



Guidance document for suppliers of mined material

March 2023

responsiblesteel.org





ResponsibleSteel's vision is to maximise steel's contribution to a sustainable society. We engage with companies in all stages of the steel supply chain and with relevant stakeholders to achieve our vision. Our key instruments are a standard and a third-party certification programme for responsible steel production and processing sites.

Increasingly, customers, stakeholders and legislators around the world expect companies to take responsibility for what is going on in their supply chains. ResponsibleSteel has developed responsible sourcing requirements for steel sites in response to these expectations.

The guidance document at hand is meant to support implementation of the responsible sourcing requirements and is addressed to direct and indirect suppliers to steel companies, whether they are active in mining and quarrying, minerals processing or trading. This document is a living resource and we will revise it as necessary to reflect insights from its application.

If you have any comments, questions or feedback on the guidance document, please write to assurance@responsiblesteel.org.

To find out more about ResponsibleSteel, please visit our [website](https://www.responsiblesteel.org).

In September 2022, the ResponsibleSteel membership voted to adopt a set of responsible sourcing requirements and steel sites will need the help of suppliers to meet these additional requirements . The aim of this guidance document is to support suppliers in understanding what steel companies might expect from them. We hope that the following **incentives** will convince suppliers **to support steel companies on responsible sourcing** and in their certification efforts:

- Working with customers on responsible sourcing can contribute to customer retention
- Showcasing ESG performance in a credible manner will improve trust with stakeholders
- The recognised input material programmes offer orientation on the ESG issues that are considered material by stakeholders.

Please note that steel sites might expect their suppliers to also support them in understanding Scope 3 GHG emissions (which are the suppliers' Scope 1 GHG emissions) and to share relevant data with them. For more information, please refer to the GHG Principle in the ResponsibleSteel Standard since **this document does not cover GHG**.



Background to ResponsibleSteel and its approach to responsible sourcing

ResponsibleSteel has been founded to bring together businesses from all stages of the steel supply chain, civil society organisations and other stakeholders to provide a global standard and certification programme for the responsible sourcing and production of steel. **Our membership accounts for 13 percent of the world's steel production,** comprises companies from the mining, automotive and construction sectors and includes civil society organisations that represent the interests of people and nature.

The world of business is faced with increasing demands when it comes to its environmental, social and governance (ESG) performance. In relation to sourcing, stakeholders, customers and society at large **expect companies to understand what is going**

on in their supply chains and to help manage their suppliers' ESG impacts. The expectations reach beyond the direct suppliers of companies and encompass all stages of the supply chain. They are reflected in important frameworks such as the OECD Guidelines for Multinational Enterprises and in a growing number of legislative instruments around the world.

Over the course of three years, members and stakeholders of ResponsibleSteel discussed and agreed a set of requirements relating to the responsible sourcing of input materials used in steel production and processing. The steel sector is a major buyer of mined materials such as iron ore, chromium, coal, manganese, nickel, tin, tungsten, vanadium and zinc, and we expect that a growing

number of steel sites will work to meet the responsible sourcing requirements in the coming years. **Collaboration with suppliers will be critical** in achieving the requirements and we have created this guidance document to help input material suppliers understand what their steel clients might ask of them in relation to their operations and their ESG performance. The requirements cover the most important input materials used in steel production and processing, no matter whether they are provided in raw or in processed form. The requirements are relevant for direct and indirect input material suppliers to steel producers, starting at the point of mineral extraction. **This guidance document is therefore addressed to companies active in mining and quarrying, minerals processing and trading alike.**

Background to ResponsibleSteel and its approach to responsible sourcing

In summary, the responsible sourcing requirements are divided into **five criteria** and ask steel companies to:

1. **Commit to responsible sourcing** and incorporate it in key functions and processes
2. **Know the supply chain links** associated with their most important input materials, up to the level of individual mine sites
3. **Understand the ESG performance of direct and indirect suppliers** and promote ESG improvements
4. **Increasingly source from suppliers with independent proof of their ESG performance**
5. **Report publicly** on responsible sourcing efforts.

In developing the sourcing requirements, we kept in mind that we are dealing with multi-tier and multi-material supplier networks - rather than chains - and that it will take time to ensure and be able to verify that these networks operate responsibly. To account for this, the **requirements in criterion 3.2 and 3.4 of the ResponsibleSteel Standard Version 2.0 are split into four levels** that are associated with increasing expectations when it comes to supplier ESG performance. To achieve certification to the additional sourcing requirements, steel companies have to achieve at least Level 1. Moving to higher levels is voluntary, but we expect that market and stakeholder demand as well as the wish to differentiate from competition will be incentive for steel companies to strive for higher Levels.

The Levels are meant to:

- **Reduce the complexity** of responsible sourcing by defining discrete steps to achieve
- **Provide a clear roadmap** for the responsible sourcing journey for steel companies and their suppliers
- **Help drive momentum** for the creation of responsible supply chains
- Enable downstream customers and other stakeholders to **specify which level of ESG performance they expect from steel companies and their suppliers.**

Background to ResponsibleSteel and its approach to responsible sourcing

There are many tools to help suppliers demonstrate how they manage ESG issues. These range from self-declarations to second- and third-party assessments resulting in scorecards, heatmaps, assessment or audit reports, to name just a few. The tools might reproduce internationally accepted frameworks, guidelines or standards, might reflect the needs and preferences of a certain sector or individual company, or might be based on analyses by specialised service providers. In fact, there are so **many tools for analysing and assessing ESG performance** that it can be challenging to understand how they differ and whether they are capable of painting an objective picture of a supplier's ESG achievements.

ResponsibleSteel has identified a number of input material programmes that seem well placed to deliver that and has built them into its responsible sourcing requirements. What this means for suppliers is that they will be expected to participate in one of these recognised programmes so that their steel customers can understand how they perform on ESG issues. The programmes have been identified through a detailed assessment of their standard, programme governance, assurance and oversight mechanisms, as well as their policies on claims and labelling. **To date, the following input material programmes are recognised by ResponsibleSteel:**





Background to ResponsibleSteel and its approach to responsible sourcing

We want to stress that the set-up and the mechanisms used by the three programmes are very different and that recognising them does not mean that they are equivalent. We advise all direct and indirect suppliers that want to support their steel customers in ResponsibleSteel certification to familiarise themselves with the [conditions that are attached to the recognition of Bettercoal, IRMA and TSM](#). The list of recognised input material programmes will be reviewed from time to time as additional programmes are assessed against ResponsibleSteel's recognition methodology. [More information on our recognition work](#) is available from ResponsibleSteel website website.

On the following pages, we replicate the exact wording of those responsible sourcing requirements that are relevant to suppliers. We explain what the requirements mean for suppliers and how they might demonstrate what they are doing in relation to the requirements. We have also included a checklist to help suppliers get

ready to support their clients' responsible sourcing efforts. Suppliers that are interested in understanding what else is expected from steel companies to achieve ResponsibleSteel certification, may read the full [ResponsibleSteel Standard](#) Version 2.0. It comprises 13 Principles and the full set of the responsible sourcing requirements can be found in Principle 3.

