



Initiative for Responsible
Mining Assurance

How IRMA Benefits downstream purchasers

Addressing Risks While Promoting Operational Excellence

The global reliance on mined materials is undeniable. Mined materials form the backbone of modern society, embedded in everything from our electronics, our vehicles, our consumer goods, and our jewelry, to our building and energy infrastructure. Mining is essential to modern life, providing the materials necessary for these industries. However, the world is now expecting even more from mining operations, especially in their role in the global energy transition and in addressing their historical legacy. Despite its importance, the mining industry faces significant scrutiny due to the environmental, social, and governance (ESG) risks inherent in its operations.

Downstream purchasers, as customers of mined materials, have a significant interest in how those materials are extracted and processed. Current and emerging regulations, as well as the expectations of consumers, investors, and affected stakeholders – as well as companies' own business needs to address risk and build resilience – are driving companies to increase visibility over their supply chain and expect more responsible performance at every stage. By using IRMA, downstream purchasers can leverage a transparent and truthful story about the materials we rely on every day.

The Initiative for Responsible Mining Assurance (IRMA) provides downstream purchasers with a credible system for demonstrating that materials have been extracted to a widely accepted standard that meets a broad range of ESG metrics and safeguards, providing unprecedented visibility into individual mine performance.

IRMA was founded on the belief that every individual impacted by mining should have a say in how responsible mining is defined and measured. By convening experts, advocates, and industry leaders across six key sectors, we have developed an independent, best-practice standard for responsible mining, as well as a transparent process for assessing mine performance against that standard.

IRMA is unique in that it was co-created by six diverse sectors, ensuring communities, workers, and NGOs are given an equal voice alongside mining companies, downstream purchasers, and financial institutions. As more and more audit reports are released, we are seeing that this system, built by all sectors, has concrete benefits for each one.

“ The continued scaling of IRMA across the mining industry and raw material supply chains remains critical to unlocking the ability of the Volkswagen Group and other downstream brands to achieve their responsible sourcing goals.

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VOLKSWAGEN GROUP¹

IRMA Benefits Downstream Purchasers

- * **IRMA Was Initially Designed to Meet the Needs of downstream purchasers:** IRMA's origin story began with scrutiny over how a downstream purchaser – Tiffany & Co. – ensured that the mined materials in its products were sourced responsibly. The creation and development of IRMA was therefore unique for a mining standard. Rather than being solely a supplier-derived framework, the IRMA Standard is equally a demand-side framework, representing not just the view of the mining sector, but also what is important for downstream purchasers – as well as other impacted stakeholders – to know and to measure.
- * **IRMA is Transparent to Everyone:** From the outset, IRMA mine site audits are open and inclusive, involving local communities in the audit process. When completed, the audits themselves are transparent, available publicly to impacted communities, supply chain actors, and the public at-large. IRMA provides visibility into a broad range of potential risks, and the audits translate that visibility into meaningful and accessible results. Audits provide an unprecedented level of insight into ESG-related exposure from the farthest end of the supply chain.
- * **Downstream Purchasers Benefit from IRMA Audits ... but Also Drive Mining Sector Uptake:** Over 97% of mines choose to be audited to the IRMA Standard because of customer requests or procurement policy requirements. By creating and communicating the market demand, downstream purchasers are therefore a key driver of responsible mining practices. The more downstream purchasers request IRMA in their supply chain, the more material will be available in the market from IRMA audited mines. In that sense, downstream purchasers are both a key beneficiary and a key market driver of assessments.
- * **IRMA Supports Supply Chain Traceability Objectives:** New regulations in various jurisdictions, as well as stakeholder expectations, are driving downstream purchasers to improve the level of visibility over their supply chains. Though the complexity of supply chains once meant that visibility beyond directly contracted supply chain tiers was limited, increasing transparency now means that downstream purchasers have greater responsibility for the raw materials in their products, even if they enter their supply chains many tiers removed. Through scoring mine level achievement, IRMA provides simple, streamlined data for supply chain traceability systems, with work underway to integrate into commonly used audit and mapping platforms at the processor, smelter, and refiner stage of the supply chain.
- * **IRMA Provides downstream purchasers with a Credible Standard:** Just as the IRMA Standard was developed as a result of a shared understanding of responsible mining across a diverse range of stakeholders, so too is the organization that governs IRMA a multistakeholder initiative that brings together downstream purchasers, financial institutions, and mining companies with civil society, organized labor, and Indigenous Peoples, providing each an equal voice. This shared and equal governance provides IRMA with significant credibility. For downstream purchasers, this credibility is critical, demonstrating to customers, shareholders, regulators, and other stakeholders that mined materials are being sourced to a widely accepted standard.

