and use of force protocols.   | <b>New Applicable:</b><br><br><i>same as 7.8.1.1</i>                               |
| <b>Criterion 7.8.2.</b> Security risks and human rights impacts are identified and mitigated, in line with human rights due diligence and the UNGPs (see section 2.4)   | Notes  |
| 7.8.2.1. Where there are <u>material</u> risks related to the use of security forces, the Entity shall develop and implement a <u>plan</u> to address these risks and monitor performance, in line with the UN Guiding Principles on Business and Human Rights (UNGP).<br><br><i>Explanatory notes: Risks can be identified through the risk assessment or human rights due diligence process (see 2.2 and 2.4), as well as through the complaints mechanism or via feedback from affected communities or other stakeholders (e.g. local NGOs).</i> | <b>New – previously guidance</b><br><br><i>Applicable: same as 7.8.1.1</i>         |

## 7.9. Legacy impacts

| Criterion 7.9.1. A process is carried out that aims to address legacy impacts in collaboration with the affected communities  | Notes  |
|---|--|
| <p>7.9.1.1. In cases where the Entity has caused or contributed to past damages specifically related to sacred or cultural heritage sites and values, the Entity shall:</p> <ol style="list-style-type: none"> <li>Enter into an engagement process co-designed with the <u>affected communities</u> to understand and aim to mitigate impacts and form the basis for potential remediation;</li> <li>Document the outcomes of the process and share these with the affected communities.</li> </ol> <p><i>Explanatory notes: Applies to impacts on cultural heritage and sacred sites that occurred prior to 2022. For those after 2022, relevant criteria in the ASI Performance Standard v3 and v4 on Cultural and Sacred Heritage would apply.</i></p>  | <p><b>Major change (9.5 b):</b> expanded from 'take appropriate action to avoid or remedy impacts,'</p> <p><i>Applicable: Mining/ Refining/ Smelting</i></p>                 |
| <p>7.9.1.2. In cases where the Entity has caused or contributed to <u>significant impacts</u> on <u>Indigenous Peoples</u> (prior to 2022) that did not include an <u>FPIC</u> process:</p> <ol style="list-style-type: none"> <li>The Entity enters a mutually agreed process co-designed with the affected Indigenous Peoples to understand and mitigate those impacts.</li> <li>The outcomes of this process shall be documented and will include working towards a shared understanding and agreed measures/processes aligned with this Standard.</li> </ol> <p><i>Explanatory notes: This process could look like an engagement and dialogue process that results in the affected communities raising concerns about past or present impacts related to the lack of FPIC process, in order to determine actions for mitigation and remediation of past and/or ongoing impacts. The Entity should act in good faith to provide access to resources including sharing information transparently as well as access to independent experts where requested.</i></p>  | <p><b>New</b></p> <p><i>Applicable: Mining/ Refining/ Smelting</i></p> <p><i>Where there were significant impacts on Indigenous Peoples (prior to 2022) without FPIC</i></p> |
| <p>7.9.1.3. <b>Leading practice:</b> If historical land acquisition resulted in the physical or economic displacement of affected communities, the Entity shall enter a mutually agreed process (co-designed with the affected communities), to understand and work towards remediating unremediated negative impacts of displacement. The outcomes of this process shall be documented.</p> <p><i>Explanatory notes: See also Section 11: Displacement and Resettlement. Where affected communities include Indigenous Peoples, this applies only where FPIC was not carried out. This requirement aims to recognise existing dialogue or remediation processes where they are already underway. The Entity should act in good faith to provide access to resources including sharing information transparently as well as access to independent experts where requested. Impacts may include loss of land, livelihood disruption, cultural or spiritual impacts, diminished access to natural resources, inadequate compensation, or displacement undertaken without a process consistent with FPIC principles where Indigenous Peoples were present.</i></p> | <p><b>New</b></p> <p><i>Applicable: Mining/ Refining/ Smelting</i></p>   |

## 8. Workers' Rights and Protections

### Overview of subsections

- 8.1. Informing and engaging workers
- 8.2. Working hours and wages
- 8.3. Prohibition of child labour
- 8.4. Prohibition of forced labour
- 8.5. Freedom of association and right to collective bargaining
- 8.6. Non-discrimination and equal opportunities
- 8.7. Safe and healthy working environment

Table 4: Guidance on specific OHS risks and practices

*Downstream applicability:* Under the proposed **streamlined certification option** for downstream (fabricating) Entities, this section would NOT be mandatory for certification for these Entities. See Introduction for more information and section 'Overall feedback on the Performance Standard V4 in the [consultation survey](#).

### 8.1. Informing and engaging workers

| Criterion 8.1.1. Workers are informed about their rights, can raise concerns, and have them addressed   | Notes   |
|---|---|
| 8.1.1.1. Inform <u>workers</u> of their rights (in a language they understand), as protected in this Standard, and in line with the ILO Fundamental Principles and Rights at Work.<br><br><i>Key references:</i> ILO 1998 Declaration on Fundamental Principles and Rights at Work and its Follow-up.   | Existing (10.9)<br><i>Applicable: All Entities</i>      |
| 8.1.1.2. Implement processes to allow open communication and direct engagement with workers and their representatives regarding working conditions and resolution of workplace and compensation issues, without threat of reprisal or intimidation.<br><br><i>Explanatory notes:</i> This is not limited to worker unions; it could also include worker committees, open staff meetings, or similar.  | Existing (10.5)<br><i>Applicable: All Entities</i>      |
| 8.1.1.3. Communicate the terms of work to all workers verbally and in writing before employment starts, in a language they understand. This includes, at a minimum: wages and payment, working hours (including <u>overtime</u> ) and other key employment conditions.<br><br><i>Key References:</i> FairTrade USA FPS, ILO Recommendation 198, Employment Relationship Recommendation (2006). ILO Committee of Experts on the Application of Conventions and Recommendations conclusions (2020 – 2025). European Union Pay Transparency Directive (2023/970), European Union Adequate Minimum Wages Directive (2022/2041). | Minor change (10.7a)<br><i>Applicable: All Entities</i> |

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|---|---|
| <p>8.1.1.4. Implement an effective process to assess workers’ trust and confidence in feedback channels, including a <u>complaints resolution</u> process and whistleblowing mechanism. This shall be done at least annually; concerns raised shall be assessed and appropriate improvement plans implemented.</p> <p><i>Explanatory notes: See requirement 1.1.3.3 on whistleblowing and 1.2: Complaints resolution mechanism.</i></p> | <p><b>New</b><br/><i>Applicable: All Entities</i></p> |
|---|---|

| <b>Criterion 8.1.2.</b> There are processes in place to seek feedback from workers, and these are used to further improve safety and working conditions  | <i>Notes</i>  |
|--|---|
| <p>8.1.2.1. Provide <u>workers</u> with a mechanism, such as a joint health and safety committee, by which they can raise, discuss and participate in the resolution of occupational health and safety issues with management.</p> <p><i>Key reference: ISO 45001: Occupational health and safety management systems</i></p>   | <p>Existing (11.2)<br/><i>Applicable: All Entities</i></p>                  |
| <p>8.1.2.2. <b>Leading Practice:</b> At least annual processes are in place to solicit anonymised worker feedback around working conditions and workplace issues (e.g. through worker voice technology, anonymous surveys, external consultations, etc). Workers have trust in the mechanism and are informed of the voluntary nature of feedback and how it will be used.</p> <p><i>Explanatory notes: this refers to proactive feedback channels, which are distinct from a complaints process, which is designed to address grievances or complaints once they occur.</i></p> | <p><b>New</b> - previously guidance<br/><i>Applicable: All Entities</i></p> |
| <p>8.1.2.3. <b>Leading Practice:</b> Workers and their independent and democratic representatives, including trade unions where present, are actively involved in the design, implementation and evaluation of policies and procedures relating to workers’ rights, including complaints/ grievance mechanisms, due diligence, and remediation processes.</p>  | <p><b>New</b> – previously guidance<br/><i>Applicable: All Entities</i></p> |

## 8.2. Working hours and wages

| <b>Criterion 8.2.1.</b> Workers are paid adequately, and receive wages in a timely and transparent manner   | <i>Notes</i>   |
|---|--|
| <p>8.2.1.1. Pay employees at least a <u>living wage</u>, based on standard working hours.</p> <p><i>Explanatory notes: if workers are covered by a <u>collective bargaining agreement</u> (CBA), then workers can be paid the CBA determined wage to meet the intent of the requirement. In other cases, Entities should use a <b>credible, transparent benchmark</b> to identify a relevant living wage, where these are publicly available (see IDH Living Wage Benchmark Framework for applicable benchmarks: <a href="https://salarymatrix.idhtrade.org/benchmark-finder/">https://salarymatrix.idhtrade.org/benchmark-finder/</a>).</i></p> <p><i>Where credible benchmarks are not yet available, the Entity can apply participatory or locally informed cost of living assessments. If local benchmarks exist but are not relevant to the Entity, a clear justification and documentation will need to be provided to the auditor, and the Entity would then follow guidance around applying participatory or locally informed cost of living assessments as above to determine a reasonable living wage. <b>Key references:</b> Anker Methodology, Global Living Wage Coalition</i></p> | <p><b>New</b> (changed from ‘respect the right to living wage and pay at least min. wage’)<br/><i>Applicable: All Entities</i></p> |