Suppliers should note that the responsible sourcing requirements do not currently consider the ESG impacts of transportation, although CO2 emissions from transport are part of a steel company's Scope 3 emissions and covered by ResponsibleSteel's GHG requirements. We expect that transportation will be included in a future iteration of the ResponsibleSteel Standard. The requirements cover all the mined input materials that are listed in the Annex to this document and that are replicated in Annex 3 of the full ResponsibleSteel Standard.





The responsible sourcing requirements cover the most important mined input materials used in steel production and processing, no matter whether they are provided in raw or in processed form. The requirements are relevant for direct and indirect input material suppliers to steel producers, starting at the point of mineral extraction.

This guidance document is therefore addressed to companies active in mining and quarrying, minerals processing and trading alike.

ResponsibleSteel has identified a number of input material programmes that seem capable of painting an objective picture of a supplier's ESG achievements. The responsible sourcing requirements ask that suppliers participate in one of these recognised programmes. The list of recognised programmes will be reviewed from time to time and further information on ResponsibleSteel recognition can be found on <https://www.responsiblesteel.org/recognition/>.

Responsible sourcing requirements that are relevant to suppliers

Please note:

On the following pages we replicate the exact wording of those responsible sourcing requirements that are relevant to suppliers. In the tables, we explain what the requirements mean for suppliers and provide some illustrative examples of the kinds of evidence that suppliers might use to demonstrate what they are doing in relation to the requirements. The listed evidence is not exhaustive and is not a guarantee that your steel customers or the ResponsibleSteel auditors will accept them and will consider them sufficient. Where we consider this helpful, we explained some important terms used in the requirements under the respective table. A Glossary with binding definitions of key terms and concepts can also be found on the ResponsibleSteel website and should be considered by suppliers.

A 'supplier' can be a trader or broker, a producer or processor or a mining business.





Requirement 3.1.4.

Direct suppliers of input materials are required to implement a code of conduct or similar instrument that covers at least the following issues:

- a) Compliance with applicable laws and regulations;
- b) Prevention of corruption, bribery, extortion and money laundering;
- c) Adherence to human rights and labour rights;
- d) Protection of worker and local community health and safety;
- e) Environmental stewardship;
- f) Responsible sourcing;
- g) Transparency on ESG-related issues;
- h) Collaboration of supplier and customer to improve ESG performance;
- i) Monitoring of supplier adherence to the code of conduct;
- j) Expectation that suppliers demand similar ESG practices from their own suppliers.



What the requirement means for suppliers

Requirement 3.1.4. applies to direct (meaning tier 1) suppliers to steel companies, not to indirect suppliers.

A code of conduct describes the values, principles and standards of professional conduct that your company is committed to and that you wish to foster with all individuals who work for your company. You might use a different term for your code of conduct (such as a “charter”) or you might have a different instrument that fulfils the same purpose as a code of conduct.

Your customers will require that you implement a code of conduct. They can do so, for example, by linking the code of conduct to their contract with you or to their terms and conditions.

If you do not have a code of conduct or similar instrument, your customer might impose a supplier code of conduct on you. In this case, you and your customer should make sure that the code of conduct covers all the issues listed in a) to j). The same applies if you have your own code of conduct. The issues listed in a) to g) are commonly found in codes of conduct. Beyond these issues, your code of conduct should specify that you will work with your customers to improve ESG performance (h). To illustrate what this might mean in practice: Ensuring that business is done responsibly is a shared challenge. For example, very short lead times to deliver an order might push your staff into excessive overtime to satisfy customer demand. On the other hand, your customers might not want to be associated with a supplier that is accused of discharging polluted wastewater into rivers. These are examples of ESG issues that you and your customer might want to discuss and address together, for example through changes in ordering practices or through identification of technical solutions.

A written code of conduct is an ethical (and sometimes legally mandated) compass for those who work for your company. However, just because something is written on paper does not mean that it will be implemented. Your company needs to invest in its corporate culture to ensure that the code of conduct is properly applied. Monitoring implementation of the code of conduct (i) will help your company understand where there are gaps and enable you to define measures to address those gaps.

The code of conduct should also state that you expect from you own suppliers that they are committed to similar values and principles and do business in a responsible manner (j). That way, ESG expectations are cascaded up the supply chain.



Requirement 3.1.4.

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- b) Prevention of corruption, bribery, extortion and money laundering;
- c) Adherence to human rights and labour rights;
- d) Protection of worker and local community health and safety;
- e) Environmental stewardship;
- f) Responsible sourcing;
- g) Transparency on ESG-related issues;
- h) Collaboration of supplier and customer to improve ESG performance;
- i) Monitoring of supplier adherence to the code of conduct;
- j) Expectation that suppliers demand similar ESG practices from their own suppliers.



Examples of evidence

- ✓ Written code of conduct that covers all the issues listed in a) to j)
- ✓ Measures taken to communicate the code of conduct to staff and contractors and to embed it in your corporate culture, such as awareness trainings, internal newsletters, communications from the CEO
- ✓ Processes and procedures aimed at implementing the code of conduct, for example for the integration of new legal obligations into business operations, for responding to health and safety emergencies, for public reporting on ESG issues
- ✓ Measures taken to gauge the level of awareness about the code of conduct and its contents and to analyse potential breaches of the code, such as surveys among staff and contractors or investigations of whistleblowing cases
- ✓ Measures taken to understand the level of code compliance, for example legal audits or human rights impact assessments
- ✓ Measures taken to make your own suppliers aware of your ESG expectations



Requirement 3.1.5.

New direct suppliers of input materials are assessed for their adherence to the code of conduct in line with a documented approval procedure.



What the requirement means for suppliers

Requirement 3.1.5. applies to new direct (meaning tier 1) suppliers to steel companies, not to indirect suppliers and not to existing direct suppliers.

Steel companies are required to apply a documented approval procedure when they want to sign contracts with new direct suppliers. Traditional approval procedures might ask, for example, about a supplier's quality management system. To meet requirement 3.1.5., the approval procedure will have to cover all the issues listed under a) to j) in 3.1.4. so that your customer can understand where your company stands in relation to ESG issues. This means that you as a new supplier might be asked to provide information and evidence to your customer that enables them to apply their approval procedure to your organisation.



Examples of evidence

Evidence to provide to your customer will depend on your customer's approval procedure but might be similar to what is

listed above for 3.1.4, meaning:

- ✓ Written code of conduct that covers all the issues listed in a) to j)
- ✓ Measures taken to communicate the code of conduct to staff and contractors and to embed it in your corporate culture, such as awareness trainings, internal newsletters, communications from the CEO
- ✓ Processes and procedures aimed at implementing the code of conduct, for example for the integration of new legal obligations into business operations, for responding to health and safety emergencies, for public reporting on ESG issues
- ✓ Measures taken to gauge the level of awareness about the code of conduct and its contents and to analyse potential breaches of the code, such as surveys among staff and contractors or investigations of whistleblowing cases
- ✓ Measures taken to understand the level of code compliance, for example legal audits or human rights impact assessments
- ✓ Measures taken to make your own suppliers aware of your ESG expectations



Requirement 3.1.6.

