



Board of Directors & Officers Conflict of Interest Policy

Version 2025-01

April 2025

Responsibility for This Policy

IRMA holds responsibility for this document and its contents.

| Version No. | Date | Description of Action or Amendment |
|-------------|-------------|--|
| 2020-01 | 2020 | First adoption |
| 2023-01 | 19 Oct 2023 | Minor typographical changes, Board review and approval |
| 2025-01 | Apr 2025 | Improvements made to definition and procedures |

Purpose

The policy set forth in this statement is applicable to all members (“Directors”) of the Board of Directors (the “Board”), to all members of Board Committees (“Committee Members”) and to all corporate officers (“Officers”) of the Initiative for Responsible Mining Assurance (the “IRMA”). Unless specifically referenced, the Board, Directors, Officers, and Committee Members are collectively referred to herein (“Board or Committee Members”).

The purpose of this Conflict of Interest policy is to protect the interests, credibility and impartiality of IRMA by (a) preventing the personal interests of the Board or Committee Members from interfering with their duties to IRMA and (b) avoiding any unethical, financial, professional or political gain or arrangement that might result in a possible excess benefit transaction (e.g. when someone working within a tax-exempt organization receives and economic benefit that exceeds the fair market value of what IRMA receives in return.) This policy is intended to supplement but not replace applicable state and federal laws governing conflict of interest that are applicable to IRMA.

What is a Conflict of Interest and Why Is It Important to Identify and Disclose?

As an independent standard setter, IRMA is accountable to a broad and diverse constituency, including mining-affected communities, mining companies, purchasers of mined materials, NGOs, the labor sector, finance

professionals, governments, and the general public. Maintaining impartiality and being perceived as fair is essential to IRMA's mission and to earning the trust of stakeholders. Even the appearance of personal bias can undermine the credibility of the IRMA system.

A conflict of interest can arise whenever a Board or Committee Member or a member of their family:

- a) **Has an existing or potential business or personal interest or relationship, which impairs, or has the potential to impair, or the perception of impairing their independent judgment in the discharge of their duties to IRMA; or**
- b) **May receive a material benefit from knowledge of information which is confidential to IRMA.**

A conflict of interest can arise when personal relationships, financial interests, or outside affiliations could influence—or appear to influence—a Board or Committee Member's ability to make fair, unbiased decisions in support of IRMA's mission.

A Board or Committee Member may have a potential conflict of interest if that person or a close family member have a personal or financial connection to an organization or group that is involved in IRMA's work or is directly affected by our standards or decisions. This could include serving in a leadership, employment, or advisory role; holding significant ownership or financial interest; or receiving any form of compensation, gift, or special benefit from one of these organizations.

A Board or Committee Member may have a potential conflict of interest if that person or a close family member have a personal or financial connection to an organization or group that is involved in IRMA's work or is directly affected by our standards or decisions. This could include serving in a leadership, employment, or advisory role; holding significant ownership or financial interest; or receiving any form of compensation, gift, or special benefit from one of these organizations.

Examples of organizations where such relationships might raise concerns include NGOs or advocacy groups, purchasers of mined materials, communities affected by mining, financial institutions or investors in the industry, government agencies, journalists or media organizations covering mining, health and safety or environmental issues, or other standard-setting initiatives in the mining or sustainability space.

Having these connections does not necessarily mean a conflict exists—but they should be disclosed so IRMA can assess and manage any potential risk to our impartiality. The goal is not to exclude people, but to ensure transparency and maintain the trust of all stakeholders.

Board Members have a clear fiduciary obligation to the IRMA in connection with their services in such capacities. At all times, they shall act in a manner consistent with this fiduciary obligation and shall exercise particular care that no detriment to the interests of IRMA, and no appearance of such detriment, results from a conflict between those interests and any personal interest which the individual Board Member may have.

Failure to disclose a potential conflict of interest when required by this Policy may subject the Board or Committee Member to disciplinary action by the Board, as deemed appropriate under the circumstances. IRMA must have appropriate measures and records in place to be able to demonstrate its compliance.

Reporting Conflicts of Interest with Respect to Particular Transactions

If a Board or Committee Member may have a conflict of interest with respect to any particular transaction or matter (hereinafter, a “Transaction”), that person shall promptly and fully disclose the potential conflict to the Executive Director of the Organization and the Board Chair(s) of the Organization.

If the Executive Director and the Board Chair(s) determine that a Board Member has a conflict with respect to a particular Transaction:

- The conflict shall be reported to the full Board of Directors.
- The affected Board or Committee Member shall disclose to the Board the nature of the conflict and all facts known regarding the Transaction that are material to a judgment about whether or not to proceed with the Transaction, and will answer any of the Board’s questions about the matter.
- If the particular Transaction requires a vote of the Board, the affected Board Member shall not be counted for purposes of a quorum, nor shall they participate in the discussion of or vote on the Transaction.
- The affected Board Member will be asked to leave the meeting during the final discussion and vote regarding the Transaction unless the

Board Chair(s) believe it is appropriate for the affected Board Member to stay.

