

3rd June 2024

Galina Angarova
Executive Director
SIRGE Coalition

Dear Ms Angarova

Further to your communications with IRMA regarding the Albemarle Audit conducted 22 December 2021 and 29 April 2022, and report released 20 June 2023, we have reviewed the points and questions raised, and provide our response below.

ERM CVS is a specialist Certification, Verification and Assurance body.

Our mission is:

- *To create trust and credibility in the reporting of sustainability performance, and drive continual improvement*

Our vision is:

- *We believe in a world where organizations hold themselves to the highest sustainability standards, turning their values into value for all*

ERM CVS became involved in the IRMA scheme because we recognized great congruence in our organizations mission and values, and because we felt our audit experience and expertise could support IRMA in the implementation of their standard, focused on improving social and environmental performance across the mining industry, which we fully support.

ERM CVS has worked closely with IRMA since the launch of the Responsible Mining Standard 001, and we have sought to support IRMA in the development and improvement of the scheme.

We are in regular dialogue with IRMA. IRMA raise topics to us, we also challenge and give feedback to IRMA, enabling IRMA to consider issues, provided guidance and give clarity on many topics.

We have recently provided feedback to IRMA on the draft of version 2 of the standard, and also attended the first “IRMA Certification Body Round Table meeting” to further improve lines of communication between the Certification bodies and IRMA.

In this regard, we hope you will consider us an engaged member of the IRMA community, who seek to contribute positively to the standards development and implementation.

We appreciate the comments and questions that you have provided to IRMA and assure you these have all been carefully reviewed.

We consider that you have raised 4 areas of concern:

- 1) Assessment considerations regarding National Laws
- 2) Auditor expertise and experience
- 3) Free, Prior and Informed Consent
- 4) The overall structure and approach of the assessment (stage 1 / stage 2)

The audit was conducted by competent and qualified auditors, and based on sampling, using the IRMA audit criteria as reference, interviewing people, reviewing documented information and observing activities. The outcome of this audit was reviewed by us and by IRMA, and the organisation achieved IRMA 50 Achievement Level under the IRMA framework.

However, we recognise the points that you have raised and confirm we are taking these points into consideration as we plan upcoming audits, with this and other clients. At the same time, we understand that IRMA is taking your feedback seriously to clarify and improve the standard and communicating with the Certification Bodies.

We are discussing the issues raised with IRMA and are committed to taking any action IRMA deem necessary, as the scheme continues to evolve.

1) Assessment considerations regarding National Laws

Certification Bodies may acknowledge legal action that is ongoing, however cannot take into account (from an audit reporting perspective) any legal action that may be in progress, that has not concluded.

This is because the Certification Body must remain neutral and must not 'assume the result of the legal action/case'. The Certification Body must remain aware of the legal action, and react accordingly.

We do however understand the points raised and we will discuss this topic with IRMA.

2) The competency and experience of the audit team

ERM CVS appreciates the opportunity to provide further information around the audit team. Our approach to putting together an audit team for IRMA audits is guided by IRMA Certification Body Requirements as well as ERM CVS's commitment to delivering technical excellence on every audit. For the IRMA audits, we typically use a five-person audit team, consisting of a lead auditor, two Environmental, Health & Safety auditors and two social auditors. They deliver a relevant number of audits days on site, proportional to the complexity and size of each client.

For this audit, our social auditors had over 30-years of experience between them, with experience in social impact assessment, stakeholder engagement, working with Indigenous peoples, resettlement and community benefits.

While we operate globally, we select auditors with experience in the sector and local markets. In this case, most of the auditors came from Spanish speaking countries of South America (Argentina, Peru, Columbia). The lead auditor and other team members have extensive experience auditing mining related operations in Chile.

3) Free, Prior and Informed Consent

Free, Prior and Informed Consent is an area of the standard where we believe there is scope for development in terms of depth and auditability. We believe that the scores our audit team allocated were justified as per the requirement of the standard, reviewed and accepted by IRMA, however, we understand your feedback and will discuss this with IRMA to consider any improvements that can be made.

During the planning stages and in determining the required audit duration, ERM CVS makes great effort to identify relevant Indigenous rights holders to engage during the audit. For this audit, ERM CVS undertook a reconnaissance visit to the area to understand the Indigenous rights holders landscape. We are also conscious that when we engage Indigenous rights holders, we should be mindful and respectful of traditional leadership structures that are in place. In addition, the awareness of the IRMA scheme at that time, was not what it is today, and this may have had a bearing on the engagement and participation levels in the process. This is a challenging task and we have encountered instances where new Indigenous rights holders have been identified either late in the planning phase, or during the audit process. We continue to work hard and collaboratively with IRMA to do all possible to ensure all relevant Indigenous rights holders are identified and addressed during the audit. We expect that new Indigenous rights holders may emerge after initial assessments, and the network of Indigenous rights holders is reevaluated and expanded upon at subsequent audits. Your feedback will help support this increased engagement.

In auditing against the IRMA Standard, auditors consider information provided by the site in documentation as well as information we receive from Indigenous rights holders during the interviews. We work closely with IRMA in this regard to meet their intentions for the Standard and seek consistency across audits.

4) The overall structure and approach of the assessment (stage 1 / stage 2)

A stage 1 + Stage 2 approach is normal practice for Certification / Audit Bodies across a wide range of standards. For the purposes of ISO Management System certification, Stage 1 and 2 are typically completed (and certificate issued) within 6 months.

The IRMA standard is somewhat different, as Stage 2 may start up to 12 months following the Stage 1 opening meeting. However, it is normal that following a Stage 1 a client may work to improve based on the results of the Stage 1.

The extended corrective action period is also unique to the IRMA scheme. Today, where the extended corrective action period has been applied, reports should be issued no later than 12 months after the stage 2 audit has completed. At the time of this audit, there was discussion and learning happening, and reports were held for longer.

Our function as an audit body is to audit as per the structure of the scheme within the prescribed timeframes. We agree that having up to a 12 month gap between stage 1 and 2, and an extended corrective action period of 12 months may be problematic, however, we understand IRMA's intentions and rationale for implementing it. It will be for IRMA to consider and weigh up, with stakeholders, whether the timeframes in the audit process are appropriate. IRMA have made us aware that there is an ongoing conversation about this topic in the IRMA community.

We appreciate the feedback and comments provided and will consider these points as we plan future audits.

In closing, we wish to highlight that the value of the certification grows over time as further audits are completed at any given site. Auditing is a sampling exercise, and therefore as subsequent audits are conducted, the coverage and depth of evidence increases.

We note that this site will be due for a surveillance audit within the next year, and your feedback will be integrated into our planning and audit process.

Thank you for taking the time to raise these questions and comments with IRMA, and we trust that our response will give assurance of our commitment to taking into consideration these points during the upcoming surveillance, and to delivering high quality and consistent audits within the IRMA framework.

Yours sincerely

A handwritten signature in black ink that reads "Ron Crooks". The signature is written in a cursive, slightly slanted style.

Ron Crooks

Head of Certification