Adherence of existing direct suppliers of input materials to the code of conduct is regularly assessed. Where gaps become apparent, measures are taken to ensure the supplier acts in line with the code of conduct.

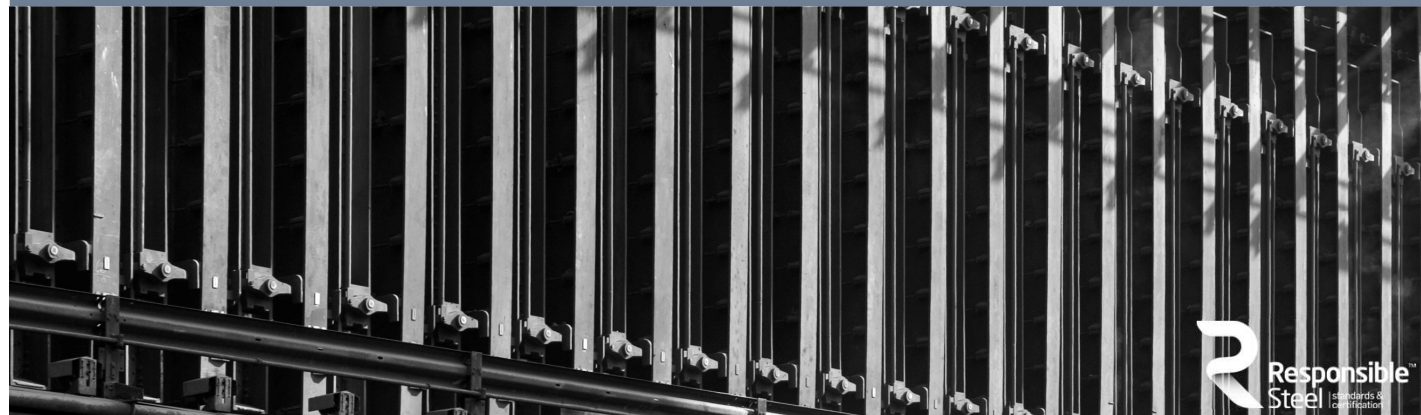


What the requirement means for suppliers

Requirement 3.1.6. applies to existing direct (meaning tier 1) suppliers to steel companies, not to indirect suppliers. Note that a new supplier becomes an existing supplier at some point, which means that 3.1.6. will become relevant for them too.

Your customers must assess to what extent your company and those working for it implement the code of conduct. Such an assessment may take the form of a supplier questionnaire, customer visits to your sites, on-site audits, etc. All of these assessment forms will require your cooperation and you should be prepared to provide evidence of code implementation. The assessment must be repeated in regular intervals.

Where you are found to not comply with the code of conduct, your customer will take measures that are aimed at increasing the level of code implementation. These measures may be rather soft, such as communicating their ESG expectations to you, providing training and capacity building, surveying key performance indicators and formal warnings, or they may be rather hard measures such as contractual penalties. Positive incentives, such as longer-term contracts, increases in contract volumes or in paid prices, that are granted when you can demonstrate conformance with the code of conduct are also possible measures your customer might take.





Requirement 3.1.6.

Adherence of existing direct suppliers of input materials to the code of conduct is regularly assessed. Where gaps become apparent, measures are taken to ensure the supplier acts in line with the code of conduct.



Examples of evidence

Evidence to provide to your customer during the assessment might be similar to what is listed for 3.1.4. meaning:

- ✓ Written code of conduct that covers all the issues listed in a) to j)
- ✓ Measures taken to communicate the code of conduct to staff and contractors and to embed it in your corporate culture, such as awareness trainings, internal newsletters, communications from the CEO
- ✓ Processes and procedures aimed at implementing the code of conduct, for example for the integration of new legal obligations into business operations, for responding to health and safety emergencies, for public reporting on ESG issues
- ✓ Measures taken to gauge the level of awareness about the code of conduct and its contents and to analyse potential breaches of the code, such as surveys among staff and contractors or investigations of whistleblowing cases
- ✓ Measures taken to understand the level of code compliance, for example legal audits or human rights impact assessments
- ✓ Measures taken to make your own suppliers aware of your ESG expectations



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Terms and concepts

Human and labour rights: Internationally recognised human and labour rights are laid out in the Universal Declaration of Human Rights and in the [ILO Declaration on Fundamental Principles and Rights at Work](#). The core labour standards covered by the Declaration are laid out in eight Conventions (see below). In June 2022, the International Labour Conference decided to include a safe and healthy working environment in the ILO's framework of fundamental principles and rights at work, meaning Conventions 155 and 187 are now considered fundamental Conventions. It should be noted that all ILO Members, even if they have not ratified any of the Conventions covered by the Declaration or the two health and safety Conventions, have an obligation to respect, to promote and to realize the principles concerning the fundamental rights which are the subject of those Conventions, as stated in paragraph 2 of the Declaration and in the [decision of the International Labour Conference](#).

Environmental stewardship: Refers to the efficient use of energy, water and other resources, the prevention of GHG emissions, air, water and land pollution, the application of the mitigation hierarchy to biodiversity and waste, the minimisation of toxic materials, and increased recycling.

Ideally, the code of conduct references the following internally recognised conventions:

- ✓ [Basel Convention](#) on the Control of Transboundary Movements of Hazardous Wastes and their Disposal
- ✓ ILO C029 and C105: The elimination of all forms of forced and compulsory labour
- ✓ ILO C087 and C098: Freedom of association and the effective recognition of the right to collective bargaining
- ✓ ILO C100 and C111: The elimination of discrimination in respect of employment and occupation
- ✓ ILO C138 and C182: The effective abolition of child labour
- ✓ ILO C155 and C187: Occupational safety and health (adopted as fundamental Conventions in June 2022).
- ✓ International Bill of Human Rights (which consists of the [Universal Declaration of Human Rights](#), the [International Covenant on Economic, Social and Cultural Rights](#), and the [International Covenant on Civil and Political Rights](#) and its two Optional Protocols)
- ✓ [Minamata Convention](#) on Mercury
- ✓ [Stockholm Convention](#) on Persistent Organic Pollutants



Requirement 3.2.2.

The following detail on the site's direct and indirect suppliers is internally recorded for each input material on an annual basis: a) Operating names and addresses (or geo locations in latitude/longitude) of sites of origin and upstream processing and of other types of suppliers. Where direct or indirect suppliers oppose to disclose this information to the site, it may be shared by suppliers with the ResponsibleSteel auditors for the purpose of verification via an auditable mechanism.