- The Board will consider in the course of its final discussion of the Transaction whether: (a) the proposed Transaction is in IRMA's best interest; (b) the proposed Transaction is fair and reasonable as presented; and (c) it is possible for IRMA to obtain with reasonable effort a more advantageous Transaction from a person or entity that would not give rise to a conflict of interest.
- The minutes shall identify the affected Board Member, the names of the Board Members present for the discussion and vote on the Transaction, any alternatives to the Transaction that were considered by the Board, a record of which Board Members voted for and against the Transaction, and the fact that the Board Member did not participate in the final discussion or vote on the Transaction.

If the Executive Director and the Board Chair(s) determine that a Committee Member has a conflict with respect to a particular matter which is under the Committee's review (the "Review"):

- The conflict shall be reported to the committee, the affected Committee Member shall disclose to the committee the nature of the conflict and all facts known to the Committee Member regarding the Review.
- The affected Committee Member will be asked to leave the meeting during the discussions regarding the matter under Review.
- The minutes shall reflect the fact that the Committee Member did not participate in the Review.

If the Executive Director and the Board Chair(s) determine that there is a conflict of interest with respect to a particular matter involving a Board or a Committee Member, they shall notify the Board of their decision. If, after review, the Executive Director and the Board Chair(s) determine there is no conflict of interest, it is within the Executive Director's discretion to inform the Board of the investigation, with consent of the person whose potential conflict was under review.

In any case in which the potential conflict with respect to a particular Transaction involves either the Executive Director or the Board Chair(s), the affected party shall notify the other, and the conflict shall then be reported to the full Board. The Executive Director or Board Chair(s), as applicable, will inform the Board of the nature of the conflict and all facts known to the Executive Director or Board Chair(s) regarding the Transaction(s) that are

material to a judgment about whether or not to proceed with the Transaction and will answer any questions about the matter that the other Board members may have. If the particular Transaction requires a vote of the Board, or of one of its committees, the Board Chair(s) shall not be counted for purposes of a quorum nor shall that person participate in the discussion of or vote on the Transaction if that person has the potential conflict of interest that is under discussion. The Board will then consider in the course of its final discussion of the Transaction whether: (a) the proposed Transaction is in the Organization's best interest; (b) the proposed Transaction is fair and reasonable as presented; and (c) it is possible for the Organization to obtain with reasonable effort a more advantageous Transaction from a person or entity that would not give rise to a conflict of interest. The minutes shall identify the names of the Directors present for the discussion and vote on the Transaction, any alternatives to the Transaction that were considered by the Board, and a record of which Directors voted for and against the Transaction.

Potential Conflicts of Interest

Each Director, Committee Member and Officer shall file a statement in the form attached hereto as Attachment 1 upon the later to occur of (a) the adoption of this policy or (b) such person's becoming a Board Member, and thereafter by March 31st of each year, which statement shall set forth any conflicts of interest which might reasonably be expected to occur within the following year. The statement shall disclose as fully as possible the nature of potential conflicts and the nature of the Director's, Committee Member's or Officer's interest in the potential Transactions. All statements which anticipate conflicts of interest shall be circulated to members of the Board. Each Director and each Officer shall answer any questions about potential conflicts that Board members may have.

Confidentiality

All information concerning actual or potential conflicts of interest on the part of Board Members shall be held in confidence unless the best interests of the Organization dictate otherwise. Any disclosure beyond the members of the Board, the Executive Director, and legal counsel shall take place only with approval of the disclosure by the Board.

Attachment 1

INITIATIVE FOR RESPONSIBLE MINING ASSURANCE ANNUAL CONFLICT OF INTEREST STATEMENT FOR DIRECTORS, BOARD COMMITTEE MEMBERS AND OFFICERS

I, the undersigned, being a member of the Board of Directors (the “Board”), a member of a Board Committee (the “Committee”) or an officer of Initiative for Responsible Mining Assurance (“IRMA”), hereby state to the best of my knowledge that except as otherwise noted below:

- 1) I do not have an official relationship (as defined in IRMA’s Conflict of Interest Policy) with any entity that transacts business with the Organization or with any entity that competes, directly or indirectly, with the business activities of IRMA;
- 2) I, as an individual, do not transact any business, directly, or indirectly, with IRMA;
- 3) Neither I nor any member of my family (as defined in IRMA's Policy on Conflicts of Interest) has any other interest or relationship, which impairs or might appear to impair my independent judgment in the discharge of my duties to IRMA; and
- 4) No member of my family (as defined in IRMA's Conflict of Interest Policy) is in the employ of the IRMA or would come within the meaning of items 1 or 2 above.
- 5) The following exceptions may apply to the foregoing statements. Said exceptions may be considered a Conflict of Interest or could in the future be a Conflict of Interest, and each exception will be disclosed to and reviewed by IRMA's Executive Director and Board Chair(s):

- 6) **Notice:** I agree that if any situations arise of which I am aware that in any way contradict the foregoing statements, I will immediately notify the Executive Director or Board Chair(s) and will make full disclosure thereof. I have read the document entitled Initiative for Responsible Mining Assurance Policy on Conflicts of Interest for Directors, Committee Members, Officers. I understand that the Organization is a non-profit, tax-exempt organization and that it must engage primarily in activities which accomplish one or more of its tax-exempt purposes in order to maintain its federal tax exemption. I therefore agree to answer any questions the Board may have with respect to any actual or potential conflict of interest.

Date

Board or Committee Member