

To: All Members, warehouse companies and their London agents and other interested parties

Ref: 23/021

Classification: Brands

Date: 08 February 2023

Subject: **AMENDMENTS TO THE LME RESPONSIBLE SOURCING POLICY**

Summary

1. The London Metal Exchange (“LME”) publishes today the minor amendments to the LME Policy on Responsible Sourcing of LME-Listed Brands (“the Policy”) and associated compliance documents, including the Red Flag Assessment Template and Secondary Materials Sourcing Attestation Form.

Background

2. The LME published the Policy in October 2019 (notice 19/130), and 2022 represented the first reporting year against the Policy. After reviewing the first year of compliance submissions, the LME proposed to incorporate minor amendments to the Policy and the associated compliance documents, including the Red Flag Assessment Template and Secondary Materials Sourcing Attestation Form.
3. The LME published the proposed changes on 8 December 2022 (notice 22/282) and requested feedback from the market by 16 January 2023. This notice summarises the responses received and the final changes made.
4. While the LME is not required to consult on these changes in line with the Policy (Clause 16 in the redline and clean versions attached at Appendices B and C respectively), and notes the relatively minor set of revisions made, it remains the LME’s preference to seek feedback where possible.
5. Capitalised terms not defined herein have the meaning ascribed to them in the Policy.

Feedback received

6. Appendix A summarises the feedback received and the actions the LME took after considering the feedback received.



Changes in effect

7. These changes come into effect in 30 days on 9 March 2023. However, Producers are encouraged to start using the new forms in Appendix E, F, and H immediately.
8. For the avoidance of doubt, the proposed changes do not require any amendment to the LME Rulebook.

Nicole Hanson
Responsible Sourcing Manager

cc: Board directors
All committees

Appendices

- A. Summary of responses to the Request for Feedback and LME conclusions
- B. LME Policy on Responsible Sourcing of LME-Listed Brands – redline Feb-23
- C. LME Policy on Responsible Sourcing of LME-Listed Brands – clean Feb-23
- D. LME Red Flag Assessment Template – original
- E. LME Red Flag Assessment Template – revised Feb-23
- F. Red Flag Assessment Workbook Feb-23
- G. LME Secondary Materials Sourcing Attestation Form – original
- H. LME Secondary Materials Sourcing Attestation Form – revised Feb-23



Appendix A: Summary of responses to the Request for Feedback and the LME's conclusions

1. Profile of respondents to the Request for Feedback

The LME received 30 responses from a variety of market user types, the majority from Producers of LME Brands (70%), then standard-setting organisations (20%), followed by one metal association, one audit company, and one consumer. Half of the respondents (50%) were based in Europe, 17% in North America, 7% respectively from Africa, Asia, South Africa, and South America, with the remainder from Australia and the Middle East.

The respondents supported the LME's aim to make improvements to the responsible sourcing programme and the LME received no comments suggesting that the LME should not introduce any changes. Most of the comments were specific to the questions the LME asked and either stated support for the change, provided constructive suggestions, or asked questions about the LME's intention. The LME is grateful to all the respondents for the time and effort they put into their responses.

The responses have been carefully reviewed. The aim of this document is to provide a summary of those responses and the response of the LME, rather than to give a verbatim report of all feedback received on each proposed change. Below, the LME summarises the responses and then states what is included within the final version of the published documents listed in appendices C, E, F and H.

This response paper should be considered with reference to the redline versions of the proposed documents.

2. Unresolved issues

As acknowledged in the specific comments in the tables below, the LME notes that there were two topics in which most respondents agreed that it would be helpful for the LME to provide additional guidance. As a result, the LME is considering providing additional guidance on (i) expectations for timelines when switching tracks and (ii) Conflict Affected and High-Risk Area ("CAHRA") methodology recommendations.

Currently, the LME has three guidance notes published on its website:

- LME responsible sourcing: supplier red flags;
- Guidance note for LME ISO 14001 and OHSAS 18001 / ISO 45001 compliance; and
- Guidance note for Track B audits.