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| <p>8.2.1.2. <b>Leading practice:</b> Work with suppliers of contractors to carry out an assessment against <u>living wages</u> for contract workers. If contractor wages are below living wage benchmarks, develop a joint action <u>plan</u> to provide living wages by 2035, and monitor progress at least annually.</p> <p><i>Key references:</i> UN Global Compact- <a href="#">Living Wage</a>   <a href="#">Forward Faster</a></p> | <p><b>New</b></p> <p><i>Applicable: All Entities</i></p>       |
| <p>8.2.1.3. Make wage payments that are timely, in legal currency and fully documented.</p>  | <p>Existing (10.7d)</p> <p><i>Applicable: All Entities</i></p> |

| Criterion 8.2.2. Working hours are reasonable and do not compromise health or safety  | Notes   |
|---|---|
| <p>8.2.2.1. Pay <u>overtime</u> hours at least 25% more than regular hours (except in situations of a collective bargaining agreement, salaried <u>workers</u> or extended work shifts where work hours are averaged over a certain period).</p> <p><i>Explanatory notes:</i> ILO recommendation is 125% regular hourly pay for overtime hours: International Labour Organization (ILO), 2004, <i>Conditions of Work and Employment Programme</i></p>   | <p><b>Minor change (10.7c)</b> removed 40-hour reference</p> <p><i>Applicable: All Entities</i></p> |
| <p>8.2.2.2. Implement measures so that regular working hours (<i>excluding overtime</i>) do not exceed 48 hours per week.</p> <p><i>Explanatory notes:</i> For shift workers this can be calculated over a 3-week period; for fly in/ fly out workers this can be calculated over a 3-month average period.</p>   | <p><b>Minor change (10.8c)</b> removed 8-hr average day</p> <p><i>Applicable: All</i></p>           |
| <p>8.2.2.3. Provide workers with, at minimum, an average of one day off per seven-day period.</p> <p><i>Explanatory notes:</i> For fly in/ fly out workers, this can be calculated over a 3-month average period.</p>   | <p>Existing 10.8.b</p> <p><i>Applicable: All</i></p>  |
| <p>8.2.2.4. All <u>overtime</u> is voluntary, except for specific force majeure circumstances as permitted under national law and the ILO Hours of Work (Industry) Convention (No 1). Where mandatory overtime is necessary due to force majeure circumstances, such requirements must be temporary (limited in duration) and decided in consultation with workers, regulators and unions.</p> <p><i>Explanatory notes:</i> Force majeure circumstances include accidents (actual or threatened), or cases that are unpredictable and where additional work is necessary to avoid serious harm to people and property (and which cannot be remedied during normal working hours). Any exceptional overtime requires prior authorisation from senior management and is recorded and tracked. Appropriate safeguards should be put in place to ensure health and safety impacts are managed effectively. <b>Key references:</b> ILO Hours of Work (Industry) Convention, 1919 (No. 1)</p> | <p><b>New-</b> previously guidance</p> <p><i>Applicable: All</i></p>                                |
| <p>8.2.2.5. Workers do not exceed 60 hours per week of work (<i>including overtime</i>). This calculation excludes force majeure circumstances and major shutdowns, provided these are infrequent and limited in nature.</p> <p><i>Explanatory notes:</i> Hours per week can be calculated as an average over a 3-week period for shift workers, or a 3-month period for fly in/ fly out workers. Further work will be needed to clarify how this is calculated (for example, over the last annual period more than 90% of workers met this threshold). The requirement excludes force majeure cases – see 8.2.2.4 Explanatory notes</p>  | <p><b>New</b></p> <p><i>Applicable: All</i></p>   |

|   |  |
|---|--|
| <i>Key references: ILO Hours of Work (Industry) Convention, 1919 (No. 1)</i>  |  |
| <p>8.2.2.6. <b>Leading practice:</b> Implement measures so that workers do not exceed 48 hours/ week (including overtime).</p> <p><i>Explanatory notes: Further work will be needed to clarify how this is calculated; for example, for conformance, over the last annual period more than 90% of workers worked 48 hours or less per week (including overtime). Exceptions can be made for force majeure and emergency situations as per 8.2.2.5</i></p> | <p><b>New</b></p> <p><i>Applicable: All Entities</i></p> |

**Note for consultation:** Initial input from stakeholders, including the ASI Workers’ Rights Working Group has highlighted a range of views on where ASI should set requirements related to working hours. Some stakeholders want a clear maximum for working hours (including overtime), citing research that shows excessive working hours can lead to negative impacts on worker health and safety, even with monitoring in place. On the other hand, some stakeholders feel that flexibility is needed (even in a voluntary sustainability certification) to allow for regional variations in working culture and for cases where workers want to work more overtime. With input from the Working Group, ASI has developed three potential options, and stakeholders are invited to comment on their preferred option. See section ‘Workers’ Rights and Protections’ in the [Consultation survey](#)

**Table 3: Summary of consultation options on maximum working hours**

|                             | <b>Option 1:</b> <i>[Current draft, 8.2.2.5 and 8.2.2.6]:</i><br>Clear maximum for working hours (60 hours/ week including overtime) as minimum requirement   | <b>Option 2:</b> 60 hours/ week maximum; <u>but</u> , for exceptional cases where this is not possible, the Entity must commit to a 3-year plan to reduce to this level  | <b>Option 3:</b> No maximum for working hours; but requires a programme to manage overtime and measures to reduce structural overtime   |
|-----------------------------|---|--|---|
| <b>Minimum requirement:</b> | <p>Workers do not exceed 60 hours per week (including overtime).</p> <p><i>Exceptions for force majeure/ major planned shutdowns. Calculated as average over a 3 -week period for shift workers, or a 3-month period for fly in/ fly out workers.</i></p> | <p>Workers do not exceed 60 hours per week (including overtime)</p> <p>In <i>exceptional cases</i> where working hours are regularly above 60 hours per week and require phased reduction, the Entity shall implement an action plan, with input from workers or worker representatives, to reduce to a maximum of 60 hours per week within 3 years.</p> <p>In addition, the Entity shall:</p> <ul style="list-style-type: none"> <li>• implement enhanced monitoring for health and safety impacts of overtime;</li> <li>• carry out regular reporting to senior management (on overtime as well as H&amp;S monitoring);</li> </ul> | <p>Where workers exceed 60 hours per week (including overtime), the Entity shall implement a programme to manage overtime, which includes:</p> <ul style="list-style-type: none"> <li>• enhanced monitoring for health and safety impacts of overtime;</li> <li>• regular reporting to senior management (on overtime hours as well as H&amp;S monitoring);</li> <li>• consultation with worker representatives around health and safety impacts and mitigation measures; and</li> <li>• measures that aim to eliminate structural overtime within a 3-year timeframe.</li> </ul> <p><i>Exceptions for force majeure/ major planned shutdowns. Calculated as average over a 3 -week</i></p> |

|                                    |   |  |   |
|------------------------------------|---|--|---|
|                                    |   | <ul style="list-style-type: none"> <li>consult regularly with workers or worker representatives around health and safety impacts and mitigation measures.</li> </ul> <p><i>Exceptions for force majeure/ major planned shutdowns. Calculated as average over a 3-week period for shift workers, or a 3-month period for fly in/ fly out workers.</i></p> | <i>period for shift workers, or a 3-month period for fly in/ fly out workers.</i>       |
| <b>Leading Practice (optional)</b> | Implement measures so that workers do not exceed 48 hours per week (including overtime) | Implement measures so that workers do not exceed 48 hours per week (including overtime)  | Implement measures so that workers do not exceed 48 hours per week (including overtime) |

### 8.3. Prohibition of child labour

| <b>Criterion 8.3.1. Child labour shall not be tolerated</b> |   | Notes  |
|---|---|--|
| 8.3.1.1.  | Develop and implement a formal child labour <u>policy</u> , which includes minimum working ages and conditions on work for young <u>workers</u> (as per 8.3.1.2).<br><br><i>Key references: ILO Convention No.138 Minimum Age and Convention No. 182 on the Worst Forms of Child Labour.</i>  | Minor change (10.2)<br><i>Applicable: All Entities</i> |
| 8.3.1.2.  | Implement an age verification process so that: <ol style="list-style-type: none"> <li>All workers are over the age of 15 years or the legal minimum employment age, whichever is higher;</li> <li>Work for 15 through 18-year-olds is not exploitative, hazardous or interfering with schooling and apprenticeship programmes, and appropriate supervision and training is provided.</li> </ol> <p><i>Explanatory notes: Assessment of child labour risks is covered under the risk assessment (2.2) and human rights due diligence criterion (3.4). Risks related to supply chain are covered under Section 3. Responsible Sourcing and Due Diligence.</i></p> | Minor change (10.2)<br><i>Applicable: All Entities</i> |
| 8.3.1.3.  | For contracts with third-party contractors, include requirements around identifying/ addressing risks of child labour (including age verification, training, etc) in line with the requirements in this Standard.<br><br><i>Explanatory notes: This can consider phased implementation e.g. if active contracts need to be updated upon renewal.</i>  | New<br><i>Applicable: All Entities</i>                 |

**Consultation notes- risk-based approaches on child and forced labour:** Criteria 8.3.2 and 8.4.2 introduce some additional monitoring-focused requirements for Entities in regions with higher risks of child or forced labour. These are intended to better represent the diverse risk profiles where ASI-certified Entities operate and put more emphasis on effective monitoring and addressing of labour risks, rather than only taking a zero-tolerance / compliance approach.