What the requirement means for suppliers

Steel companies usually know who their direct suppliers are and sometimes know the mines of origin of their input materials. Supply chain links in-between are often a black box for them. However, not knowing who participates in supply chains means not being aware of any potential ESG problems and not being able to exercise ESG-related due diligence across supply chains. ResponsibleSteel therefore requires that steel companies work to identify their upstream supply chain links. For this reason, you as a supplier might be asked about your own direct and indirect suppliers' identities. This information is not requested to be made publicly available, it is intended for internal use by steel companies only.

Note that it is not sufficient for steel companies to know the companies they are directly or indirectly supplied by, they need to know which individual sites of direct and indirect suppliers are involved in their supply chains since the ESG performance of individual sites of suppliers can vary considerably. However, some types of suppliers, such as traders and brokers, might not have sites where physical input material is stored and managed. In such cases, providing company-level information to steel companies is appropriate.

Transportation is currently out of scope of the sourcing requirements (but is covered by the GHG requirements, some of which are relevant for suppliers too). This means that if you use a transportation company to deliver the input material to your customer, the transportation company would be considered a service provider, not a supplier. You would therefore not have to provide information on the transportation company to the steel company.

If a mine site that is a direct or indirect supplier to the steel company purchases ore from other mine sites (including artisanal and small-scale sites), the mine site would be expected to provide information on the mine sites it sources from to the steel company.

Although there is a general trend across industries to be more transparent about their supply chain links, some suppliers might not be willing to share the identities of their own direct and indirect suppliers with the steel company. However, they may be willing to cooperate through an 'auditable mechanism' where the supplier shares the information with a ResponsibleSteel auditor under a Non-Disclosure Agreement rather than with their customer. The way the mechanism will work is described below.



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Examples of evidence

- ✓ Suppliers that are not willing to share information on their own suppliers with their steel clients but do participate in the 'auditable mechanism' may provide the following evidence related to their supply chain links to the ResponsibleSteel auditors:
- ✓ An internal database with details on suppliers, also identifying knowledge gaps and reasons for those gaps
- ✓ Reports on supply chain research
- ✓ Supplier declarations
- ✓ Chain of Custody certificates from other programmes (such as ASI for bauxite-derived materials, IRMA for all kinds of minerals originating from mines that participate in the IRMA programme (note that the IRMA Chain of Custody Standard is still under development as of December 2022))
- ✓ Invoices, shipping bills, bills of lading, certificates of origin, or customs clearances, contracts, purchase orders, etc.
- ✓ There might be other types of records that fulfil the same purpose, i.e. that provide confidence that supply chain links are indeed known.



Requirement 3.2.2.

The following detail on the site's direct and indirect suppliers is internally recorded for each input material on an annual basis: a) Operating

names and addresses (or geo locations in latitude/longitude) of sites of origin and upstream processing and of other types of suppliers. Where direct or indirect suppliers oppose to disclose this information to the site, it may be shared by suppliers with the ResponsibleSteel auditors for the purpose of verification via an auditable mechanism.



Terms and concepts

Tonne: Means metric tonne, with 1 metric tonne being 1 000 kilogrammes or 2 204.6 pounds or 1.1023 gross tonnes.

Auditable mechanism for suppliers that do not want to share the identities of their direct and indirect suppliers with the steel company. The mechanism works as follows:

The suppliers inform the steel company for how many tonnes of the total tonnes of input material they provide to the steel company they know the identity of all mine sites and upstream processing sites. This information allows the steel company to understand for what percentage of their received input materials all upstream supply chain links are known.

However, for the steel company and ResponsibleSteel stakeholders to be confident that input material suppliers do indeed know what they say they know, this information must be verified by the ResponsibleSteel auditors of the steel company. Prior to the ResponsibleSteel audit, the steel company provides the auditors with a list of input material suppliers that do not want to disclose information about their own suppliers to the steel company, together with the tonnes procured from each supplier in the most recent calendar or financial year. The ResponsibleSteel auditors select a sample of input material suppliers and ask them to provide evidence on their sources under a Non-Disclosure Agreement (NDA) directly to the auditors. The NDA serves to reassure suppliers that the provenance and other commercially sensitive information is treated confidentially.

The auditors arrange focused interviews with the selected suppliers to review evidence related to their supply chain links (see examples of evidence in the table above). The interviews can take place remotely, meaning off-site using an internet-based communication tool that allows screen-sharing. A site visit is not needed. The auditors use this information to verify the supply chain links without sharing the information with the steel company.



Requirement 3.3.2.

In line with the procedure, the ESG performance of all direct and indirect input material suppliers, up to the origin of the concerned material, has been analysed and classified, and, where these are not known, for all countries of origin and upstream processing. The results have been documented and are updated as required by the procedure.



What the requirement means for suppliers

Steel companies are required to implement a documented procedure for collecting information on the ESG performance of direct and indirect input material suppliers and for analysing and classifying that information. They are asked to classify suppliers as high, medium or low risk, depending on the risk they pose to people and nature and taking account of the likelihood and severity of negative impact as a result of supplier performance. The steel companies have to update their risk classifications regularly and when unforeseen events occur.

You as a direct or indirect supplier might be asked to provide information on the ESG performance of your individual sites to steel customers and to substantiate that information with evidence. In the column on the right, we list examples of the kinds of evidence you might provide. Note that, generally, information that is derived through independent, third-party processes is considered more reliable than information based on a self-assessment or second-party assessment. In addition, assessments conducted on the basis of clearly defined standards that are based on important and relevant international norms, frameworks and guidelines ensure that all relevant ESG issues are covered.

There might be evidence that is not listed on the right but that also delivers insight on supplier ESG performance. If other evidence is used, the tools used to produce that evidence should have the following characteristics:

- ✓ Cover human and workers' rights, degradation of the environment, impact on corruption and conflict
- ✓ Draw on legitimate risk evaluation indices and sources
- ✓ Have been developed with input from different external stakeholders
- ✓ Independent verification of results
- ✓ Tool is maintained and kept up to date.



Requirement 3.3.2.

In line with the procedure, the ESG performance of all direct and indirect input material suppliers, up to the origin of the concerned material, has been analysed and classified, and, where these are not known, for all countries of origin and upstream processing. The results have been documented and are updated as required by the procedure.



Examples of evidence

Below, we list examples of evidence that direct and indirect suppliers may provide to steel companies to enable them to classify supplier ESG performance.