“The IRMA Standard for Responsible Mining ... is the strongest, most encompassing and transparent global standard for industrial mining, which was developed and is governed equally by civil society, communities, labor unions, and the private sector.”

FAIRPHONE²

IRMA's Value Proposition to Downstream Purchasers



Supply Chain Influence: Downstream purchasers' influence over the supply chain is greatest through collective action.

Though it can be challenging for customers to request assessments of suppliers in siloed 1:1 engagement, those asks become far more powerful and actionable when multiple customers – or even a whole industry – express the same requests, collectively raising minimum expectations and scaling each individual customer's influence. Membership in IRMA demonstrates the seriousness of those expectations and the collective expectation for responsibly sourced materials.



Value Chain Integration: IRMA's objective for downstream purchasers is to feed into a streamlined, integrated end-to-end supply chain solution that provides an efficient

path to demonstrating sourcing of raw materials mined to a credible standard. Whilst maintaining the robustness and credibility of the IRMA system, IRMA is dedicated to simplifying the standards landscape, including working with key industry standards for mineral processors, and integrating with mineral-specific schemes such as steel and platinum.



Credibility and Reputation: By sourcing from IRMA-assessed mines, downstream purchasers demonstrate that their responsible sourcing policies are robust,

going beyond simple box-checking. Preferring IRMA-assessed material signals to the market and to a company's own customers, shareholders, and other stakeholders that it is serious not only about responsible sourcing, but about fundamental change and positive outcomes in its supply chain.



Peer-to-Peer Exchange: IRMA provides a pre-competitive environment that allows for sharing and alignment on best practices to help promote responsible supply chains.

Further still, the broad membership of IRMA's downstream purchaser sector allows for learning and exchange between different industries that share common challenges, such as the automotive, consumer electronics, jewelry and renewable energy industries.



Cross-Sector Engagement: As a multi-stakeholder initiative, IRMA is more than a Standard. IRMA is also a community of individuals and organizations that are

seeking a common objective – better outcomes for communities and the environment impacted by the extraction of raw materials. Downstream purchaser members benefit from the exchange between sectors within IRMA, such as with civil society, labor, Indigenous Peoples, financial institutions, and of course the mining sector. Not only do these exchanges build understanding and trust, but they also help to potentially divert sensitive discourse away from the public square to be resolved within the collaborative space of IRMA.



Mining Sector Engagement: Downstream purchasers collectively and directly engage with the mining sector within IRMA to share expectations and to encourage

improved practices. Further, through IRMA's Mining Engagement Team, members within IRMA are able to shape the agenda for how the initiative prioritizes its focus on expanding coverage throughout the mining sector, by specific geography, specific materials, or even specific mining projects.



Guidance and Capacity Building: IRMA leverages its extensive expertise to provide guidance and capacity building on key responsible mining topics. For example,

IRMA recently developed specific guidance for downstream purchasers on how to integrate questions on Free, Prior and Informed Consent (FPIC) into informed procurement decisions.



Long-Term, Durable, and Sustainable De-Risking of Supply Chains: IRMA is based on the inherent value of continuous improvement for companies to understand

where they are performing well and where there are opportunities for change. The intention is not to give mine sites a pass or fail grade, but rather to promote fundamental change for lasting positive outcomes. These outcomes support better futureproofing and risk analysis to support efficient operations that benefit all stakeholders. IRMA is less concerned about calling out nonconformities today and is instead designed to ensure that a risk is positively addressed for good.

