Aluminium Stewardship Initiative (ASI): Implementation and Impact

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About the Presenter

• Dr Fiona Solomon, Chief Executive Officer

• Fiona is CEO of the Aluminium Stewardship Initiative (ASI) with responsibility for leading the development and implementation of ASI’s strategy. Her career has specialised in building new and innovative initiatives in mineral supply chains over more than twenty years. She has a Bachelors in mechanical engineering, a PhD in philosophy of technology and is a Graduate of the Australian Institute of Company Directors.

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ASI Vision and Mission

Vision
To maximise the contribution of aluminium to a sustainable society.

Mission
To recognise and collaboratively foster responsible production, sourcing and stewardship of aluminium.
ASI – a brief history

2009 Multi-stakeholder group on ‘responsible aluminium’
2011 Agreement to develop ASI work program
2014 IUCN hosted project concludes with draft Standards
2015 ASI incorporated and formal program development commences
2016 First AGM, Constitution adopted
2017 Launched full ASI Certification program in December
2018 First ASI Certifications, ISEAL Alliance Member
... 2021 150+ ASI members, 100+ Certifications – strong momentum
ASI membership 2014-2021 (data to Jan 2021)

See current member list at: https://aluminium-stewardship.org/about-asi/current-members/
ALUMINIUM STEWARDSHIP INITIATIVE (ASI) STRATEGY – 2021

ASI'S MISSION, MISSION AND VALUES

Our vision is to maximise the contribution of aluminium to a sustainable society.

Our mission is to recognise and collaboratively foster responsible production, sourcing and stewardship of aluminium.

Our values include:

- Being inclusive in our work and decision making processes by promoting and enabling the participation of representatives of all relevant stakeholder groups.
- Encouraging uptake throughout the bauxite, alumina and aluminium value chain, from mine to downstream users.
- Advancing material stewardship as a shared responsibility in the lifecycle of aluminium from extraction, production, use and recycling.

ASI'S OBJECTIVES

ASI's Constitution defines our objectives as:

- To define globally applicable standards for sustainability performance and material chain-of-custody for the aluminium value chain.
- To promote measurable and continual improvements in the key environmental, social and governance impacts of aluminium production, use and recycling.
- To develop a credible assurance and certification system that both mitigates the risks of non-conformity with ASI standards and minimises barriers to broad scale implementation.
- To become and remain a globally valued organisation advancing programs for sustainability in the aluminium value chain, which is financially self-sustaining and inclusive of stakeholder interests.

STRATEGIC PILLARS

ASI sets annual objectives under four strategic pillars, which have successfully set the foundation for our long-term Strategy.

- EFFECTIVE GOVERNANCE
- CREDIBLE PROGRAM
- GROWING MEMBERSHIP
- FINANCIAL RESILIENCE

2021 PRIORITIES

CONTINUE
- Standards Revision process
- Full ISEAL compliance
- Digitising workflows and data access
- Good financial reserves

ENHANCE
- Team bandwidth and ASI resilience
- Prepare for 2022 rollout
- Partnerships and harmonisation
- Lead ‘beyond certification’

COVID-SAFE
- ASI in-person meetings
- Outreach and engagement events
- Downstream and regional plans

Find out more about the ASI Theory of Change ➤

TMS2021 VIRTUAL • MARCH 15-18, 2021
www.tma.org/TMS2021 • #TMSAnnualMeeting
ASI THEORY OF CHANGE

ASI LONG-TERM GOALS

- Stakeholders increasingly invest in and/or reward improved practices and responsible sourcing for aluminium.
- Sustainability and human rights principles are increasingly embedded in aluminium production, use and recycling.
- Aluminium continues to improve its sustainability credentials.

ASI STRATEGIES

- ASI membership is inclusive
- Increasing uptake of certification by diverse businesses
- Relevant, practical and consistent assurance
- Continual improvement among certified entities
- Enhanced ability to leverage existing certifications

- Reduced climate change impact
- Enhanced waste management of upstream processing residues
- Enhanced biodiversity management
- Practices that implement business’ responsibility to respect human rights
- Increased material stewardship by all actors in the aluminium value chain

- ASI is recognised as a valuable initiative
- Society makes effective use of aluminium

SHORT-TERM OUTCOMES

MEDIUM-TERM OUTCOMES
Priority issues for ASI Standards

- Bauxite mining
- Alumina production
- Aluminium production
- Semi-fabrication
- Product manufacture and use
- Recycling

Biodiversity management
- Indigenous Peoples’ rights
- Greenhouse gas emissions for refining and smelting
- Bauxite residue, spent pot lining and dross

Material stewardship
Performance Standard: Overview

**Governance**
1. Business Integrity
2. Policy and Management
3. Transparency
4. Material Stewardship

**Environment**
5. Greenhouse Gas Emissions
6. Emissions, Effluents and Waste
7. Water
8. Biodiversity

**Social**
9. Human Rights
10. Labour Rights
11. Occupational Health and Safety
Chain of Custody Standard: Overview

**General CoC Management**
1. Management System and Responsibilities
2. Outsourcing Contractors

**Confirming Eligible Input**
3. Primary Aluminium
4. Recycled Aluminium
5. Casthouses
6. Post-Casthouse
7. Due Diligence

**CoC Accounting, Documentation & Claims**
8. Mass Balance Percentage System
9. Issuing CoC Documents
10. Receiving CoC Documents
11. Market Credits System
12. Claims and Communications
ASI Certified Members through the aluminium value chain
(November 2020)
ASI Certification by country (data to Dec 2020)

INCIDENCE OF COUNTRIES OF OPERATION IN CERTIFICATION SCOPE FOR ALL ASI CERTIFICATES
ASI – success factors

- Proactive rather than reactive
- Multi-stakeholder from inception
- Whole of supply chain approach
- Early focus on governance model to set foundation
- Rigorous approach to program development
- Tailored to risks/materiality for aluminium
- Uptake is B2B driven
- Focus on innovation, including through digital investment
ASI – challenges/opportunities ahead

- Scaling up (rapidly) – particularly ASI team, systems
  - Contributing to change ‘beyond certification’
- Meeting but also managing stakeholder expectations
  - Increasing ‘harmonization’ work across multiple standards and programs
  - Increasing non-English speaking outreach and implementation support
- Expanding community-level engagement, particularly through ASI’s Indigenous Peoples Advisory Forum (IPAF)
Responsible sourcing – communities and consumers

Guinea: Local communities filed a complaint against the World Bank for financing destructive bauxite mine

Waste and circular economy

Plastic bottles vs aluminum cans: Who'll win the global water fight?

Community and NGO concerns

Consumer differentiation
Responsible sourcing – markets and investments

**Conflict-affected and high-risk areas (OECD)**

**LME SETS OUT RESPONSIBLE SOURCING REQUIREMENTS**

25 October 2019

**Low carbon**

Green Aluminum, Coming Soon to a Metals-Trading Desk Near You

There's potential for a separate, premium market in metal that claims 'clean' status

Reuters

London Metal Exchange plans low carbon aluminum platform

**Technology and investment**

Apple involved in 'carbon-free' aluminium smelting with Rio Tinto, Alcoa, and Canadian governments

Sirs, show me a CA$68 million joint venture that's well outside Apple's usual activities

China pledges to become carbon neutral before 2060

Unexpectedly forthright pledge will boost UN efforts to galvanise action on climate crisis
Taking a comprehensive approach

- Breadth of issues addressed
- Sustainability topics are inter-related
- Value of cross-industry learnings
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ASI Website
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