Third-party assessment reports against the following standards:

- ✓ [Bettercoal Code](#)
- ✓ [IRMA Standard for Responsible Mining](#)
- ✓ [TSM Protocols and TSM Voluntary Responsible Sourcing Supplement](#)
- ✓ [ISO 14001](#) Standard for environmental management
- ✓ [ISO 45001](#) Standard for health and safety
- ✓ [ISO 50001](#) Standard for energy management
- ✓ [ISO 26000](#) Guidance on social responsibility
- ✓ [SA8000](#) Standard

Other tools that may be used to understand the ESG performance of a specific site of a supplier or of a specific company are:

- ✓ Business sustainability ratings offered by [Ecovadis](#)
- ✓ [ELEVATE](#) Responsible Sourcing Assessment (ERSA)
- ✓ [Risk Readiness Assessment](#) (RRA) by the Responsible Minerals Initiative
- ✓ Sedex Supplier Risk Assessment using the [Radar](#) tool
- ✓ Supplier screening using the [Assent Supply Chain Sustainability Platform](#).



Requirement 3.3.4.

There is a documented strategy to help strengthen ESG performance in upstream input material supply chains. The strategy:

- a) Describes which direct and indirect suppliers and ESG risks and impacts are given priority to help avoid or reduce negative impact on people and nature;
- b) Defines measures that are taken to help avoid or reduce negative impact of direct and indirect suppliers on people and nature;
- c) Describes how recognised input material programmes are promoted to direct and indirect suppliers;
- d) Contains time-bound targets and objectives to increase the quantity of input material coming from sites of origin and upstream processing that participate in a recognised input material programme.



What the requirement means for suppliers

Steel companies are expected to implement a strategy that aims at improving ESG performance across supply chains. Many steel companies will be faced with so many risks due to the complexity and sheer number of supply chains that they will not be able to address all risks at once. They will need to prioritise. Contrary to traditional business risk prioritisation, it is not the risk to the steel company or to the supplier that is relevant, but the risk to affected stakeholders from business activities. Prioritised risks are those that steel companies should address first.

For example, steel companies should always prioritise the following:

- Where risk of child, forced or compulsory labour is identified, they should be immediately addressed, but in doing so the well-being of the affected child or worker must be ensured
- Where supplier activities threaten World Heritage sites and other types of protected areas and the values for which the sites were granted protection, this should also be considered a high risk that should be addressed immediately
- Likewise, the contamination of rivers, streams or lakes, and the destruction of natural forests should be addressed immediately, as well as high risk tailings dams at mine sites
- Where suppliers are party to legal or tribunal disputes regarding land tenure, this should be addressed immediately too.

If you as a supplier cause or contribute to risks, you will likely be approached by the steel company to discuss and agree on measures that are aimed at avoiding and reducing risk and impact to people and nature. These measures might include, for example:

- Capacity building and training on ESG issues
- Joint ESG projects
- Financial or technical resources to address ESG issues.

Steel companies might decide to continue sourcing from suppliers while such measures are being implemented and will expect improvements after an agreed time period. If a supplier is unwilling to help address serious issues like child or forced labour, the steel company might disengage from the supplier. One way that steel companies might reward improvements is by offering better contractual terms.



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- b) Defines measures that are taken to help avoid or reduce negative impact of direct and indirect suppliers on people and nature;
- c) Describes how recognised input material programmes are promoted to direct and indirect suppliers;
- d) Contains time-bound targets and objectives to increase the quantity of input material coming from sites of origin and upstream processing that participate in a recognised input material programme.



Examples of evidence

Depending on the strategy of the steel company and the measures that are agreed with the supplier, required evidence might vary. However, it might comprise:

- ✓ Participant lists and results of competence tests following training and capacity building exercises
- ✓ Reports and records describing the outputs and outcomes of ESG projects, of the use of financial or technical resources to improve ESG practices
- ✓ Results of surveys and discussions with affected stakeholders, gauging the effects of taken measures





Requirement 3.4.1

In the last calendar or financial year, suppliers (...) of the respective input material met the following:

- Level 1: Suppliers are committed to a recognised programme
- Level 2: Minimum ESG performance achieved under a recognised programme
- Level 3: IRMA 50, or equivalent
- Level 4: IRMA 75, or equivalent



What the requirement means for suppliers

The requirements in 3.4.1 comprise four different Levels. The Levels represent milestones in the responsible sourcing journey with the ultimate objective being that steel companies source the majority of their input materials from direct and indirect suppliers that can provide independent, credible proof of high ESG performance. ResponsibleSteel relies on input material programmes such as Bettercoal, IRMA and TSM for the provision of such proof. The programmes have been identified on the basis of a comprehensive 'recognition assessment' that considered the programmes' standards, their governance and management, assurance and oversight mechanisms and claims and labelling policies. More information on our recognition methodology and assessments can be found on the ResponsibleSteel website.

Suppliers active in processing should note that IRMA is working on a Minerals Processing Standard that is based on its Mining Standard. The IRMA Minerals Processing Standard will be recognised by ResponsibleSteel as soon as it is approved. Suppliers should also be aware that the recognition of TSM is currently limited to operations in Canada. TSM can be applied by mining and by processing sites. We advise all direct and indirect suppliers to steel companies to familiarise themselves with the conditions that are attached to the recognition of Bettercoal, IRMA and TSM to make sure that they meet the conditions if they want to support their steel customers in ResponsibleSteel certification.

To become certified, steel companies have to achieve at least Level 1. All four Levels ask that suppliers that account for a certain share of the input materials used at a specific steel site participate in a recognised input material programme. However, the ambition rises from Level to Level.



Requirement 3.4.1

In the last calendar or financial year, suppliers (...) of the respective input material met the following:

- Level 1: Suppliers are committed to a recognised programme
- Level 2: Minimum ESG performance achieved under a recognised programme
- Level 3: IRMA 50, or equivalent
- Level 4: IRMA 75, or equivalent



What the requirement means for suppliers

For Level 1, suppliers must be committed to one of the recognised programmes. In relation to the specific recognised programmes this means the following for direct and indirect suppliers:

- Bettercoal: The coal mining company has signed a Letter of Commitment and is conducting a self-assessment against the Bettercoal Code
- IRMA: The mine is using the 'Mine Measure' self-assessment tool
- TSM: The mine is conducting a self-assessment against the TSM Protocols and the TSM Responsible Sourcing Alignment Supplement
- ResponsibleSteel: The steel site is conducting a self-assessment against the ResponsibleSteel Standard

For Level 2, direct and indirect suppliers must have achieved a pre-determined minimum ESG performance under one of the recognised programmes. The performance must have been confirmed through a third-party audit that included a site visit and engagement of external stakeholders. The required ESG performance is different for each recognised input material programme because they all use different scales of performance and because they are not equivalent:

- Bettercoal: 'Substantially Meets' at the Principle level. A 'Partially Meets' at Provision level (which is the level below the Principle) can be averaged against a 'Meets' at Provision level to achieve 'Substantially Meets'
- IRMA: 'Transparency' with the mine site having an action plan to meet the 40 critical IRMA requirements by the end of its 3-year audit cycle
- TSM: 'A' or 'Yes', as applicable, on the most recent versions of all TSM Protocols and against the Voluntary Responsible Sourcing Alignment Supplement



Requirement 3.4.1

In the last calendar or financial year, suppliers (...) of the respective input material met the following:

- Level 1: Suppliers are committed to a recognised programme
- Level 2: Minimum ESG performance achieved under a recognised programme
- Level 3: IRMA 50, or equivalent
- Level 4: IRMA 75, or equivalent



What the requirement means for suppliers

Levels 3 and 4 serve to reward steel companies and suppliers that commit to and are implementing those recognised programmes that are considered to be 'best-in-class' in the views of stakeholders. They are frontrunners in terms of the overall depth and breadth of their standards, the quality of their assurance and oversight mechanisms, the inclusivity of their governance structures, and the transparency about their processes, operations and participants. Levels 3 and 4 can only be achieved where direct and indirect suppliers have demonstrated high levels of ESG performance under one of those programmes. Currently, IRMA is considered to stand out as the most robust mining programme and the mine's ESG performance must have been confirmed through a third-party audit that was carried out under the IRMA rules. As we assess more input material programmes for recognition, IRMA might be joined by additional programmes at these higher Levels

- Level 3: IRMA 50
- Level 4: IRMA 75



Requirement 3.4.1

In the last calendar or financial year, suppliers (...) of the respective input material met the following:

- Level 1: Suppliers are committed to a recognised programme
- Level 2: Minimum ESG performance achieved under a recognised programme
- Level 3: IRMA 50, or equivalent
- Level 4: IRMA 75, or equivalent



Examples of evidence

For Level 1:

- ✓ Bettercoal: Signed Letter of Commitment and evidence of conducting a self-assessment against the Bettercoal Code
- ✓ IRMA: Evidence of using the 'Mine Measure' self-assessment tool
- ✓ TSM: Evidence of conducting a self-assessment against the TSM Protocols and the TSM Responsible Sourcing Alignment Supplement

For Level 2:

- ✓ Bettercoal: Assessment report published on the Bettercoal website and showing 'Substantially Meets' for all Principles
- ✓ IRMA: Audit report published on the IRMA website (i.e. resulting in the 'Transparency' achievement level) and an action plan by the mine site to meet the 40 critical IRMA requirements by the end of the mine's 3-year audit cycle
- ✓ TSM: Verification report published on the TSM website and showing that an 'A' or 'Yes' rating has been achieved on the most recent versions of all TSM Protocols and against the Voluntary Responsible Sourcing Alignment Supplement

For Level 3:

- ✓ Level 3: Audit report published on the IRMA website and showing that 'IRMA 50' has been achieved

For Level 4:

- ✓ Level 4: Audit report published on the IRMA website and showing that 'IRMA 75' has been achieved



Requirement 3.4.3.

Direct suppliers of input materials are required to contribute to an unbroken upstream Chain of Custody as follows:

- a) Direct suppliers record shipments they receive, or specified shares thereof, as 'CoC Input Material' where documentation provided by their own suppliers confirms that the input material comes from a supply chain with an unbroken Chain of Custody;
- b) The following information is recorded by direct suppliers for any shipment of 'CoC Input Material' they receive:
 - Supplier that delivered the input material;
 - Date shipment was received;
 - Types, forms and tonnes of received 'CoC Input Material';
 - ESG performance levels achieved by the sites of origin and upstream processing and the names of the recognised programmes they participate in.
- c) Direct suppliers retain documentation they receive from their own suppliers confirming the status and tonnes of received 'CoC Input Material' for at least 5 years;
- d) Direct suppliers ensure that they only sell as many tonnes of 'CoC Input Material' as they have received from their own suppliers;
- e) Direct suppliers provide documentation to the site that identifies shipments, or relevant shares thereof, as 'CoC Input Material' as follows:
 - Date shipment was dispatched;
 - Types, forms and tonnes of shipped 'CoC Input Material';
 - ESG performance levels achieved by the sites of origin and upstream processing and the names of the recognised programmes they participate in.
- f) Direct suppliers require from their own suppliers that they contribute to an intact Chain of Custody as outlined in a) to e) above.

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What the requirement means for suppliers

Requirement 3.4.3. applies when steel companies want to achieve ResponsibleSteel certification to Level 2 or higher and is relevant for direct suppliers only. However, direct suppliers will have to secure the support of their own suppliers so that their steel customers can meet the requirement. The aim of 3.4.3. is to ensure an unbroken Chain of Custody from mine site to steel site to provide confidence that input material indeed comes from direct and indirect suppliers that have achieved the required ESG performance under one of the recognised programmes.

In the context of ResponsibleSteel, Chain of Custody means that input material from different suppliers can be blended and mixed throughout the supply chain, but that the share of input material from mine sites and processing sites that are part of a recognised programme is recorded at each supply chain stage and that related information is transferred from one stage to the next. Suppliers may sell this share as 'CoC Input Material'. The Chain of Custody model we have defined monitors the movement of input material through the supply chain, but does not make it possible to trace individual shipments or individual materials used in a steel product back to the place where the raw material was extracted from the earth. Full traceability would require that 'CoC Input Material' is kept separate from other input material on-site at steel companies and at their direct and indirect suppliers. This is deemed too complex to achieve. In essence, our



Requirement 3.4.3.

Direct suppliers of input materials are required to contribute to an unbroken upstream Chain of Custody as follows: ...



What the requirement means for suppliers

Chain of Custody model does not create a link between the physical input material and the associated paper trail. This means that even if the delivery note of a supplier or other relevant documentation states 'CoC Input Material', the actual provided input material might not originate from a mine that participates in a recognised input material programme.

Requirement 3.4.3. reads as follows:

"Direct suppliers of input materials are required to contribute to an unbroken upstream Chain of Custody..."

For a direct supplier, this means that their steel customer might include clauses in the supply contract, in terms and conditions or in other binding mechanisms that ask the supplier to help the steel company confirm the volumes of delivered input material that the supplier has sourced from supply chains where each site involved upstream participates in one of the recognised programmes. The Chain of Custody is intact (i.e. unbroken) when all sites upstream, meaning the mine sites and any processing sites, have achieved at least the minimum pre-defined ESG performance under one of the recognised programmes. Where one or more upstream sites involved in the respective supply chain have not achieved at least the minimum pre-defined ESG performance, the Chain of Custody is broken.

Where a supplier is a trader or a broker, they are not required to participate in a recognised input material programme. However, they are expected to contribute to an unbroken Chain of Custody by providing information on their suppliers' ESG performance under one of the recognised programmes.

Sub-requirement a) reads as follows:

"Direct suppliers record shipments they receive, or specified shares thereof, as 'CoC Input Material' where documentation provided by their own suppliers confirms that the input material comes from a supply chain with an unbroken Chain of Custody".

See the explanation of an "unbroken Chain of Custody" above.



Requirement 3.4.3.

Direct suppliers of input materials are required to contribute to an unbroken upstream Chain of Custody as follows: ...



