

IRMA Chain of Custody Assurance Manual

Version 1.0

October 2024

English

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Assurance Manual

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September 2024

English Version

Acknowledgements

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Disclaimer

IRMA will update this document as needed, replacing the previous version. Printed copies are uncontrolled and for reference only. Please refer to the electronic copy on the IRMA website (<https://responsiblemining.net>) to ensure you are referring to the latest version. Although every effort has been made to

verify the accuracy of translations, the English language version should be taken as the definitive version.

Version History

Version number	Publication date	Description of amendment
1.0	September 2024	First publication

About IRMA

The Initiative for Responsible Mining Assurance (IRMA) is the answer to a global demand for more socially and environmentally responsible mineral value chains. IRMA offers true independent assessment against a comprehensive standard for all mined materials that provides 'one-stop coverage' of the full range of issues related to the impacts of industrial mines.

IRMA vision

We envision a world where the mining industry respects the human rights and aspirations of affected communities, provides safe, healthy, and supportive workplaces, minimizes harm to the environment, and leaves positive legacies.

IRMA equal governance model

How voting happens, who has a vote, and what weight a vote carries, is key in multi-stakeholder leadership. IRMA is a multi-stakeholder-led organization, meaning that it must be accountable to all.

IRMA's governance is equally shared by six 'houses' of stakeholder groups: civil society, communities, and organized labor, alongside the mining, purchasing, and finance sectors. What this means in practice is that IRMA has a decision-making process that strives for consensus, and where consensus cannot be achieved we then vote. All houses have two representative Board members, all with equal voting powers. However, a motion to approve a decision cannot succeed if any house is fundamentally opposed. In those cases, discussions must continue so that a resolution may be found.

For more information on decision-making, see [IRMA website](#).

Inquiries or feedback

IRMA welcomes feedback on this document. Please the IRMA Secretariat by email at: info@responsiblemining.net

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1. Introduction

Overview

The IRMA Chain of Custody (CoC) Standard was developed to provide the base-level requirements for tracking of verified IRMA-audited materials, from the mine through the supply chain to the end consumer. The term “IRMA-audited materials” refers to minerals and metals produced and sold by mine sites that have completed an independent third-party audit against the IRMA Standard for Responsible Mining.

The IRMA CoC Standard is for use by Entities buying, processing, or using IRMA-audited materials along the supply chain. To make official claims that are approved and assured by IRMA, such Entities shall be independently assessed by an IRMA-accredited Certification Body, in accordance with this IRMA CoC Assurance Manual.

Purpose

The IRMA CoC Standard aims to:

1. Increase transparency in mineral value chains.
2. Provide Entities in the supply chain with a common set of requirements for sourcing, tracking, accounting, handling and selling IRMA-audited materials.
3. Establish requirements that can be independently audited to provide objective evidence for the flow of IRMA-audited materials through the supply chain.
4. Allow for IRMA CoC-compliant Entities to make claims regarding the use and sale of IRMA-audited materials.
5. Allow intermediaries and end-buyers to have better visibility on the social and environmental footprint of the mineral raw materials present in the products they purchase.

The IRMA CoC Assurance Manual aims to provide an overview of the requirements and process for achieving compliance against the IRMA CoC Standard.

Roles and Responsibilities

- IRMA is responsible for operating and updating the IRMA CoC Standard and Compliance Verification system, for managing the IRMA Registry of Material, and for emitting IRMA CoC Verification Numbers.
- Entities seeking IRMA CoC Compliance are responsible for operating their businesses in conformance with the IRMA CoC Standard.
- IRMA-accredited Certification Bodies are responsible for verifying whether an Entity's systems are in conformance with the IRMA CoC Standard and making a recommendation on compliance.

Scope

The IRMA CoC Standard Conformance Requirements are applicable to any Entity operating at any step in the supply chain, globally, without jurisdiction limit.

In this document, the term "chain of custody models" is used to describe the approach taken to control inputs and outputs and associated information in a particular chain of custody system. For a particular commodity it is possible that more than one chain of custody model may be used to describe different processes or procedures in the supply chain. As each chain of custody model represents a different level of physical presence of the specified characteristic in the output, this document provides general guidance on the application of the defined chain of custody models, including initial guidance on the circumstances under which each chain of custody model might be appropriate.

Eligibility

An assessment against the IRMA CoC Standard is available to Entities buying, processing, or using IRMA-audited materials along mineral value chains.

	Exploration project	Mine Site	Smelter	Trader	Refiner	Fabricator	Manufacturer	End-Brand
Eligible for the IRMA CoC Standard			✓	✓	✓	✓	✓	✓

Downstream end-products sold by end-users can contain materials that are not within the scope of IRMA-assessed sites. Chain of Custody-related claims made by entities must not imply assessment of such materials (see IRMA CoC Claims Procedure and Communications Policy for more details).

2. IRMA COC COMPLIANCE PROCESS

1. Application

An Entity wishing to pass on an IRMA claim to their customers, completes an application for an IRMA Chain of Custody Compliance Verification Audit with an IRMA-accredited Certification Body (CB). This application must include:

- Names and details of the **Facilities** related to the claim that is sought;
- Names, types and details of the **Materials** for which the claim is sought; and
- Type of **CoC Model** applied for which the claim is sought.