To consider in consultation feedback - would it be helpful for ASI to provide specific tools or frameworks showing potential risk levels of child/ forced labour for geographic regions, based on credible data sources? Or should Entities determine this risk level on their own, with guidance available?

| Criterion 8.3.2. In higher-risk contexts, additional monitoring is in place to identify, prevent and address risks and incidents of child labour  | Notes   |
|---|---|
| <p>8.3.2.1. Provide focused training to relevant <u>workers</u> on child labour risks and conditions for acceptable work for young workers.</p> <p><i>Explanatory notes: Linked to Section 2.2 (risk assessments) and 2.4 (Human rights due diligence), <u>under this current approach the Entity itself should determine the level of child labour risk for regions where they have facilities</u> in the unit of certification. ASI does not (yet) propose to require a specific tool, but this should use credible frameworks and data sources. For example: UNICEF Child Rights in the Workplace Index and Child labour statistics: <a href="https://data.unicef.org/topic/child-protection/child-labour">https://data.unicef.org/topic/child-protection/child-labour</a>. <b>Key references:</b> ILO Convention No.138 on Minimum Age and Convention No. 182 on the Worst Forms of Child Labour.</i></p> | <p><b>New</b></p> <p><i>Applicable: If Entity's operations are in a region with medium or high risk of child labour</i></p> |
| <p>8.3.2.2. Establish a monitoring system for child labour risks, which includes for example onsite monitoring, grievance/complaint mechanisms, and feedback from communities and external stakeholders.</p> <p><i>Explanatory notes: monitoring systems should cover all sites/ operations with higher risks. Where risks or incidents of child labour are identified, these are addressed promptly including remediation if required (see 1.2: Complaints resolution mechanism and 1.3: Remediation)</i></p>  | <p><b>New</b></p> <p><i>Applicable: Same as 8.3.2.1</i></p>   |
| <p>8.3.2.3. <b>Leading Practice:</b> Engage in direct or collaborative projects to help address root causes of child labour in regions where the Entity operates (e.g. supporting access to education or improved livelihoods).</p>   | <p><b>New</b></p> <p><i>Applicable: Same as 8.3.2.1</i></p>   |

## 8.4. Prohibition of forced labour

**Key references:** ILO Convention 29 and its protocol (P29): Forced Labour.

| Criterion 8.4.1. Forced and bonded labour shall not be tolerated  | Notes   |
|---|---|
| <p>8.4.1.1. Implement a <u>policy</u> and processes to prohibit forced, bonded, or involuntary prison labour (within the Entity's direct operations and indirectly through any contracted employment or recruitment agencies). These shall include:</p> <ol style="list-style-type: none"> <li>a. not engaging or supporting human trafficking;</li> <li>b. not permitting <u>workers</u> to be charged with recruitment fees or related costs to obtain or retain the job (including costs for equipment advance, or lodging of deposits);</li> <li>c. not holding workers in debt bondage and not forcing workers (or their friends/ families) to work to pay off a debt;</li> <li>d. not restricting the freedom of movement of workers in the workplace or in on-site housing or company provided transport, unless legal, reasonable, necessary, timebound and proportionate;</li> <li>e. not retaining original copies of workers' identity papers, work permits, travel documents or training certificates; and</li> <li>f. ensuring workers are free to terminate their employment at any time without penalty, given notice of reasonable length.</li> </ol> | <p>Existing (10.3) – minor rewording</p> <p><i>Applicable: All Entities</i></p> |

|   |   |
|---|---|
| <p><i>Explanatory notes: Assessment of labour risks is covered under Section 2. Management Systems for the Entity's own operations. Risks in the supply chain are covered under Section 3. Responsible Sourcing. <b>Key references:</b> ILO General principles and operational guidelines for fair recruitment and definition of recruitment fees and related costs</i></p>   |   |
| <p>8.4.1.2. For contracts with third-party contractors, include requirements around identifying/ addressing risks of forced labour, in line with the requirements in this Standard.</p> <p><i>Explanatory notes: Where a (potential) incident of forced labour is identified, a remediation plan should be developed and followed (see 1.3: Remediation of human rights impacts). Consider phased implementation e.g. if active contracts need to be updated upon renewal</i></p> | <p><b>New</b><br/><i>Applicable: All Entities</i></p>       |
| <p>8.4.1.3. <b>Publicly disclose</b> an annual modern slavery statement detailing actions to address modern slavery.</p>  | <p>Existing (10.3c)<br/><i>Applicable: All Entities</i></p> |

|   |   |
|---|---|
| <p><b>Criterion 8.4.2.</b> In higher-risk contexts, additional monitoring is in place to identify, prevent and address risks and incidents of forced labour</p>   | <p>Notes</p>  |
| <p>8.4.2.1. Provide focused training to any <u>workers</u> at increased risk for forced labour on their rights and the protections and resources available.</p> <p><i>Explanatory notes: Linked to Section 2.2 (risk assessments) and 2.4 (Human rights due diligence), the Entity itself determines the level of forced labour risk for regions where they have facilities in the unit of certification. ASI does not (yet) require a specific tool, but this should use credible frameworks and data sources. Risk levels can also be affected by the nature of the workforce and recruitment practices. For example, workers at increased risk of forced labour may include migrant workers, temporary or day workers, those employed through third party agencies, those from marginalised or vulnerable groups, etc. Resources can include secure grievance mechanisms, hotlines, government outreach initiatives, etc</i></p> | <p><b>New</b><br/><i>Applicable: If Entity's operations are in a region with medium or high risk of forced labour</i></p> |
| <p>8.4.2.2. Establish a monitoring system for forced labour risks, which includes for example onsite monitoring, grievance mechanisms, and feedback from communities and external stakeholders.</p> <p><i>Explanatory notes: monitoring systems should cover all sites/ operations with higher risks. Where risks or incidents of forced labour are identified, these are addressed promptly including remediation if required (see 1.2: Complaints resolution mechanism and 1.3: Remediation)</i></p>  | <p><b>New</b><br/><i>Same as 8.4.2.1</i></p>  |
| <p>8.4.2.3. <b>Leading Practice:</b> Engage in direct or collaborative projects to help address root causes of forced labour in regions where the Entity operates (e.g. recruitment practices, debt risks, etc.).</p>   | <p><b>New</b><br/><i>Same as 8.4.2.1</i></p>  |

## 8.5. Freedom of association and collective bargaining

*Key references: ILO Convention 87: Freedom of Association and Protection of the Right to Organise, ILO Convention 98: Right to Organise and Collective Bargaining*

| Criterion 8.5.1. Freedom of association and the right to collective bargaining are respected   | Notes   |
|--|---|
| <p>8.5.1.1. Inform <u>workers</u> of their right to form or join labour unions or other associations to <u>collectively bargain</u> within the bounds of <u>applicable law</u>. The decision whether to join or not to join a labour union or other association shall be made solely by the worker.</p> <p><i>Explanatory notes: Respect for labour unions includes not tolerating union-related discrimination, intimidation, interference or retaliation amongst workers.</i></p>  | <p>Existing (10.1.a)<br/><i>Applicable: All Entities</i></p>                    |
| <p>8.5.1.2. Implement processes to protect workers' right to collectively bargain, and to ensure adherence to collective bargaining agreements (CBAs), where they exist.</p> <p><i>Explanatory notes: Where a CBA is in place, workers should be aware of the nature of this agreement and key elements included</i></p>   | <p>Existing (10.1.b)<br/><i>Applicable: All Entities</i></p>                    |
| <p>8.5.1.3. Implement processes so that labour unions or other associations have the right to:</p> <ol style="list-style-type: none"> <li>develop their constitutions and rules, to elect their representatives in full freedom, to organise their administration and activities and to formulate their programmes to the extent possible under applicable law;</li> <li>organise;</li> <li>within the bounds of applicable law, collectively bargain on behalf of the workers;</li> <li>carry out industrial action (strikes), in line with applicable law; and</li> <li>have a dedicated space and sufficient capacity to carry out their roles effectively, including time during working hours.</li> </ol>   | <p>Minor change (10.1c) – added point d<br/><i>Applicable: All Entities</i></p> |
| <p>8.5.1.4. Where national law restricts the right to freedom of association or <u>collective bargaining</u>, the Entity shall take active steps so that workers can express their views and organise through alternative methods, in line with international <u>human rights</u> obligations.</p> <p><i>Explanatory notes: these alternative methods should, at a minimum, enable workers to raise concerns and suggestions about the workplace (including on remuneration, safety etc.) without fear of reprisal, and enable management to address this feedback. Workers should also be free to elect their own representatives as part of these alternative methods. Entities in these contexts are encouraged to consult with independent trade unions, including international federations where relevant.</i></p> | <p>Minor change (10.1.d)<br/><i>Applicable: All Entities</i></p>                |
| <p>8.5.1.5. <b>Leading Practice: Publicly disclose</b> key indicators of trade union rights, including: the number of workers covered by collective bargaining agreements, the existence of recognised independent trade unions, the respect of the right to strike, and any recorded labour disputes or grievances relating to freedom of association.</p>  | <p>New<br/><i>Applicable: All</i></p>   |

## 8.6. Non-discrimination and equal opportunities

*Key references: ILO Convention 111: Discrimination (Employment and Occupation) Convention.*

| Criterion 8.6.1. There is a system in place to prevent discrimination and ensure equal opportunities in the workplace |   | Notes   |
|---|---|---|
| 8.6.1.1.  | <p>Develop and implement a policy to enable non-discrimination and equal opportunity for its workers, and to provide a safe and respectful workplace. This includes a zero-tolerance approach for disrespectful behaviour (including violence and harassment), and prohibition of retaliation against workers for raising concerns or exercising their rights.</p> <p><i>Explanatory notes: This can be a standalone policy or integrated with other policies. This should address risks of discrimination at all stages of employment, including recruitment, remuneration, working time and arrangements, family-related leave, performance management, training and termination. This should include a commitment and measures to ensure equal pay for equal work.</i></p> | <p>Minor change (10.4a and 10.4c) incorporated violence/harassment and reprisals</p> <p>Applicable: All</p> |
| 8.6.1.2.  | Carry out a gender pay gap analysis at least every 3 years and implement an action plan to address any findings.  | <p>New</p> <p>Applicable: All</p>   |
| 8.6.1.3.  | <b>Leading Practice:</b> Demonstrate how workers or worker representatives were engaged in the development and evaluation of policies and measures to prevent discrimination and ensure a safe and respectful workplace (as per 8.6.1.1/ 8.6.1.2).  | <p>New</p> <p>Applicable: All</p>   |