“*Tesla prefers suppliers to use IRMA – the most stringent mine site standard in our view—and we also recognize other responsible production schemes.*”



TESLA³

IRMA is Widely Accepted and Respected for its Credibility

IRMA has established itself as the preeminent standard in the mining industry, consistently outperforming other frameworks in terms of transparency, accountability, and robustness. This recognition is echoed by several leading global organizations and companies.

- * **Mercedes-Benz**, released a guidance document⁴ for suppliers in late 2023, comparing several mining standards in terms of governance, auditing and transparent reporting. IRMA received the highest score of all standards and the company has publicly endorsed IRMA as the leading mining standard for its rigorous approach to responsible sourcing.
- * **Germanwatch**, has also recognized⁵ IRMA's inclusive governance model, which ensures that the voices of all stakeholders — including communities, workers, and civil society organizations — are represented in the standard-setting process.
- * **Lead the Charge**, an NGO coalition advocating for sustainable practices in the electric vehicle and battery sectors, has cited IRMA⁶ as the most robust standard for ensuring that raw materials are sourced responsibly. The coalition emphasizes that IRMA's focus on continuous improvement and long-term risk mitigation is crucial for the sustainable growth of these industries.

“ We actively support IRMA in its mission to protect people and the environment from the impacts of mining.

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MICROSOFT⁷

IRMA is Rapidly Scaling Globally Across All Minerals

IRMA's growing influence in the mining industry is reflected in its expanding adoption. Currently, nearly 100 mining companies are formally engaged in the IRMA system, representing hundreds of sites worldwide.

Companies that align with IRMA are not only better positioned to meet the demands of regulators, customers, and investors, but are also leading the way in building a more sustainable and equitable mining industry.

Currently, mining operations engaged in either independent audit or self-assessment cover the following 53 mined materials:

Aggregates	Kyanite	Rare Earths
Barite	Lanthanum	Rhodium
Bauxite	Lead	Ruthenium
Cerium	Limestone	Samarium
Chromite	Lithium	Sand
Chromium	Magnesium	Selenium
Coal	Mica	Silver
(metallurgical)	Mineral sands	Staurolite
Cobalt	Molybdenum	Sulphur
Copper	Monazite sand	Talc
Diamonds	Neodymium	Tantalum
Europium	Nickel	Tellurium
Feldspar	Osmium	Titanium
Gadolinium	Palladium	Tourmaline
Gold	Praseodymium	Vanadium
Graphite	Platinum	Xenotime
Iridium	Potash	Zinc
Iron	Quartz	Zircon

IRMA is Both Practical and Achievable

Widely recognized for being the most robust and rigorous standard system available, IRMA is absolutely achievable for suppliers. The vast majority of audited mines assessed to date met more than 75% of the standard as a whole, and in 25 of the 26 chapters in the Standard, there has been at least one site achieving a score of 90% or more.

Sourcing from IRMA-assessed mines is not just a strategic choice — it's a solid business decision. IRMA provides a credible, comprehensive framework that addresses the full spectrum of risks and challenges in the mining industry, offering a clear path to responsible mining that benefits all stakeholders.

IRMA is Here to Help

IRMA offers one-to-one, free, and confidential meetings for downstream purchasers to gain a better understanding of the system. Please reach out to IRMA's Purchasing Sector Lead at info@responsiblemining.net for an introductory meeting.

NOTES

1. <https://www.vwpress.co.uk/assets/documents/original/37228-2023VolkswagenGroupResponsibleRawMaterialsReport.pdf>
2. <https://www.fairphone.com/en/2023/12/07/how-we-made-our-fairest-battery-yet-for-the-fairphone-5/>
3. https://www.tesla.com/ns_videos/2022-tesla-impact-report.pdf
4. <https://group.mercedes-benz.com/responsibility/sustainability/supply-chains/risk-raw-materials.html>
5. https://www.germanwatch.org/sites/default/files/germanwatch_an_examination_of_industry_standards_in_the_raw_materials_sector_2022-09.pdf
6. <https://leadthecharge.org/wp-content/uploads/2024/02/LeadTheCharge-Assessment-06022024.pdf>
7. <https://query.prod.cms.rt.microsoft.com/cms/api/am/binary/RE5aBW3>