



## **Horizon Zero – Aluminum Sector Working Group**

### **Terms of Reference July 2022**

We have entered the decisive decade for our planet, one that will determine our ability to decarbonize the economy and ensure the planet can maintain a livable climate. To hit ambitious decarbonization targets, we need to quickly develop systems to make greenhouse gas (GHG) emissions visible and traceable across supply chains — starting with the highest-emitting industrial sectors.

RMI's Horizon Zero project aims to improve the quality and traceability of supply chain GHG emissions data. We are creating a GHG accounting framework to measure emissions at the product level and developing the technical architecture to effectively track emissions as they move through the value chain. Creating the tools for companies to understand their Scope 3 emissions will accelerate the transition to net zero, and first movers will reap the benefits of taking action to meet the demands of an increasingly climate-conscious customer base.

The aluminum supply chain, responsible for 2 percent of global GHG emissions, is one of the targeted industrial sectors in the Horizon Zero project. Decarbonizing the aluminum sector relies heavily on low-carbon technology, electricity decarbonization, and end-of-life scrap collection and sorting. Horizon Zero will enable reliable tracking of aluminum product-level emissions data from raw material to final product to accelerate decarbonization.

To deliver on this vision, RMI is seeking collaboration from representatives of aluminum producers, aluminum buyers, industry associations, nonprofit organizations, and other relevant stakeholder groups to join this groundbreaking effort. At this critical stage, when time is of the essence and supply chain collaboration is crucial, we are convening and leveraging the collective knowledge of a Working Group of key stakeholders to advise aluminum sectoral work in Horizon Zero.

#### **OBJECTIVES:**

Horizon Zero is seeking Aluminum Sector Working Group members to provide expertise to inform the development of:

1. A harmonized aluminum sectoral GHG accounting guidance with a calculation tool for product- and asset-level emissions, and
2. Implementation guidance to provide actionable insights to aluminum buyers for accelerating sectoral decarbonization.

#### **BENEFITS TO PARTICIPANTS:**

- Participating organizations will be recognized as key stakeholders in the development of a globally harmonized product- and asset-level standard in our communication materials.
- Participating organizations will be a part of a sectoral impactful group that demonstrates the leading position in aluminum industry decarbonization.

#### **RESPONSIBILITIES OF PARTICIPANTS:**

The Aluminum Working Group participants will provide input and feedback based on their respective areas of expertise, including aluminum supply chain and GHG accounting. Participants are not expected to be experts in all areas but will contribute individual expertise into the collective group effort to effectively guide the aluminum sectoral work for the Horizon Zero project. The responsibilities include:

- Providing input/feedback on the technical concepts and interventions in the aluminum GHG accounting guidance such as boundary setting, split calculation, definition of scrap, etc.

- Providing input/feedback on the design of a product- and asset-level calculation tool on its functionality and feasibility.
- Providing insights/feedback on the design of the “Implementation Guidance” to translate the climate performance of products into actionable insights.
- Sharing relevant market trends, supply chain knowledge, practitioners’ perspectives, and other insights.
- Providing links with other target stakeholders to support partnership development.
- Participating in all meetings of the Aluminum Working Group; if not able to participate, providing requested input prior to or after the Group’s meeting, as requested by the group facilitator, RMI.
- Providing all input and feedback in a timely manner as indicated by the group facilitator, RMI.

## STRUCTURE AND GOVERNANCE:

- The Working Group will be composed of stakeholders representing the key perspectives of activating the climate differentiated aluminum product market, including aluminum producers (either ore-based or scrap-based production), aluminum buyers, and technical partners such as industry associations and nonprofit organizations.
- Technical partners convene every three weeks for one virtual meeting (approx. 1–2 hours) in Quarter 3, 2022.
- The Working Group convenes monthly for one virtual meeting (approx. 1–2 hours) in Quarter 4, 2022, and Quarter 1, 2023, when the objectives are achieved.
- RMI may invite individual participants for bilateral meetings as needed.
- Convened and facilitated by RMI.

## RESPONSIBILITIES OF RMI:

- Prepare the drafts of aluminum GHG accounting guidance, the calculation tool, and the “Implementation Guidance,” collect and manage members’ feedback/inputs, and revise the drafts to ensure the quality of final deliverables.
- Facilitate the Aluminum Working Group’s meetings to maximize use of individual members’ expertise, encourage participation of diverse voices, ensure efficient use of time and resources, and help reach industry consensus.
- Manage information sharing, planning, and communication to ensure effective operations of the Group and minimize time and resource burden for the Group’s participants.

## JOINING THE ALUMINUM WORKING GROUP:

We welcome and encourage participation in the Aluminum Working Group from a diverse set of actors coming from aluminum producers, buyers, nonprofit organizations, field practitioners, and other relevant bodies. To join, **please contact Hao Wu, Market Activation Manager** ([hwu@rmi.org](mailto:hwu@rmi.org)), or **Wenjuan Liu, Aluminum sector lead** ([wliu@rmi.org](mailto:wliu@rmi.org)). In your email, please provide a brief one to two paragraph description of your interest in joining and relevant background and expertise.