| Criterion 8.6.2. Measures are taken to promote diversity and inclusion in the workforce |  | Notes                                      |
|---|--|--|
| 8.6.2.1.  | <p>Develop and implement a strategy to improve diversity, equity, and inclusion in the workforce, which includes timebound targets. Report on progress against targets at least every 3 years, with results shared at minimum with senior management and workers.</p> <p><i>Explanatory notes: This does not require public reporting or targets at minimum requirement level. The strategy can include improvements in diversity and inclusion within worker engagement structures (such as joint worker-management committees, union representatives, etc)</i></p> | <p>New</p> <p>Applicable: All Entities</p> |
| 8.6.2.2.  | <p><b>Leading Practice:</b> Carry out consultation with workers and/or worker representatives, at least every 5 years, to understand key barriers to diversity and equity; ensure these findings inform the policies and strategy (as per 8.6.2.1).</p> <p><i>Explanatory notes: Consultation can be carried out by the Entity or a specialist third party. Examples of barriers might include, for example, working patterns that don't fit the needs of parents, language barriers for minority workers which prevent career progression, etc.</i></p>             | <p>New</p> <p>Applicable: All Entities</p> |
| 8.6.2.3.  | <p><b>Leading Practice:</b> Implement measures to reduce bias in the recruitment and progression of workers.</p> <p><i>Explanatory notes: This could include measures such as removing names and ages from CVs, implementing diverse interview panels, and analysing HR data sets, such as employee turnover and satisfaction, to identify and resolve any potential issues of bias.</i></p>   | <p>New</p> <p>Applicable: All Entities</p> |
| 8.6.2.4.  | <b>Leading Practice:</b> Implement measures to meet the flexible work needs of workers and managers (beyond legal minimums); including for example job sharing, carers' leave, enhanced parental leave, part-time roles, flexible working, etc.  | <p>New</p> <p>Applicable: All</p>          |

|   |   |
|---|---|
| <p>8.6.2.5. <b>Leading practice:</b> Demonstrate that implementation of the diversity, equity, and inclusion strategy (as per 8.6.2.1) has led to measurable improvements against key targets in these areas (on average over the preceding three-year period).</p> | <p><b>New</b><br/> <i>Applicable: All</i><br/> <i>Outcome-based</i></p> |
|---|---|

## 8.7. Safe and healthy working environment

**Note:** the current criteria in the PS V3 on OH&S Management System has now been merged into the overall Management System section (see 2.3 Health, Safety, and Environment Management System) and maintains recognition of ISO 45001. This section aims to provide additional specificity and leading practices from a worker perspective beyond the basic OH&S Management system

| <b>Criterion 8.7.1. Risks to health and safety are proactively identified, managed, and monitored, within a culture of safety leadership</b>   | <i>Notes</i>  |
|--|---|
| <p>8.7.1.1. As part of the health and safety management system (see Criterion 2.3.1); identify, address and monitor relevant occupational health and safety risks in line with established good practice (see Table 4: Guidance on Specific OHS Risks and Practices).</p>  | <p>Minor change (11.1)<br/> <b>Equivalence:</b><br/> <b>ISO 45001</b><br/> <i>Applicable: all</i></p> |
| <p>8.7.1.2. Implement measures so that <u>workers</u> are competent to perform their roles in a safe and healthy manner. This includes understanding key hazards, risks and controls, based on receiving appropriate and ongoing training, supervision and monitoring.<br/> <i>Explanatory notes: see 2.3: Health, Safety, and Environmental management system.</i></p>                                  | <p>Minor change (11.1)<br/> <b>Equivalence:</b><br/> <b>ISO 45001</b><br/> <i>Applicable: all</i></p> |
| <p>8.7.1.3. Implement a health surveillance programme to monitor potential adverse health impacts, disease manifestation and risks over time, management of risks includes making reasonable adjustments to consider issues or mitigate the risks.<br/> <i>Explanatory notes: Health surveillance should not be used in any way for health-related discrimination.</i></p>                               | <p><b>New</b><br/> <i>Applicable: all</i></p>   |
| <p>8.7.1.4. Establish a process, involving workers and with support from senior management, to investigate work-related incidents and use learnings to improve the health and safety management system (see 2.3: HSE management system).<br/> <i>Explanatory notes: This could be in the form of ‘learning teams’ that analyse incidents, near misses/high potential incidents or routine tasks.</i></p> | <p><b>New</b><br/> <i>Applicable: all</i></p>   |
| <p>8.7.1.5. Implement measures where workers can pause work due to potential concerns over safety or health, without negative consequences (for example ‘stop and ask’ or ‘stop for health and safety’ initiatives).</p>   | <p><b>New</b><br/> <i>Applicable: all</i></p>   |
| <p>8.7.1.6. <b>Leading Practice:</b> Senior management remuneration or benefits are linked to health and safety outcomes.<br/> <i>Explanatory notes: Outcomes considered in remuneration or benefits should focus on leading indicators.</i></p>   | <p><b>New</b><br/> <i>Applicable: all Entities</i></p>  |

| Criterion 8.7.2. Psychosocial risks are effectively identified and addressed, along with physical health and safety risks  | Notes  |
|--|--|
| <p>8.7.2.1. Psychosocial risks are integrated into the health and safety management system to promote wellbeing at work, including identification, evaluation, and control of risks (see 2.3: HSE management system)</p> <p><i>Key references: ISO 45003: 2021 Psychological health and safety at work</i></p> | <p><b>New</b> (previously in Appendix of V3)</p> <p><i>Applicable: all</i></p> |

| Criterion 8.7.3. The Entity sets targets, monitors progress and publicly discloses outcomes in health and safety for workers.  | Notes  |
|--|--|
| <p>8.7.3.1. Set targets for health and safety outcomes and <b>publicly disclose</b> the effectiveness of the health and safety management system on an annual basis, including both leading and lagging indicators.</p>  | <p><b>Minor change (11.1 e)</b> removed comparative analysis</p> <p><i>Applicable: all</i></p> |
| <p>8.7.3.2. <b>Leading practice:</b> Demonstrate improved performance against targets in the health and safety management system (including leading indicators), on average over the preceding three-year period.</p> <p><i>Explanatory notes: This approach allows Entities to select targets based on health and safety risk areas without being prescriptive; but requires demonstrated improvement in these areas. Leading indicators will be Entity and context-specific, but could include for example: Corrective Action Closure Rate (for fatal risk controls), how often supervisor or safety leaders are observing compliance with critical risk controls, the percentage of safe vs unsafe behaviours observed during field audits, percentage of workers in high-risk roles who have completed task-specific training and competency assessments, total exposure hours to high-risk tasks), etc.</i></p> | <p><b>New</b></p> <p><b>Outcome-based</b></p> <p><i>Applicable: all Entities</i></p>           |
| <p>8.7.3.3. <b>Leading Practice:</b> Achieve zero fatalities over the preceding three-year period.</p>   | <p><b>New</b></p> <p><b>Outcome-based</b></p> <p><i>Applicable: all</i></p>                    |
| <p>8.7.3.4. <b>Leading Practice:</b> Participate in industry initiatives aimed at improving health and safety outcomes, through sharing best practice and learnings from reporting and analysis of fatalities, near misses, and other critical incidents.</p> <p><i>Explanatory notes: For example, this could include the IAI Fatality and Near Miss reporting scheme</i></p>   | <p><b>Minor change (11.1 e)</b></p> <p><i>Applicable: all</i></p>                              |

**Table 4. Guidance on Specific OHS Risks and Practices**

Note: This table is for **guidance**. It is a non-exhaustive list of control measures for common impacts/risks in the aluminium sector. For reference: ILO list of Occupational Diseases: [wcms\\_125137.pdf](https://www.ilo.org/public/libdoc/whodoc/1998/0/1998001.pdf)

| Health and Safety Impact Area | Example control measures  |
|-------------------------------|---|
| <b>Noise</b>                  | <ul style="list-style-type: none"> <li>• Carry out a noise assessment with qualified experts (including measuring the baseline levels of noise) and carrying out health assessments to understand risk levels of noise exposure (under OHSMS)</li> <li>• Apply a hierarchy of controls approach to reduce noise levels as much as possible (e.g. replacing motors, installing sound absorption, installing mufflers on air vents or compressors).</li> <li>• Develop an action plan to address remaining risks, including:               <ul style="list-style-type: none"> <li>○ Use of hearing protection (including advanced protection that monitors how much sound is reaching the ear, for workers at high risk)</li> <li>○ Hearing conservation programmes, with routine testing of hearing for workers routinely exposed to high noise levels</li> <li>○ Training on long-term effects of noise to potentially impacted workers</li> <li>○ Restricted access protocols for high sound areas (e.g. over 90 dBA)</li> </ul> </li> <li>• Monitor impacts over time, e.g. using regular health checks and early hearing loss indicators, with accelerated control intervention</li> </ul> |
| <b>Heat Stress</b>            | <ul style="list-style-type: none"> <li>• Undertake appropriate health assessments to understand the risk levels of heat stress (under OHSMS), both qualitative and quantitative</li> <li>• Reduce heat stress as much as possible through a hierarchy of controls approach</li> <li>• Implement an action plan to address remaining risks, which could include: worker training, hydration and fluid replacement, acclimatization, adjustments in working hours or patterns, use of cooling rooms or climate-controlled rest areas, and heat shields</li> <li>• Monitor impacts of heat stress, through carrying out medical assessments of heat-exposed workers and/or use of wearable heat stress (physiological) monitoring, linked to work-rest cycles</li> <li>• Develop clear procedures for emergency medical response in particular where heat stress is a risk</li> </ul>  |
| <b>Ergonomic</b>              | <ul style="list-style-type: none"> <li>• Carry out an assessment of ergonomic risks and hazards</li> <li>• Reduce ergonomic stressors as much as possible through a hierarchy of controls approach (e.g. eliminating manual tasks where possible, reducing impacts of vibration, etc)</li> <li>• Implement an action plan to address remaining risks, including:               <ul style="list-style-type: none"> <li>○ Training on proper lifting techniques, posture, and workstation setup.</li> <li>○ Use of lift aids and optimal reach zones</li> <li>○ Task rotation and microbreaks to avoid repetitive muscle stress</li> <li>○ On-site physiotherapy, or athletic trainers or early intervention clinics to address ergonomic and repetitive strain injuries.</li> </ul> </li> <li>• Monitor ergonomic impacts on workers over time, including related injuries (such as strains and sprains); consider use of wearable devices for ergonomic measurement</li> </ul>  |
| <b>Fatigue Management</b>     | <ul style="list-style-type: none"> <li>• Assess risks of fatigue, in line with the OHSMS:               <ul style="list-style-type: none"> <li>○ Dedicated fatigue risk management systems (FRMS) incorporating scheduling analytics, biometrics, and employee input.</li> <li>○ Specific fatigue risk assessments for overtime work or high-risk jobs</li> </ul> </li> <li>• Implement measures to reduce risks and impacts of fatigue, including for example:               <ul style="list-style-type: none"> <li>○ Fatigue awareness training, covering recognition of symptoms, personal risk factors and reporting procedures.</li> </ul> </li> </ul>   |