To make these various documents easier to navigate, the LME plans to publish a handbook that compiles the existing three guidance notes and is considering providing additional



guidance in the handbook on the timeline expectations when switching tracks and CAHRA methodology recommendations. Further information may be added in the future. The aim is to publish this handbook in early 2023.

In addition, there were some points raised by respondents which the LME does not believe should be addressed in the Policy at this point, however they are areas which merit further industry-wide discussion and potential alignment in due course. These areas include:

- Potential further amendments in relation to “supplier red flag”;
- Encouraging uptake of the Extractive Industries Transparency Initiative (“EITI”) Standard among Producers’ suppliers;
- Potential future developments in respect of due diligence in the recycling industry; and
- Step 5 transparency expectations.

These topics will be considered further by the LME’s Responsible Sourcing team this year and the LME welcomes dialogue with the market on these topics.

3. Summary of responses to the Request for Feedback

Each table below lists the relevant question the LME posed to the market, summarises the feedback received in response to the question, and then states the action the LME is undertaking in relation to that area.

Relevant document	B. LME Policy on Responsible Sourcing of LME-Listed Brands – redline 8-Dec-22
Location within document	Paragraph 4.1
Context & question	<p>Context: The Organisation for Economic Co-operation and Development (“OECD”) Guidance on Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (“OECD Guidance”) specifies that it does not apply to recycled materials for Metal relevant to the Policy and as such, the LME does not require Brands using 100% recycled material to comply with the OECD Guidance portion of the Policy. However, details around the operation of this exception were not originally included in the Policy itself, but detailed under separate cover. To provide greater clarity, the LME is proposing to add the Secondary Materials Track to the Policy to ensure full understanding of all routes to compliance. This is detailed in Paragraph 8.</p> <p>Question: 1) Do you believe the LME should incorporate Secondary Materials as a formal Track to compliance with the Policy (i.e. Track D)? If not, please detail why you disagree with this proposed change.</p>



Summary of the feedback received	<p>The vast majority of the respondents agreed with this change, saying that incorporating the process for Brands produced with 100% recycled material as "Track D" provides much more clarity regarding compliance within this route.</p> <p>Multiple respondents also raised the suggestion that recycled material should also have due diligence or traceability requirements.</p>
Final result	The LME is proceeding with the proposed change and participating in industry discussions on responsibly sourced secondary material.

Relevant document	B. LME Policy on Responsible Sourcing of LME-Listed Brands – redline 8-Dec-22
Location within document	Paragraph 4.2
Context & question	<p>Context:</p> <p>There is some subjectivity involved in the identification of an OECD Red Flag. There may be circumstances where a potential Red Flag is raised by a Producer, but considered mitigated or lowered under the specific circumstances involved. The addition of the sentences here is intended to make it clear that the LME does allow Producers to explain exceptional circumstances where they raise a potential Red Flag and then demonstrate that this is lowered. The LME allows these types of explanations and they are accompanied by the public disclosure of elements outlined in Paragraphs 6.7 (For Track B) and 7.6 (for Track A).</p> <p>Question:</p> <p>2) Do you believe the addition clarifies that the Producer is able to explain circumstances where a potential OECD Red Flag is addressed and that this is an appropriate interpretation of the OECD Guidance?</p>
Summary of the feedback received	<p>The views of the respondents varied considerably on this question. Some welcomed the proposed clarification, stating that it is more in line with an impact-driven and continuous improvement approach rather than a bureaucratic and "tick-box" approach. Others however, raised concerns that this could lead to unfair treatment of Producers, introducing too much subjectivity into the Red Flag mitigation process. Finally, other respondents stated that no matter the situation, a Red Flag should only be able to be lowered via the audit process of a Track A standard.</p>
Final result	<p>The LME recognises the merit behind each view and as the Policy states, expects all Producers who identify a Red Flag to use Track A. However, the LME does recognise that Producers may use terminologies and processes differently in respect of Red Flags, with some Producers using a "potential" Red Flag to highlight areas of concern for additional due diligence, before confirming if it is a genuine Red Flag or not. Further, there may also be circumstances (which the LME would expect to be exceptionally rare) where a Red Flag has been mitigated, and in these instances, the LME prefers to maintain the language to allow this to be identified and addressed transparently. The</p>