The CoC Compliance Verification is for the Entity that wishes to provide the claim to customers and encompasses compliance of the Entity and its upstream suppliers of IRMA-audited material. **Individual mine sites do not require CoC Compliance, but any downstream claim by an Entity must be verified up to the IRMA-audited mine site or mineral processing facility of origin.**

2. Proposal and Agreement

The Entity provides all documents requested by the CB for the development of the proposal and, if agreed by the Entity, the CB will enter into a contractual agreement with the Entity to provide assessment and compliance verification services.

3. Initial Compliance Audit

The CB conducts an independent third-party audit of the Entity's management systems and relevant documentation and records, to evaluate its conformance with the IRMA Chain of Custody Standard Conformance Requirements to source and/or supply IRMA-audited material. The CB may identify non-conformances (NCs) and/or corrective action requests. NCs can be Minor or Major (see Chapter 3. below). If Major NCs are found, the Entity is not eligible for CoC Compliance, and will require the effective implementation of corrective actions prior to award of an IRMA CoC Compliance.

If during the compliance Period the Entity wishes to add facilities, or types of Materials to the compliance Scope, a compliance Audit will be required for the added elements. The dates of the original Compliance Period will however continue to apply to the already-compliant facilities and types of materials.

4. CoC Compliance

Once the CB is satisfied that the Entity has met requirements for compliance, including the resolution of all Major NCs (if any), the Entity will be awarded IRMA Chain of Custody compliance and authorized to begin making IRMA claims regarding its verified status and that of the eligible material the Entity sells while

compliant. The default validity of the compliance is three (3) years, on condition of undergoing annual surveillance audits.

5. Surveillance Audits

Surveillance audits are required on an annual basis (i.e. every 12 months after the start validity date of the CoC Compliance) to ensure the Entity's continued conformance with the IRMA CoC Standard. Minor NCs identified during the previous (initial) audit must be found to have been effectively resolved by the time of the surveillance audit. Minor NCs that have not been effectively resolved will be elevated to Major NCs. All Major NCs identified during surveillance audits (either previously Minor NCs and elevated, or new Major NCs) shall be resolved within three (3) months of the audit date to avoid suspension.

6. Compliance Renewal

IRMA CoC Compliance are valid for three (3) years, pending successful completion of annual surveillance audits. The Entity will then need to undergo a re-verification assessment before the compliance expiry date to continue making IRMA claims. A CoC-Compliant Entity will be entitled to promote their compliance status to other parties, and to make claims in accordance with the IRMA CoC Claims Procedure and Communications Policy, throughout the validity period of the compliance.

3. Non-Conformances and Corrective Actions

a. Conformance Ratings

The following conformance ratings are used in the audit for each of the CoC Standard Conformance Requirements (hereafter called 'provision'):

- **Conformance.** The Entity' policies and/or systems and/or procedures and/or processes perform in a manner that is conformant with the entirety of the provision.
- **Minor Non-Conformance.** The Entity' policies and/or systems and/or procedures and/or processes perform in a manner that is not wholly in conformance with the provision, due to an isolated lapse of either performance, discipline and control which does not lead to a Major Non-Conformance.
- **Major Non-Conformance.** The Entity' policies and/or systems and/or procedures and/or processes perform in a manner that is not conformant with the provision due to:
 - The total absence of implementation of the provision; or
 - A systemic failure or total lack of required controls; or
 - A group of related, repetitive and persistent Minor Non-Conformances indicating inadequate implementation.
- **Critical Breach.** A finding or observation, supported by objective evidence, of deliberate falsification of information required to support a conformance rating.
- **Not Applicable.** The provision cannot be implemented by an Entity due to the nature of its business covered by the compliance Scope. Supporting evidence must be provided to support non-applicability.

b. Results of Conformance Ratings

i. Minor Non-Conformance

Entities with Minor Non-Conformances are eligible for IRMA CoC compliance provided Corrective Action Plans are in place, approved by the CB. These will be subject to verification at the time of the next surveillance audit.

ii. Major Non-Conformance

If a Major Non-Conformance is found during a compliance Audit, the Entity shall not be recommended by the CB for CoC compliance. If a Major Non-Conformance is found during a Surveillance Audit, CoC compliance will be suspended if not resolved within three (3) months of the audit date. An Entity may request another audit at any time, once it has addressed any Major Non-Conformances.

iii. Critical Breach

Deliberate falsification of CoC Material, falsification of records for CoC Material, or falsification of information provided to auditors will result in a Critical Breach. The CB shall cease any audit activity if a Critical Breach is found during an audit, and shall immediately notify the Critical Breach to the IRMA Secretariat. A Critical Breach may result in loss of CoC Compliance and/or loss of the Entity's eligibility to IRMA CoC Compliance.

4. Data Confidentiality

The confidentiality of all Entities' commercially- and/or security-sensitive information is critical to IRMA.

- The IRMA Secretariat will only receive the necessary information about an Entity in the CoC Compliance Recommendation from the Accredited CB.
- Any commercially- and/or security-sensitive information will be kept strictly confidential within the IRMA Secretariat's designated team members.
- IRMA CoC Compliance Information published on the IRMA website for CoC-Compliant Entities will include the Entity's Compliance Scope, the Compliance Period, and the CB's Public Audit Report (including Recommendation for CoC Compliance and NCs).
- The identity of Outsourcing Contractors which are audited as part of an Entity's Compliance Scope can be withheld from the Entity's CoC Compliance Information published on the IRMA website, at the Entity's or the Contractor's request.

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