| Health and Safety Impact Area                         | <i>Example control measures</i>  |
|---|--|
|   | <ul style="list-style-type: none"> <li>○ Training for supervisors on identifying fatigue signs in workers and appropriate intervention strategies</li> <li>○ Education on sleep hygiene at all levels of the organisation and deployment of sleep hygiene strategies</li> <li>○ Work schedule roster assessments for suspected high-risk roles</li> <li>○ Use of microsleep detection technologies</li> <li>○ Forward rotating shift patters (day to afternoon to night) rather than backwards rotation</li> <li>○ Fatigue alert technologies deployed in appropriate equipment</li> <li>○ Stop criteria established for high-risk tasks and scenarios.</li> <li>● Monitor impacts over time, including for example:               <ul style="list-style-type: none"> <li>○ Mandatory fatigue assessments for all workplace incidents and near misses</li> <li>○ Regular analysis of incident patterns to identify fatigue related trends.</li> <li>○ Injury and illness incident review to discern patterns of fatigue-related factors contributing to incidents</li> </ul> </li> </ul> |
| <b>Molten Metal Risks</b>                             | <ul style="list-style-type: none"> <li>● Implement measures to reduce risks related to molten metal, e.g.:               <ul style="list-style-type: none"> <li>○ Automated metal transfer systems to reduce human exposure during casting</li> <li>○ Blast protection zones around crucibles and pots (especially during skimming or tap-outs)</li> <li>○ Infrared thermal monitoring systems for early detection of abnormal metal temperatures or crucible cracks</li> </ul> </li> </ul>  |
| <b>Machine Safety</b>                                 | <ul style="list-style-type: none"> <li>● Implement measures to reduce risks related to machine safety, for example:               <ul style="list-style-type: none"> <li>○ Daily pre-operational safety checks</li> <li>○ Machine guarding requirements in place</li> <li>○ LOTOTO (Lock-Out, Tag-Out/Try-Out) implemented</li> <li>○ Use of advanced safety technologies, such as safety rated sensors, vision systems, laser scanners and pressure sensitive mats that can distinguish between authorised personnel and unauthorised access to specific machinery</li> </ul> </li> </ul>   |
| <b>Mobile Equipment</b>                               | <ul style="list-style-type: none"> <li>● Implement measures to reduce risks related to mobile equipment, for example:               <ul style="list-style-type: none"> <li>○ Physical separation of pedestrians and vehicles (barriers, marked walkways) e.g. implementing one-way traffic systems; no-go zones for forklifts or other machinery near molten metal or casting pits.</li> <li>○ Proximity detection systems (e.g., RFID, ultrasonic sensors, LIDAR-based) to alert operators of nearby pedestrians or objects.</li> </ul> </li> </ul>   |
| <b>Air Quality/ Dust/ Chemical substance exposure</b> | <ul style="list-style-type: none"> <li>● Assess risks and monitor air quality over time, including               <ul style="list-style-type: none"> <li>○ Continuous real-time monitoring of airborne particulates and contaminants in all production areas</li> <li>○ Personal exposure monitoring for workers using dosimeters to measure individual exposure levels</li> <li>○ Regular atmospheric testing for process-specific emissions.</li> </ul> </li> <li>● Establish action levels at a specific threshold (e.g. 50% of exposure limits) to trigger additional controls before reaching regulatory levels</li> <li>● Implement an ALARA ('as low as reasonably achievable') approach to carcinogens; beyond Occupational Exposure Limits (OELs) and regulatory limits</li> </ul>   |

## Annex 1: Glossary – PS V4 Consultation Draft

**Note:** This is a starting set of key defined terms that will help readers to understand the revised ASI Performance Standard drafts. This is NOT a comprehensive Glossary, and more work will be needed to fully map and define necessary terms; the full Glossary will be developed in parallel with public consultation periods in 2026. For reference, the current ASI Glossary is [here](#).

Defined terms are generally underlined in the consultation draft the first time they appear in each criterion or sub-section.

| Term                           | Draft Definition for PS V4   |
|--------------------------------|--|
| <b>Accessible</b>              | <p>Refers to communication or materials that are clear, direct, easy to understand and available in multiple formats so that all users/ intended audiences have equitable access. Accessible materials consider the various barriers to accessing information (e.g. literacy, digital access, languages, etc.) and either remove these barriers or provide alternative formats that meet user needs.</p> <p><i>New – not defined in PS V3</i></p>  |
| <b>Affected communities</b>    | <p>Affected communities are any people or communities, subject to actual or potential impacts, by an Entity’s operations or projects. They include those living close or further away from the operation, determined by the area of influence. These impacts can be direct, indirect or cumulative for example nature loss, water or air pollution, loss of livelihood, etc (see case studies in guidance). Affected communities refers to both individuals and groups, and may include:</p> <ul style="list-style-type: none"> <li>• Indigenous Peoples -&gt; using ASI's broad definition (self-identification, historical continuity, non-dominant groups of society etc)</li> <li>• Local Communities -&gt; group of people or families who live in a particular locality, sometimes share a common interest (water users associations, fishers, herders, grazers, and the like), often have common cultural and historical heritage and have different degrees of cohesiveness. This can include groups who are nomadic or who seasonally migrate and whose attachment to ancestral territories may be periodic or seasonal in nature</li> <li>• Rightsholders - Persons and/or groups vested with collective rights (e.g., Indigenous Peoples) that have their Human Rights put at risk or impacted by a project or its associated activities.</li> </ul> <p><i>Amended from PS V3 definition ‘Affected Populations and Organisations’, which was defined as “Includes • Indigenous Peoples • Local Communities • Other Rightsholders • Stakeholders”.</i></p> |
| <b>Aluminium process scrap</b> | <p>Material containing aluminium that is diverted from the waste stream from a manufacturing process or similar (Adapted from ISO14021:2016). It includes pre-consumer scrap externally sourced and internally generated scrap (also known as inhouse/run-around scrap).</p> <p><i>Amended PS V3 definition</i></p>  |
| <b>Applicable law</b>          | <p>The relevant international and/or national and/or state and/or local laws of the country or countries where the Entity operates. This may include but is not restricted to, acts, regulations and statutory policies. Where a conflict arises between applicable law and the requirements of the ASI Standards, the Entity should comply with the higher standard except, where this would result in a violation of applicable law (Adapted from <a href="#">Responsible Jewellery Council – Code of Practices 2013</a>)</p> <p><i>Same as PS V3 definition</i></p>   |
| <b>Area of influence</b>       | <p>Area of Influence – encompasses, as appropriate, all areas likely to be affected by an Entity’s activities and facilities, including:</p> <ol style="list-style-type: none"> <li>a. Direct and indirect project impacts:             <ol style="list-style-type: none"> <li>i. Direct footprint and infrastructure corridors (i.e. airshed, watershed, transport, power lines, pipelines etc.)</li> <li>ii. Impacts from unplanned but predictable developments that may occur later or at a different location</li> </ol> </li> </ol>  |

| Term                         | Draft Definition for PS V4   |
|------------------------------|--|
|                              | <ul style="list-style-type: none"> <li>ii. Indirect impacts on biodiversity or ecosystem services upon which affected communities' livelihoods are present, including via ecological pathways through which impacts propagate beyond the direct footprint (i.e. hydrological flows, habitats corridors, species movement routes).</li> <li>b. <b>Associated facilities:</b> Facilities that are not under the control of the Entity but without which it could not operate (i.e. ports, dams, railways, roads, transmission lines etc.)</li> <li>c. <b>Cumulative impacts:</b> Impacts arising from the incremental contribution of the Entity's activities together with those of other existing, planned or reasonably foreseeable developments at the time of the risk assessment. Each individual effect may be minor, but their combined impact over time can become significant, on the basis of scientific concerns and/or concerns from affected communities. (i.e. incremental contribution of gaseous emissions to an airshed, reduction of water flows in a watershed due to multiple withdrawals, etc.)</li> <li>d. <b>Social and cultural area of influence:</b> Customary territories, seasonal-use areas and rights-based lands of Indigenous Peoples, whether or not they currently reside within the physical area of influence, whose livelihoods, spiritual and cultural values, or traditional practices may be affected.</li> </ul> <p>Note 1: The general area of influence defined for the certification scope (see 2.1) may be broader than the area of influence applied for specific impact. For example, the area of influence for a human rights impact assessment might not incorporate all biological impacts. This scope will vary according to an Entity's size, location, activities and risks being considered.</p> <p>Note 2: Some activities and related impacts/risks in an area of influence may not be under the control of the Entity. However, where required by these criteria, these risks shall still be assessed by the Entity and the Entity should use its leverage to mitigate impacts to the greatest extent possible (in line with the <i>UN Guiding Principles on Business and Human Rights</i>).</p> <p>Note 3: <b>Associated facilities</b> which are part of an Entity's area of influence but not under the Entity's control are not part of the certification scope. In other words, the activities and related impacts/risks of associated facilities which are not under the Entity's control are not factored into determining the Entity's conformance with ASI Standards</p> <p><i>Amended PS V3 definition</i></p> |
| <b>Associated facilities</b> | <p>Facilities that may or may not be funded as part of the project (funding may be provided separately by a client or a third party including the government), and whose viability and existence depend exclusively on the project and whose goods or services are essential for the successful operation of the project.</p> <p><i>Adapted from IFC Performance Standard 1: 2012. See also 'Area of influence'.</i></p> <p><i>Same as PS V3 definition</i></p>  |
| <b>Bauxite residue</b>       | <p>A residual waste generated in the Bayer process for alumina refining from bauxite ore. It is mainly composed of iron oxides, titanium oxide, silicon oxide and undissolved alumina, together with a wide range of other oxides which will vary according to the country of origin of the bauxite. (Adapted from IAI (2022) Bauxite Residue Management Guidance)</p> <p><i>Same as PS V3 definition</i></p>  |
| <b>Biodiversity</b>          | <p>The variability among living organisms from all sources including, inter alia, terrestrial, marine and other aquatic ecosystems and the ecological complexes of which they are part: this includes diversity within species, between species and of ecosystems. (Convention on Biological Diversity).</p> <p><i>Same as PS V3 definition</i></p>  |
| <b>Biodiversity offsets</b>  | <p>Measurable conservation outcomes resulting from actions designed to compensate for significant residual adverse biodiversity impacts arising from project development and persisting after appropriate avoidance, minimisation, and restoration measures have been taken. These measurable conservation outcomes must be demonstrated on-the-ground, and on an appropriate geographic scale. (IFC Performance Standard 6).</p> <p><i>NEW – not defined in PS V3</i></p>   |