	<p>LME has modified the language to clarify that the expectation is for these situations to be extremely rare and that this inclusion must not be abused by Producers. Should these circumstances arise, the LME would expect to see extensive evidence to justify that the Red Flag has been mitigated or lowered.</p> <p>Some respondents requested examples of situations where this has been applied, such examples will be available in the Track B and C reporting by the LME and/or Producers themselves as part of the public disclosure process in Paragraphs 6.7 (For Track B) and 7.6 (for Track A)</p>
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Relevant document	B. LME Policy on Responsible Sourcing of LME-Listed Brands – redline 8-Dec-22
Location within document	Paragraph 5.7
Context & question	<p>Context: The original Policy did not provide any indicative timings for documentation that must be submitted to the LME for Brands that are reclassified to Track A.</p> <p>Question: 3) Do you believe the timings provided here are realistic for Producers and sufficiently expeditious to maintain the credibility of the programme?</p>
Summary of the feedback received	The respondents generally welcomed the first indicated timeline of requiring Brands referred to Track A to choose a new standard within one month. However, multiple respondents said that one year was not enough time to implement a standard and that 18 months would be more appropriate. Multiple respondents also commented that such specific timings should be provided for Producers switching between other Tracks, not just from Track B or C to Track A.
Final result	<p>In addition to the feedback received, the LME has also been preparing for the submission of Track A Standard Audit Reports at the end of 2023, and through this preparation, has learned that the timeline needed to implement a standard and receive the final audit report can vary significantly between Track A standards. In some cases, situations such as auditor availability (which is outside the Producer's control) may delay their implementation. Due to this variation and the nascent stage of some of the standards, the LME is not going to explicitly state these timings in the Policy itself. Instead, the LME will communicate these timings to Producers directly as it relates to each Brand's compliance and work closely with the relevant standard to understand the cause of any delay in respect of implementation.</p> <p>As respondents provided positive feedback on having further clarity on timelines with regard to switching Tracks, the LME is considering providing future guidance on this in the LME responsible sourcing handbook.</p>



	Further, in recognition of the issues around auditor availability, the LME is hosting an auditor summit, in conjunction with the OECD, where it will welcome auditors, standard bodies and other interested parties to discuss the current issues and possible routes to amelioration.
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Relevant document	B. LME Policy on Responsible Sourcing of LME-Listed Brands – redline 8-Dec-22
Location within document	Paragraph 7.6
Context & question	<p>Context:</p> <p>The original Policy suggested the LME would suggest any redactions to the RFAs before publication. This version clarifies that the Producer will propose the redactions to be applied, subject to LME approval, while still allowing the LME to make additional redactions it considers necessary.</p> <p>Question:</p> <p>4) Do you believe this revision is appropriate?</p>
Summary of the feedback received	The respondents agreed with the proposition for Producers to suggest the redactions and some respondents also requested that the LME establish minimum requirements in relation to redactions.
Final result	The LME is proceeding with the proposed change. As one of the tenets of the LME's responsible sourcing programme is transparency, and in particular – a core requirement of Track C is the full publication of the RFA (following the introductory period of summary statistics and anonymised RFAs) – the LME is expecting that the majority of the information within an RFA will be published, with only information that is strictly confidential not being published. The LME will monitor this in the coming years as the Step 5 reporting becomes more common across all three Tracks and if further expectations need to be set, the LME will work to do so with stakeholders such as Producers, the OECD and Track A standards.