What the requirement means for suppliers

“Documentation to confirm an unbroken Chain of Custody” can be, for example, a delivery note that the direct supplier receives from its own supplier, specifying the achieved ESG performance and the recognised programme under which the performance has been confirmed. Direct suppliers to steel companies will only be able to obtain this information if they ask their own suppliers to provide that information to them. I.e. an unbroken Chain of Custody can only be realised when all links in the chain work together. The information request has to be cascaded up the chain so that the information can flow down from the mine site all the way to the steel company.

Direct suppliers to steel companies will be supplied by different suppliers, some of which might participate in a recognised programme and some of which might not. Some of them might achieve the minimum ESG performance and others might not. To calculate the share of ‘CoC Input Material’, the following simple formula must be used. The result is expressed in percent:

$$\frac{\text{Total tonnes of 'CoC Input Material' x 100}}{\text{Total tonnes of input material}}$$

Below we provide an example that illustrates how the share of 'CoC Input Material' is calculated.

Sub-requirement b) asks that direct suppliers to steel companies keep track of 'CoC Input Material' shipments they receive from their own suppliers. They are asked to record the suppliers that delivered the input material, the dates on which the shipments were received, what kind of material was delivered to them and how many tonnes thereof, the ESG performance levels that the mine sites and upstream processing sites achieved, as well as the names of the recognised programmes these sites participate in (see the calculation example below for detail).

Sub-requirement c) requires that direct suppliers to steel companies retain 'CoC Input Material' documentation they receive from their own suppliers for at least 5 years. In the column on the right, we have provided examples of such documentation.



Requirement 3.4.3.

Direct suppliers of input materials are required to contribute to an unbroken upstream Chain of Custody as follows: ...



What the requirement means for suppliers

Suppliers can only sell as many tonnes of 'CoC Input Material' as they have received from their own suppliers, which is specified in sub-requirement d). The calculation example below illustrates this.

When direct suppliers sell 'CoC Input Material' to steel companies (see sub-requirement e), they must provide documentation to their steel customers that identifies how much of the respective shipment is 'CoC Input Material', that specifies the date on which the shipment was dispatched, the kind of input material the shipment contains and how many tonnes thereof, the ESG performance levels that the mine sites and upstream processing sites achieved, including their own ESG performance, as well as the names of the recognised programmes these sites participate in (see the calculation example below for detail).

Finally, as explained above and as specified in sub-requirement f), direct suppliers must ask their own suppliers to contribute to an intact Chain of Custody by providing information and documentation on the tonnes of input materials that are from mine sites and processing sites that have achieved at least the minimum ESG performance under one of the recognised input material programmes. Only when all supply chain participants work together can a Chain of Custody be established and kept intact.





Requirement 3.4.3.

Direct suppliers of input materials are required to contribute to an unbroken upstream Chain of Custody as follows: ...



Examples of evidence

- ✓ Delivery notes
- ✓ Invoices
- ✓ Shipping bills
- ✓ Bills of lading
- ✓ Certificates of origin
- ✓ Customs clearances
- ✓ Audit, assessment, verification reports or other publications from one of the recognised input material programmes (which may be available from the programme's website) confirming the audit results of the suppliers
- ✓ Chain of Custody certificates from other programmes such as ASI, FSC or IRMA
- ✓ The documentation must confirm that the shipment or specified parts thereof contains 'CoC Input Material' and must show the shipped tonnes of 'CoC Input Material'





Example to illustrate how the share of 'CoC Input Material' is calculated

	Mine 1	Mine 2	Mine 3	Mine 4	Mine 5	Mine 6
ESG performance level	TSM A	IRMA Transparency	Bettercoal Substantially Meets	None	None	None
Sold tonnes	40	20	10	30	30	20
<div>Processing business</div> <div><div><div><div>$\frac{40 \times 100}{150} = 26.7 \% \text{ TSM A}$</div><div>$\frac{20 \times 100}{150} = 13.3 \% \text{ IRMA Transparency}$</div><div>$\frac{10 \times 100}{150} = 6.7 \% \text{ Bettercoal Substantially Meets}$</div></div></div></div>						
	Processing Site 1	Processing Site 2	Processing Site 3			
ESG performance level	None	TSM A	None			
Sold tonnes	80	40	30			
	<div>CoC Input Material:</div> <div>26.7 % TSM AA</div> <div>13.3 % IRMA Transparency</div> <div>6.7 % Bettercoal Substantially Meets</div>					

The processing business in this example is supplied by 6 mine sites and receives a total of 150 tonnes of iron. The shares of its ‘CoC Input Material’ are calculated as shown on the left.

The processing business has 3 sites. Only one of the sites (Processing Site 2) has achieved the minimum ESG performance and its output is 40 tonnes of iron pellets. Only these 40 tonnes can be sold as ‘CoC Input Material’ with the calculated percentages, as shown on the left.

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The processing business in this example is supplied by 6 mine sites and receives a total of 150 tonnes of iron. The shares of its 'CoC Input Material' are calculated as shown on the left.

The processing business has 3 sites. Only one of the sites (Processing Site 2) has achieved the minimum ESG performance and its output is 40 tonnes of iron pellets. Only these 40 tonnes can be sold as 'CoC Input Material' with the calculated percentages, as shown on the left.

Annex: Mined input materials covered and not covered by the responsible sourcing requirements

1. Input materials covered:

The list below shows the mined input materials that are covered by the responsible sourcing requirements. The list is based on the report 'Responsible Sourcing and Due Diligence for the Worldsteel Membership', which identifies the most material inputs to the steel industry overall. We added 'lead' and 'oils' to align the below list with the list of input materials covered by the GHG requirements.

- **Iron**
- **Coal**
- **Other mined or quarried input materials:**
 - Bauxite
 - Boron
 - Calcium
 - Chromium
 - Cobalt
 - Dolomite
 - Graphite
 - Lead
 - Limestone
 - Magnesium
 - Manganese
 - Molybdenum
 - Nickel
 - Niobium
 - Oil (heavy as well as light)
 - Phosphorous
 - Silicon
 - Tin
 - Titanium
 - Tungsten
 - Vanadium
 - Zinc

The input materials are usually listed in their raw, unprocessed form. If the steel site that aims to achieve certification against the responsible sourcing requirements uses these materials in raw or processed form, the responsible sourcing requirements must be applied to them. For example:

- Raw iron ore and its processed forms such as pellets, sinter, pig iron, DRI and HBI are all covered by the responsible sourcing requirements
- Likewise, any form of coal, such as anthracite, coking coal or pulverised coal, is part of the responsible sourcing requirements
- Nickel metal, nickel oxide sinter, nickel pig iron are covered as they are based on nickel

Annex: Mined input materials covered and not covered by the responsible sourcing requirements

If iron, coal or any other input material covered by the responsible sourcing requirements is used in processed form at the site that applies for certification, the respective requirement applies to the main input materials used by the supplier of the processed material. For example:

- Where a site uses pig iron, the main input materials used by the supplier will be iron ore and coal, charcoal, hydrogen or natural gas, plus limestone. Note that hydrogen and natural gas are currently not covered by the responsible sourcing requirements, so none of the requirements apply to hydrogen and natural gas. They do apply to the other key input materials though.
- For nickel pig iron, the main input materials are nickel ore, coal and a mixture of sand and gravel. While sand and gravel are not covered by the requirements, nickel and coal are covered and the requirements therefore apply;
- Where a site is a steel processing site that receives, for example, slabs, billets or blooms as input materials, the crude steel production sites that it sources from must be certified to the additional responsible sourcing and GHG requirements for the steel processing site to demonstrate achievement of the responsible sourcing requirements;
- Note that producers of pre-processed input materials, such as DRI, HBI or pig iron, cannot themselves become certified to the additional responsible sourcing and GHG requirements. However, the responsible sourcing requirements apply to them.