| Term                                     | Draft Definition for PS V4  |
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| <b>Biodiversity management plan</b>      | <p>A strategic, long-term site-specific document that translates biodiversity risk and impact finding into a coherent programme of actions, resources and monitoring to address these risks and impacts. It should define parties responsible for an action, monitoring and/or verification requirements of an action, and an implementation schedule or frequency for an action. It should include all steps involved in the mitigation hierarchy (avoidance, minimisation, remediation, and offsetting). The biodiversity management plan or equivalents are operational tools for site managers and contractors, with focus on on-site mitigation measures. (adapted from IFC Performance Standard 6 Guidance Note)</p> <p>Note that a biodiversity management plan does not need to be a standalone plan, it can be integrated into a single management plan or environmental management system.</p> <p><i>NEW – not defined in PS V3</i></p>   |
| <b>Biodiversity mitigation hierarchy</b> | <p>A structured, stepwise framework used to manage and reduce negative impacts on biodiversity associated with projects. The hierarchy consists of four sequential steps:</p> <ul style="list-style-type: none"> <li>• Avoidance – Measures to prevent adverse impacts on biodiversity from occurring in the first place. This involves careful project planning and design to steer clear of sensitive or high-value biodiversity areas,</li> <li>• Minimization – When impacts cannot be fully avoided, steps are taken to reduce the intensity, duration, or extent of impacts of the project. This includes adopting best management practices from a skilled professional with ecological field knowledge and operational controls.</li> <li>• Restoration – Actions aimed at rehabilitating or restoring ecosystems and habitats that have been degraded or disturbed by project activities to their natural or agreed-upon state.</li> <li>• Offsetting/Compensation – As a last resort, when residual impacts remain after avoidance, minimization, and restoration, biodiversity offsets are implemented to compensate for unavoidable losses by achieving measurable conservation outcomes elsewhere, aiming for “no net loss” or preferably “net gain” of biodiversity</li> </ul> <p>(Business and Biodiversity Offsets Programme (BBOP), 2012). <i>NEW – not defined in PS V3</i></p> |
| <b>Carbon debt</b>                       | <p>Atmospheric accumulation of (global/country/corporate-level) emissions that are emitted after depletion of the (global/country/corporate-allocated) share of the global carbon budget. The aluminium sector has a global carbon budget of around 15 Gt CO<sub>2</sub>e, which at present rates of sectoral emissions will be depleted in 10-15 years. For given Entities, depletion of their allocated share will occur sooner or later than that date and may already have happened.</p> <p><i>NEW – not defined in PS V3</i></p>   |
| <b>Carbon footprint</b>                  | <p>A measure of total GHG emissions (expressed as CO<sub>2</sub>e) released to the atmosphere as a result of the production of a given product or set of products, usually normalised by mass (reference unit).</p> <p><i>NEW – not defined in PS V3</i></p>  |
| <b>Circular pathways</b>                 | <p>Processes and strategies designed for extending resource use to reduce waste in a closed loop system. Products, components, and materials can cycle through various stages of use and reuse instead of following the linear model of “take, make, dispose”.</p> <p><i>NEW – not defined in PS V3</i></p>   |
| <b>Climate risk management</b>           | <p>A framework that seeks to anticipate, avoid and prevent all types of climate risks as well as to absorb remaining impacts from extreme weather events and slow-onset changes. Comprehensive climate risk management aims to address and reduce the negative consequences of climate change through emissions reduction, adaptation, and the management of residual climate risks via instruments such as climate risk financing.</p> <p><i>NEW – not defined in PS V3</i></p>  |
| <b>Climate transition plan</b>           | <p>A time-bound action plan which supports a strategy to align with the latest and most ambitious climate science recommendations, clearly outlines how an organization will adapt its existing assets, operations, and entire business model and demonstrates that the business model will remain relevant in a net zero economy. The Plan will incorporate, at a minimum, elements related to governance, strategy, risk-management and metrics &amp; short-, mid- and long-term targets.</p>   |

| Term                                   | Draft Definition for PS V4  |
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|  | <i>NEW – not defined in PS V3</i>   |
| <b>Collective bargaining</b>           | A process through which employers (or their organisations) and Workers’ associations (or in their absence, freely designated Workers’ representatives) negotiate terms and conditions of work. ( <i>Adapted from ILO/IFC Better Work – Guidance Sheet – Freedom of Association</i> )<br><i>Same as PS V3 definition</i>   |
| <b>Complaints resolution mechanism</b> | A formal process that can be used by individuals, Workers, Communities and/or civil society organisations to raise concerns about business activities and operations as a means of access to remedy. (Adapted from Human Rights and Grievance Mechanisms). This term can be used interchangeably with ‘Grievance Mechanism’<br><i>Same as PS V3 definition</i>  |
| <b>Consultation</b>                    | Effective consultation is a two-way process that should:<br><ul style="list-style-type: none"> <li>(i) begin early in the process of identification of environmental and social risks and impacts and continue on an ongoing basis as risks and impacts arise;</li> <li>(ii) be based on the prior disclosure and dissemination of relevant, transparent, objective, meaningful and easily accessible information which is in a culturally appropriate local language(s) and format and is understandable to Affected Communities;</li> <li>(iii) focus inclusive engagement on those directly affected as opposed to those not directly affected;</li> <li>(iv) be free of external manipulation, interference, coercion, or intimidation;</li> <li>(v) enable meaningful participation, where applicable; and</li> <li>(vi) be documented.</li> </ul> <p>Note 1: The consultation process should allow for input from those consulted to help define the priorities for consultation, based on the issues and impacts considered most important from their perspectives. This can be factored into the consultation processes and plans as referenced throughout the ASI standards.</p> <p>Reference: IFC, definition of consultation<br/> <i>Significantly amended PS V3 definition, which was “Engagement with parties external to the Entity (Affected Populations and Organisations) and Workers”</i></p> |
| <b>Critical habitats</b>               | Critical habitats are areas with high biodiversity value, including (i) habitat of significant importance to Critically Endangered and/or Endangered species; (ii) habitat of significant importance to threatened categories of species under IUCN Red List; (iii) habitat supporting globally significant concentrations of migratory species and/or congregatory species; (iv) highly threatened and/or unique ecosystems; and/or (v) areas associated with key evolutionary processes (IFC Performance Standard 6)<br>When assessing whether it is 'relevant', refer to the IFC PS 6 Guidance Notes 70-83. Note that in some situation, some endemic species are not on an official red list and need to be identified by the Indigenous Peoples representatives.<br><i>NEW – Not defined in PS V3</i>  |
| <b>Customary law</b>                   | Customary law is a set of customs, practices and beliefs that are accepted as obligatory rules of conduct by Indigenous Peoples and local communities. Customary law forms an intrinsic part of their social and economic systems and way of life inherited from generation to generation.<br><i>Same as PS V3 definition</i>   |
| <b>Discrimination</b>                  | Where people are treated differently because of certain characteristics – such as race, ethnicity, caste, social or national origin, disability, gender (or gender expression), sexual orientation, Labour Union membership, political affiliation, marital status, pregnancy status, physical appearance, age, medical condition (including HIV status), health status or any other characteristic associated with personal identity or descent or any other status protected by applicable law – which results in the impairment of equality of opportunity and treatment. ( <i>Adapted from Betterwork Discrimination Guidance</i> )<br><i>Amended PS V3 definition, modified slightly with a few additions of examples</i>  |
| <b>Due diligence</b>                   | An ongoing, proactive and reactive process through which companies  |