Relevant document	B. LME Policy on Responsible Sourcing of LME-Listed Brands – redline 8-Dec-24
Location within document	Paragraph 8
Context & question	<p>Question:</p> <p>4) The text shown in Paragraph 8 incorporates the Secondary Materials Track into the Policy as referenced in Paragraph 4.1. Do you agree the provisions in Paragraph 8 maintain the existing LME requirements properly?</p>



Summary of the feedback received	The feedback to this question was very similar to that provided in response to question 1. Respondents generally supported Track D being incorporated, but they also had questions about any additional secondary material expectations that the LME may have in the future.
Final result	The LME is proceeding with the change as proposed. The LME is also participating in industry discussions on responsibly sourced secondary material.

Relevant document	B. LME Policy on Responsible Sourcing of LME-Listed Brands – redline 8-Dec-22
Location within document	Paragraph 16 – Glossary
Context & question	Question: 5) Do you believe the glossary term definitions for “Primary Material”, “Input Material”, and “Secondary Material” are appropriate and explain the differences sufficiently between these material types? If not, please provide suggestions on how these terms should be explained.
Summary of the feedback received	Many respondents provided constructive input into the definitions proposed by the LME. Notably, a few respondents raised the question of whether residues from material processing are considered primary or secondary. As technologies, the regulatory landscape, and economic situations develop, it may be possible to process waste and residues from primary production for further recovery than is currently feasible. A few respondents were of the view that the LME definitions do not provide clarity on this point.
Final result	The LME modified the proposed definitions, incorporating comments from the respondents. On the topic of residues, the LME is not incorporating this aspect as it was not referred to during the first year's implementation of the Policy. If this does become an oft-cited source of material that Producers of Brands are struggling to categorise, the LME will look to incorporate industry views into a revised definition.

Relevant document	E. LME Red Flag Assessment Template – revised, with request for feedback questions
Location within document	Introduction



Context & question	<p>In reviewing the RFAs from the first year of implementation, the LME received comments regarding formatting and ease of submission. The LME has addressed a few of these as noted below:</p> <ul style="list-style-type: none"> • The LME has taken the many sub-questions from the original Question 2 and broken them out into stand-alone questions. • The LME has moved the country-related data into a separate worksheet in a tabular format to improve consistency of responses, clarity of expectations, and ease of response. • The LME has added references to the OECD Guidance page numbers so that Producers may easily refer back to the original document. <p>6) Are there other formatting changes you would suggest to make the RFA easier for Producers to complete?</p>
Summary of the feedback received	<p>The LME was encouraged to see support for the new format of a workbook for some of the RFA data and the other changes listed here. Two respondents stated that though the additional clarifications and format in the workbook are welcome, having multiple documents can be difficult to manage so they would prefer one document.</p>
Final result	<p>The LME will proceed with the proposed changes. If Producers would like to submit one document, they are able to copy the tables from the Excel into the word document themselves and the LME will accept this format.</p>

Relevant document	E. LME Red Flag Assessment Template – revised, with request for feedback questions
Location within document	Section 2
Context & question	<p>Context: The original Red Flag Assessment template did not explicitly request the demonstration of implementation of a grievance mechanism, but as this is part of Step 1 of the OECD Guidance, the LME is now providing clarification of the requirement.</p> <p>Question: 7) Do you believe it is appropriate for the LME to clarify the expectation of a grievance mechanism (either independent or as part of an industry programme) as expected by the OECD Guidance?</p>
Summary of the feedback received	<p>The vast majority of the respondents agreed with this change, saying that it is reflective of the OECD Guidance.</p>
Final result	<p>The LME is proceeding with the change as proposed.</p>

Relevant document	E. LME Red Flag Assessment Template – revised, with request for feedback questions
Location within document	Section 2