2. Input materials not covered:

The below input materials are not covered by the responsible sourcing requirements. This means that they can be used at steel sites, but there are currently no ESG expectations attached to them:

- **Hydrogen**
- **Natural gas**

Mined input materials that are not listed as 'covered' are considered to fall into the 'not covered' category.

Annex: Responsible sourcing checklist

The checklist on the following pages will help suppliers support their customers in meeting the responsible sourcing requirements. For each requirement that needs supplier support, we have drafted one or more questions. Where the response is 'No', the supplier is likely expected to do more. The checklist provides a quick overview and is intentionally kept short. We advise suppliers to read the full guidance document to ensure they can fully respond to customer expectations.

Note that where we refer to 'sites', we mean those sites of a supplier that provide input material to a steel company seeking certification against the responsible sourcing requirements for its own sites.

Also note that it will not be sufficient to answer the below questions with 'Yes'. You will be expected to provide documented evidence for your responses.

Requirement No.	Question	Response
3.1.4.	Do you have a Code of Conduct or similar that covers the following topics:	
	a) Compliance with applicable laws and regulations	<input type="checkbox"/> Yes <input type="checkbox"/> No
	a) Prevention of corruption, bribery, extortion and money laundering	<input type="checkbox"/> Yes <input type="checkbox"/> No
	a) Adherence to human rights and labour rights	<input type="checkbox"/> Yes <input type="checkbox"/> No
	a) Protection of worker and local community health and safety	<input type="checkbox"/> Yes <input type="checkbox"/> No
	a) Environmental stewardship	<input type="checkbox"/> Yes <input type="checkbox"/> No
	a) Responsible sourcing	<input type="checkbox"/> Yes <input type="checkbox"/> No
	a) Transparency on ESG-related issues	<input type="checkbox"/> Yes <input type="checkbox"/> No
	a) Collaboration of supplier and customer to improve ESG performance	<input type="checkbox"/> Yes <input type="checkbox"/> No
	a) Monitoring of supplier adherence to the code of conduct	<input type="checkbox"/> Yes <input type="checkbox"/> No
	a) Expectation that suppliers demand similar ESG practices from their own suppliers	<input type="checkbox"/> Yes <input type="checkbox"/> No
	Do you monitor how well the Code of Conduct (or similar) is implemented?	<input type="checkbox"/> Yes <input type="checkbox"/> No

Annex: Responsible sourcing checklist

Requirement No.	Question	Response
3.1.5.	Do you support your customers efforts in assessing your level of adherence to the Code of Conduct (or similar instrument)?	<input type="checkbox"/> Yes <input type="checkbox"/> No
3.1.6.	Where adherence is found to be lacking, do you support your customers' efforts in closing the gaps?	<input type="checkbox"/> Yes <input type="checkbox"/> No
3.2.2.	Do you provide your customers with the operating names and addresses of any of your sites that supply input material to them?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	Do you permit your customers to pass on this information to their own customers?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If you do not agree to provide your customers with the operating names and addresses of your sites, do you agree to share this information with ResponsibleSteel auditors under a Non-Disclosure Agreement?	<input type="checkbox"/> Yes <input type="checkbox"/> No
3.3.2.	Do you provide information on your sites' ESG performance to your customers so they can analyse and assess it according to their own procedure?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	Does the information you provide to your customers comprise ESG assessment reports by organisations that are independent of you?	<input type="checkbox"/> Yes <input type="checkbox"/> No
3.3.4.	Where your customers take measures to reduce risk and negative impact for people and nature from supply chain activities, do you support implementation of these measures?	<input type="checkbox"/> Yes <input type="checkbox"/> No

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Requirement No.	Question	Response
3.4.1.	For Level 1: Are you and your sites committed to participate in an input material programme recognised by ResponsibleSteel?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	For Level 2: Have your sites achieved one of the following in a third-party audit?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	Bettercoal: 'Substantially Meets' for all Principles	
	IRMA: 'Transparency' with an action for the mine site to achieve the 40 critical IRMA requirements by the end of its 3-year audit cycle	
	TSM: Responsible Sourcing Alignment Supplement and those TSM Protocols that apply a Yes/No rating are fully met. Level A for all other Protocols	
	For Level 3: Have your sites achieved 'IRMA 50' in a third-party audit?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	For Level 4: Have your sites achieved 'IRMA 75' in a third-party audit?	<input type="checkbox"/> Yes <input type="checkbox"/> No

Annex: Responsible sourcing checklist

Requirement No.	Question	Response
3.4.1.	For Level 1: Are you and your sites committed to participate in an input material programme recognised by ResponsibleSteel?	<input type="checkbox"/> Yes <input type="checkbox"/> No
3.4.3.	a) Do you record shipments you receive as 'CoC Input Material' where documentation provided by your own suppliers confirms that the input material comes from a supply chain with an unbroken Chain of Custody? If not the entire shipment is 'CoC Input Material', do you record the specified share of the shipment that is 'CoC Input Material'? b) Do you record the following information for 'CoC Input Material' shipments you receive? <ul style="list-style-type: none"> Supplier that delivered the input material Date shipment was received Types, forms and tonnes of received 'CoC Input Material' ESG performance levels achieved by the sites of origin and upstream processing and the names of the recognised programmes the sites participate in 	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No
	c) Do you retain the documentation listed in b) for at least 5 years?	<input type="checkbox"/> Yes <input type="checkbox"/> No

Requirement No.	Question	Response
3.4.3. continued	d) Do you ensure that you only sell as many tonnes of 'CoC Input Material' as you have received from your own suppliers?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	e) Do you provide the following documentation to customers regarding 'CoC Input Material' that you are delivering to them? <ul style="list-style-type: none"> Date shipment was dispatched Types, forms and tonnes of shipped 'CoC Input Material' ESG performance levels achieved by the sites of origin and upstream processing and the names of the recognised programmes the sites participate in 	<input type="checkbox"/> Yes <input type="checkbox"/> No
	f) Do you require from their own suppliers that they contribute to an intact Chain of Custody as outlined in a) to e) above?	<input type="checkbox"/> Yes <input type="checkbox"/> No



In case of questions, please contact
assurance@responsiblesteel.org