| Term   | Draft Definition for PS V4   |
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|  | <p>can identify and assess risks, and design and implement a strategy to respond to identified risks. (Adapted from OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict Affected and High-Risk Areas).<br/><i>Same as V3 definition</i></p>  |
| <p><b>Ecosystem services (including priority ecosystem services)</b></p> | <p>The benefits that people, including businesses, derive from ecosystems. They are organised into four types:</p> <ol style="list-style-type: none"> <li>Provisioning services, which are the products people obtain from ecosystems;</li> <li>Regulating services, which are the benefits people obtain from the regulation of ecosystem processes;</li> <li>Cultural services, which are the nonmaterial benefits people obtain from ecosystems;</li> <li>Supporting services, which are the natural processes that maintain the other services.</li> </ol> <p><i>Same as PS V3 definition, adapted from International Finance Corporation (IFC) Guidance Note 6 on Biodiversity Conservation and Sustainable Management of Living Natural Resources</i></p> <p>Priority ecosystem services are a subset of ecosystem services and are two-fold: (i) those services on which project operations are most likely to have an impact and, therefore, which result in adverse impacts to affected communities; and/or (ii) those services on which the project is directly dependent for its operations (e.g., water). When affected communities are likely to be impacted, they should participate in the determination of priority ecosystem services (IFC PS 6).<br/><i>Same as PS V3 definition, now incorporated into the broader definition of ecosystem services</i></p>   |
| <p><b>Emissions removals</b></p>   | <p>Activities that remove and sequester carbon dioxide from the atmosphere and durably store the carbon in geological, terrestrial, or ocean reservoirs, or in products. (Adapted from <u>IPCC AR6 WGIII report, Chapter 12, Box 8</u>).<br/><i>NEW – not defined in PS V3</i></p>   |
| <p><b>Entity</b></p>   | <p>A business or similar which is under the ownership or control of an ASI Member. An Entity can constitute part or whole of an ASI Member. In relation to the application of the Performance Standard, the Entity seeks or holds ASI Certification and is responsible for implementation of the Performance Standard in the defined certification scope.<br/><i>Same as PS V3 definition</i></p>  |
| <p><b>Free, Prior, and Informed Consent (FPIC)</b></p>                   | <p>Given the diversity of Indigenous Peoples’ histories and contemporary realities, as well as their broad range of institutions and decision-making practices, a one-size-fits-all formulation of FPIC is not possible. As has been elaborated on by UN bodies addressing Indigenous Peoples’ rights, there are a number of overarching principles which are embodied in the four component parts of the requirement for FPIC.</p> <ul style="list-style-type: none"> <li>“Free” implies consent is sought in the absence of any actual or perceived coercion, intimidation or manipulation and Indigenous Peoples can determine the format of the Consultations. Free also reflects the fact that participating in Consultations aimed at obtaining their FPIC is a self-determination right of Indigenous Peoples, rather than an obligation which they must meet.</li> <li>“Prior” implies consent is sought sufficiently in advance of any decisions or actions which may impact on Indigenous Peoples’ enjoyment of their rights and that Indigenous Peoples have the time they need to make their decisions in accordance with their own processes and through their own freely chosen representatives and institutions.</li> <li>“Informed” implies that there is full disclosure of all the information Indigenous Peoples need in order to meaningfully assess the potential risks and benefits of the project (including its location, duration, scope, impacts, benefits and/or partnership models). This information has to be provided in a format understandable to, and through a process agreed by, the concerned Indigenous Peoples. This may involve participation in, or Indigenous Peoples conduct of, impact assessments, access to funding for independent technical and legal advice, and negotiations in relation to benefits.</li> <li>“Consent” implies respect by all parties, irrespective of the outcome, for the freely taken informed autonomous decision of Indigenous Peoples. This decision should be the outcome of good faith rights-based Consultations and cooperation with the concerned Indigenous Peoples. It should be taken by them in accordance with procedures and timeframes of their own choosing and be</li> </ul> |

| Term                      | Draft Definition for PS V4   |
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|                           | <p>premised on Indigenous rights-based principles of self-determination, inclusivity, consensus, harmony and intergenerational well-being.</p> <p><i>(Adapted from Mining, the Aluminium Industry and Indigenous Peoples, 2015 – developed through the ASI Indigenous Peoples Advisory Forum).</i></p> <p><i>Same as PS V3 definition</i></p>  |
| <b>GHG pathway</b>        | <p>An Entity-level and aluminium value chain specific 1.5 degree aligned emission reduction slope or slopes, aligned with sector-wide pathways and currently assessed via the ASI Method, derived from the IAI 1.5-degree scenario (1.5SDS) and broadly aligned with the IEA Net Zero Emissions Scenario (NZE).</p> <p><i>NEW – not defined in PS V3</i></p>   |
| <b>Human rights</b>       | <p>Universal rights and freedoms regarding as belonging to all people without discrimination based on internationally recognised standards. At a minimum, these include rights articulated in the International Bill of Human Rights, the ILO Declaration of Fundamental Principles and Rights at Work and Applicable Law. (Adapted from UN Office of the High Commissioner on Human Rights).</p> <p><i>Same as PS V3 definition</i></p>   |
| <b>Impact assessment</b>  | <p>The process of identifying, predicting, evaluating and mitigating the biophysical, social and other relevant effects of development proposals prior to major decisions being taken and commitments made. (Adapted from International Association of Impact Assessments)</p> <p><i>NEW – not defined in PS V3</i></p>  |
| <b>Indigenous Peoples</b> | <p>The UN system has developed a modern understanding of this term based on the following factors, which ASI has adapted in line with recent literature:</p> <ul style="list-style-type: none"> <li>• Self-identification as a distinct collectivity<sup>1</sup> at the individual level and accepted by the community as their member</li> <li>• Historical continuity with a specific region before or at the time of conquest or colonisation or the establishment of present state boundaries<sup>2</sup></li> <li>• Strong link to territories, surrounding natural resources and connection to land</li> <li>• Distinct social, economic or political systems</li> <li>• Distinct language, culture and beliefs</li> <li>• From non-dominant groups of society</li> <li>• Resolve to maintain and reproduce their ancestral environments and systems as distinctive peoples and communities.</li> </ul> <p>Not all factors are required to determine ‘Indigeneity’<sup>3</sup>. In the scope of the ASI Standards, Indigenous Peoples also include specific people and communities that would otherwise meet these attributes, except they do not use the term ‘Indigenous’. This concept is embedded under <i>ILO 169: Indigenous and Tribal Peoples Convention</i>, with reference to tribal people, and under international human rights law jurisprudence, using other terms.</p> <p>Key references: ILO 169: Indigenous and Tribal Peoples Convention: 1989, Understanding the ILO Indigenous and Tribal Peoples Convention, 1989 (No.169), A tool for judges and legal practitioners, published by ILO in 2021</p> <p><i>Amended PS V3 definition – first bullet adjusted to self-identification ‘as a distinct collectivity’ rather than ‘as Indigenous Peoples’ to address groups that would be characterised as Indigenous but do not associate with this terminology (see footnote reference). Minor amendments to bullet point 2 and 3 and additional references added below bullets.</i></p> |

<sup>1</sup> Evolution of Standards concerning the rights of Indigenous Peoples, Working paper by the Chairperson-rapporteur, Mrs. Erica-Irene A. Daes, on the concept of "indigenous people, UN Economic and Social Council, 14th Session, 1996, para. 69. Available at: <https://digitallibrary.un.org/record/236429?ln=en&v=pdf>

<sup>2</sup> ILO Convention 169

<sup>3</sup> The Chairperson-Rapporteur of the Working Group on Indigenous Populations stressed that these factors do not, and cannot, constitute a comprehensive definition of the Working Group on Indigenous Populations. Source: Evolution of Standards concerning the rights of Indigenous Peoples, Working paper by the Chairperson-rapporteur, Mrs. Erica-Irene A. Daes, on the concept of indigenous people, UN Economic and Social Council, 14th Session, 1996, para 70.

| Term   | Draft Definition for PS V4  |
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| <b>Legacy impacts (impacts from legacy operations)</b> | <p>Significant impacts which historically occurred at the facility that have not been remediated and are still impacting affected communities or other stakeholders. These may be impacts that occurred: 1) prior to certification against the ASI Performance Standard, and/or 2) prior to the current owner purchasing the facility, and/or 3) in the establishment of the facility. Legacy impacts may have occurred many years prior; there is no ‘cutoff’ at which legacy impacts meeting the above requirements are not to be considered.]</p> <p><i>Same as PS V3 definition – minor updates to align wording &amp; linked concept of ‘Historic Aluminium Operations’ has been removed</i></p>   |
| <b>Living wage</b>                                     | <p>The remuneration received for a standard workweek by a worker in a particular place, sufficient to afford a decent standard of living for the worker and their family. Elements of a decent standard of living include food, water, housing, education, healthcare, transportation, clothing, and other essential needs including provision for unexpected events (Source: Global Living Wage Coalition).</p> <p><i>NEW – not defined in PS V3</i></p>   |
| <b>Lower carbon primary aluminium</b>                  | <p>Undefined globally, but in the context of the ASI Performance Standard V4, set at 5 t CO<sub>2</sub>e/t Al, measured at the output of the electrolytic process (liquid aluminium tapped from pots) using the <a href="#">IAI Good Practice for Calculation of Primary Aluminium and Precursor Product Carbon Footprints v2 (2021)</a>.</p> <p><i>NEW – not defined in PS V3</i></p>  |
| <b>Material (risk or topic)</b>                        | <p>Risks or topics that represent the Entity’s significant impacts on the economy, the environment, and people, including impacts on human rights (adapted from GRI definition)</p> <p><i>Amended PS V3 definition.</i></p>   |
| <b>Net zero</b>  | <p>A global economy-wide atmospheric state in which the amount of carbon dioxide (CO<sub>2</sub>) and other greenhouse gases emitted into the atmosphere in a given period is balanced with the same amount removed, effectively cancelling them out. (Adapted from <a href="#">IEA Net Zero Emissions by 2050 Scenario</a>)</p> <p><i>NEW – not defined in V3</i></p>  |
| <b>New projects or major changes</b>                   | <p>A <u>new project</u> refers to a new facility that has been constructed since a Member has joined ASI. A <u>major change</u> refers to a significant change to an existing facility that has occurred since a Member has joined ASI. This would be a change that may have a material risk to the environment or human rights that was not evaluated, or that changes the situation compared to a previous impact assessment.</p> <p><i>Same as PS V3 definition</i></p>  |
| <b>Overtime</b>  | <p>The hours worked in addition to those in the normal work week and which should be voluntary. (Adapted from <a href="#">Responsible Jewellery Council Code of Practices 2013</a>)</p> <p><i>Same as PS V3 definition</i></p>  |
| <b>Plan (management plan)</b>                          | <p>A document/framework detailing how particular aspects of a project or operation will be managed. Its aim is to manage risks, ensure implementation of measures, set targets, monitor progress and adapt as needed to changing conditions. A management plan would typically include the following components (non-exhaustive): objectives and scope, specific actions and timelines, roles and responsibilities, targets, and monitoring approach.</p> <p>Note 1: Throughout the ASI Standards, where a (management) plan is mentioned, it is expected that the plan will be reviewed regularly and updated as required. Review frequency should be at least every five years (or more often if triggered by a control gap or business change). If a different review cycle is required, this will be specified in the text</p> <p><i>NEW – not defined in PS V3. This embeds the concept of regular reviews into the notion of management plans, rather than having this duplicated under numerous criteria</i></p> |
| <b>Policy</b>  | <p>An organisation’s intentions and direction, as formally expressed by its top management.</p> <p><i>Amended PS V3 definition</i></p>  |