Context & question	<p>Context: The definition of a CAHRA is provided in the OECD Guidance, and specified by the Policy. The LME does not dictate a specific methodology for identifying CAHRAs and leaves this determination up to the Producer (albeit, as noted in the Policy, the LME did anticipate that some Producers may wish to use CAHRA lists provided by third parties, should those prove appropriate). However, as this is a key point in the Red Flag Assessment, the LME does believe the process the Producer uses to determine CAHRAs needs to be disclosed to build trust in the Track C process. In year one, the LME made these requests bilaterally to Producers should the information not be provided in the original submission; however, the LME is now proposing to clarify this requirement by including it in this revised template. Once Producers have provided their CAHRA methodology to the LME in the RFA, this information would be expected to be included in the public disclosure of the RFA as well, in line with the transparency timeline (including phased introduction) provided by the LME in the Policy.</p> <p>Question: 8) Do you consider these changes appropriate? Why or why not?</p>
Summary of the feedback received	The respondents supported the proposed change, stating that this brings more comparability and supports the broader industry better. However, there were many requests for the LME to further clarify what the LME's expectations are in respect of what is considered an "acceptable" methodology.
Final result	The LME is proceeding with the proposed change and plans to subsequently add further clarifications or examples of useful CAHRA methodologies into the LME responsible sourcing handbook. However, Producers should not expect the LME to produce its own list of CAHRAs - the LME remains firm that it is more appropriate for Producers to determine CAHRAs given their own on the ground expertise, and that supply chains benefit from Producers looking into the context of the regions they or their suppliers source from rather than relying solely on a list. In this way, CAHRA determination can be risk-based and specific, rather than decided centrally by the LME.
Relevant document	E. LME Red Flag Assessment Template – revised, with request for feedback questions
Location within document	Section 3



Context & question	<p>The original RFA required Producers to include an assessment of the EITI status of countries from which they source materials, and through which they transit those materials. As EITI is only available for the mining phase of production, asking about implementation of EITI at the transit phase of the supply chain caused confusion. The revised version of the template only asks Producers to look for EITI implementation for the supplier's sources of material.</p> <p>In addition, the original RFA included the point that if a supplier is not shown to be implementing EITI principles, this raises a Red Flag and in accordance with the Policy, would require a switch to Track A by the Producer. Upon review of the OECD Guidance, and recognising that implementing Track A for the Producer will not necessarily prompt the relevant supplier to provide EITI reporting, the LME is removing the question that identified a lack of EITI implementation at a supplier's site to be a Red Flag.</p> <p>Finally, the LME is removing the requirement for Producers to look for EITI implementation for the Relevant Companies identified in Section 4, as many of these locations will not be mine sites and the leverage Producers have with these Relevant Companies is much less than their direct suppliers.</p> <p>9) Regarding EITI expectations, do you believe it is appropriate for the LME to (1) change the EITI disclosure requirements to specify that they are only for countries where minerals are sourced, not transit countries and (2) remove the assumption that suppliers lacking EITI disclosures raise an OECD Red Flag?</p>
Summary of the feedback received	<p>There was agreement among respondents that specifying the requirement to only the sourcing countries rather than the transit routes was appropriate and in line with the OECD Guidance (in relation to point 1 above). The respondents had varied views on the second point mentioned above however. The majority agreed, that yes, not being able to find a supplier's EITI report in an EITI-implementing country should not raise a Red Flag (and thus require Track A). However, one respondent did not agree and thought the Red Flag should stand. Three respondents suggested compromises being that Track A would not be required, however there would still be some form of consequence for the Producer if EITI principles are not followed (either by them or their supplier). Another respondent emphasised the need for responsible sourcing initiatives to help increase transparency of payments from private to public sector in order to identify corruption and fraud.</p>
Final result	<p>The LME is proceeding with the changes proposed with slight modifications to incorporate the feedback. The modifications include adding references for how to contact the EITI International Secretariat when they are not able to find information from their suppliers and changing the location of questions in Section 5 so that it is clear a Red Flag is not immediately raised.</p>