| Term                        | Draft Definition for PS V4   |
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| <b>Post-consumer scrap</b>  | <p>Material containing aluminium recovered from a consumer or commercial product that has been used for its intended purpose by individuals, households or commercial, industrial and institutional facilities as end-users of the product, which can no longer be used for its intended purpose (Adapted from ISO 14021:2016).</p> <p><i>Same as PS V3 definition</i></p>   |
| <b>Pre-consumer scrap</b>   | <p>Material containing aluminium that is diverted from the waste stream from a manufacturing process or similar, in which the material has not been intentionally produced, is unfit for end use and not capable of being reclaimed within the same process that generated it (Adapted from ISO14021:2016).</p> <p><i>Same as PS V3 definition</i></p>   |
| <b>Protected areas</b>      | <p>A clearly defined geographical space, recognised, dedicated and managed, through legal or other effective means, to achieve the long-term conservation of nature with associated ecosystem services and cultural values, which:</p> <ol style="list-style-type: none"> <li>Aligns with the definition within IUCN’s classification of protected area management categories (Ia: Strict nature reserve, Ib: Wilderness area, II: National park, III: Natural monument or feature, IV: Habitat/species Management Area, V: Protected landscape/seascape, VI: Protected area with sustainable use of natural resources)</li> <li>may be evidenced by inclusion in the UNEP-WCMC World Database on protected Areas. is under designation under national or sub-national law (even if not yet listed in the WDPA).</li> <li>Where scientific surveys are incomplete, the absence of records in local, national or international databases shall not be taken to imply low conservation value, the Entity shall apply a precautionary approach, using community-validated knowledge or participatory mapping until status is clarified.</li> </ol> <p><i>Amended PS V3 definition to align with UNEP-WCMC/IUCN framing, adding legal recognition, precautionary provisions, and mention of national and sub-national law. V3 definition: Geographically defined area which is designated or regulated and managed to achieve specific conservation objectives. (Convention on Biological Diversity Article 2)</i></p> |
| <b>Product design</b>       | <p>(in the context of circularity) Process for defining a product’s characteristics, including material selection, durability, reparability, and recyclability. It integrates circularity principles like modularity and ease of disassembly to enable closed-loop systems.</p> <p><i>NEW – not defined in PS V3</i></p>   |
| <b>Product development</b>  | <p>(in the context of circularity) Process for translating design into reality, covering prototyping, testing, and process optimization. It ensures sustainable design choices are implemented through efficient manufacturing, resource use, and supply chain integration.</p> <p><i>NEW – not defined in PS V3</i></p>   |
| <b>Public disclosure</b>    | <p>Information is considered publicly disclosed when it is published on an Entity’s website and can be accessed through a simple search, without the need to register or login.</p> <p>Note 1: Publicly disclosed information is accessible for the full duration of the certification.</p> <p>Note 2: Information that is provided to stakeholders only on request would not meet the definition of public disclosure</p> <p><i>NEW – not defined in PS V3</i></p>  |
| <b>Qualified specialist</b> | <p>An individual, who may be either internal or external to the organisation, who has specific knowledge or expertise in the relevant subject area. Knowledge or expertise may be through relevant experience and should be correlated with the scale and scope of the project.</p> <p>An individual, who may be either internal or external to the organisation, who has specific knowledge or expertise in the relevant subject area. Knowledge or expertise may be through relevant experience and should be appropriate to the scale and scope of the project. Qualified specialists may also include Indigenous Peoples.</p> <p><i>Amended PS V3 definition</i></p>   |

| Term   | Draft Definition for PS V4  |
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| <b>Responsible Business Conduct (RBC) issues</b> | Human rights, including workers and industrial relations, environment, bribery and corruption, disclosure, and consumer interests.<br><i>NEW – not defined in PS V3</i>   |
| <b>RBC risk categories</b>                       | Any actual or potential environmental, social, health and safety, and governance risk related to the risk categories listed in Table 1. The RBC risk categories are not intended to be an exhaustive list but rather guidance on where the Facility should focus. The actual or potential RBC risks identified by the Facility, will be a function of the nature and scale of its supply chain activities, and prioritization based on associated likelihood of occurrence and severity of outcomes, including potential adverse impacts on associated stakeholders.<br><i>NEW – not defined in PS V3</i>   |
| <b>Rightsholder</b>                              | Persons and/or groups vested with collective rights (e.g., Indigenous Peoples) that have their human rights put at risk or impacted by a project or its associated activities. For example, individuals living in an affected community whose only water source has been impacted by an extractive operation may be rightsholders. Workers facing discrimination in the workplace may also be rightsholders.<br><i>Same as PS V3 definition</i>   |
| <b>Risk assessment</b>                           | A systematic process to identify potential events or changing circumstances whose outcomes are uncertain and evaluate the likelihood of their occurrence. Its purpose is to identify and mitigate potential risks, and its outcome is a risk register with mitigation strategies (aligns with ISO definition of 'risk').<br><i>NEW – not defined in PS V3</i>   |
| <b>Rehabilitation</b>                            | Rendering a mine or mined area safe, stable and non-polluting in the long term, taking into account beneficial uses of the site and surrounding land (sometimes referred to as reclamation).<br><i>Amended PS V3 definition of 'mine rehabilitation' with minor adjustments</i>   |
| <b>Resource</b>                                  | (in the context of circularity) it refers specifically to materials. This includes inputs (e.g. raw materials) and outputs (e.g. waste[d] materials) for the production of aluminium-containing products and excludes land, water, and energy (which are addressed in other impact areas of the ASI Standard). Materials include but are not limited to: 1) non-energy biomass (e.g. crops for materials, wood for energy and industrial uses); 2) non-energy fossil fuels (e.g. coal, gas, oil used as feedstocks, not fuel); 3) Metals (e.g. aluminium, copper, iron); 4) Non-metallic minerals (e.g. sand, gravel, limestone). These may be: virgin (primary materials extracted from nature) or recovered or recycled (secondary materials re-entering the Entity). Entities should consider both: Stock – the total volume or quantity of materials available/used and Flow – how efficiently materials are used, recovered, or cycled over time.<br><i>NEW – not defined in PS V3</i> |
| <b>Significant spill</b>                         | A significant spill is generally defined as an uncontrolled release of a substance, often hazardous, that requires specialized equipment, personnel, or work areas to manage and clean up. It often involves a larger volume than a minor spill and may pose a greater risk to health and the environment. The specific threshold for what constitutes a "significant" spill can vary based on the substance, its properties (e.g., toxicity, flammability), and the location of the spill.<br><i>Amended PS V3 definition, with more specificity</i>   |
| <b>Significant impact</b>                        | <i>[In the context of impacts relating to affected communities, including Indigenous Peoples, where relevant, see Section 7]:</i><br>Actual or potential impacts on people or the environment over the short, medium or long term, whereby the determination of significance is based on:<br>a. Input from affected communities on what they consider significant (including Indigenous Peoples, where relevant)<br>b. Consideration of the following factors (non-exhaustive)<br><ul style="list-style-type: none"> <li>• Scope: Size of the area affected</li> <li>• Duration: length of impacts, temporary vs long lasting</li> <li>• Magnitude: strength/intensity of impact</li> </ul>   |

| Term                             | Draft Definition for PS V4  |
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|                                  | <ul style="list-style-type: none"> <li>• Irreversibility: can the impact be reversed</li> <li>• Potential: likelihood of occurrence</li> <li>• Vulnerability/Sensitivity: the degree to which the community or ecosystem is susceptible to harm</li> <li>• Cultural importance: whether the impact strikes at core cultural or identity pillars</li> <li>• Livelihood/resource dependency: how reliant the group is on affected resources</li> <li>• Equity of impact: whether subgroups (e.g. elders, women, youth) face disproportionate harm</li> <li>• Ability to adapt: how much the community can adapt, mitigate, or resist the change</li> <li>• Cumulative: combined effects with other projects or external stressors</li> </ul> <p>(Key references: UNGPs, IFC Performance Standard 1)</p> <p><i>NEW – not defined in PS V3</i></p>  |
| <b>Stakeholders</b>              | <p>Persons or groups who are directly or indirectly affected by a project and its <u>associated facilities</u>, as well as those who may have interests in a project and/or the ability to influence its outcome, either positively or negatively. From a due diligence perspective impacted stakeholders will be the priority for engagement and may include but are not limited to: workers (including local and migrant workers) and labour unions, landowners and other resource users, governments (local, regional and national), civil society organisations, including environmental and community-based organisations and local human rights defenders</p> <p>Additionally, interested stakeholders that may be important for meaningful engagement can include: Industry peers, investors/shareholders, business partners, the scientific community, the media, and ecosystems and biodiversity features (represented by advocates) (Derived from the OECD Due Diligence Guidance for Meaningful Stakeholder Engagement in the Extractives Sector)</p> <p><i>Same as PS V3 definition</i></p> |
| <b>Workers</b>                   | <p>Includes employees (individuals who have entered into or who work under a contract of employment or a contract of service or apprenticeship, whether express or implied and whether oral or in writing, or as defined by applicable law); and contractors (an individual, company or other legal entity that carries out work or performs services pursuant to a contract for services). For the avoidance of doubt, workers include migrant workers. (Adapted from Responsible Jewellery Council Code of Practices 2013)</p> <p><i>Same as PS V3 definition</i></p>   |
| <b>World Heritage properties</b> | <p>Sites established under the UNESCO World Heritage Convention of 1972.</p> <p>Note: ASI's Criteria aligns with the International Council on Mining and Metals (ICMM) 2003 Position Statement on Mining and Protected Areas. (International Council on Mining and Metals, 2003)</p> <p><i>Same as PS V3 definition</i></p>   |