Relevant document	E. LME Red Flag Assessment Template – revised, with request for feedback questions
Location within document	Section 4
Context & question	<p>Context:</p> <p>In reviewing the RFAs from the first year of implementation, the LME noted different interpretations of the supplier Red Flags. The LME has made the modifications in section 4 to clarify expectations and increase consistency between Producer’s RFAs. This is to support fair treatment of all Producers.</p> <p>Question:</p> <p>10) Do you believe the changes to section 4. Supplier Red Flags provide clarity to Producers on the expectations of them and clarity for when supplier Red Flags are raised? If not, please provide other interpretations of the OECD Guidance supplier Red Flags and explain why that interpretation is more appropriate in the circumstances.</p>
Summary of the feedback received	<p>The feedback to this question was split, which clearly shows the continuing difficulty with the concept of supplier Red Flags. One respondent suggested removal of section 4 entirely, suggesting that the LME should focus on the direct supply chain to Brands in section 3. On the other side, one respondent suggested that the modifications proposed narrow the scope too far going against the LME's own guidance note on the subject. There was also feedback received which was between these two positions, with many respondents were receptive to the changes as proposed by the LME, welcoming the clarification.</p>
Final result	<p>Through this Request for Feedback and additional discussion with the existing Track A standards, it has become clear to the LME that implementation of this part of the OECD Guidance is difficult to standardise. For some Producers who have a local or internal supply chain with limited other parties involved, applying the due diligence expectations to all Relevant Companies is straightforward. For others who buy from large multi-national mining companies or international traders, the number of entities that could be within the scope of this question is in the thousands, making the exercise unmanageable.</p> <p>The LME is not proceeding with the changes that narrowed the scope of section 4 nor is the LME removing the question entirely due to the view that either change would mean that the RFA omits a significant part of the OECD Guidance. The LME will instead keep the question very similar to the original RFA and strengthen the link to the original guidance note on the topic (LME responsible sourcing: supplier red flags).</p> <p>The LME will continue to engage with the Track A standards, OECD, and producers on the topic of supplier Red Flags. When it is appropriate to provide further clarifications on the subject, the LME will do so in the guidance note. The LME will continue to actively engage</p>



	with Producers and the wider market on this area and will closely monitor the developing expertise on this subject.
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Relevant document	F. Red Flag Assessment Workbook 8-Dec-22
Location within document	Entire document
Context & question	Question: 11) Do you agree with the LME that the addition of a separate, tabular workbook to the Red Flag Assessment Template will improve ease and consistency of reporting? If you do not agree and prefer that the LME does not make this change, please provide your reasoning.
Summary of the feedback received	Respondents agreed that the new format of the RFA with the workbook was an improvement. As in an earlier question, two respondents stated that though the additional clarifications and format in the workbook are welcome, having multiple documents can be difficult to manage so they would prefer one document.
Final result	The LME is proceeding with the proposed addition of the Excel workbook to the RFA. If Producers would like to submit one document, they are able to copy the tables from the Excel into the word document themselves and the LME will accept this format.

Relevant document	H. LME Secondary Materials Sourcing Attestation Form – revised, with request for feedback questions
Location within document	Section 1
Context & question	Context: The attestation form did not previously require a Reporting Period to be stated. This has been modified so that Brands, the LME, and potential users of the data about these Brands can be confident in the dates from when the Brand assures that they only sourced 100% recycled material.



	Question: 12) Do you believe this change is appropriate?
Summary of the feedback received	The respondents agreed that this was a positive change with one respondent suggesting that the attestation form only needed to be submitted every three years rather than every year.
Final result	The LME is proceeding with the proposed change and keeping the attestation form as an annual requirement.
Relevant document	H. LME Secondary Materials Sourcing Attestation Form – revised, with request for feedback questions
Location within document	Section 3



Context & question	<p>Context:</p> <p>With the addition of the Secondary Materials Track formally into the Policy, many of the definitions and expectations have been removed from the attestation form and are now in the Policy itself. Based on the responses from the first year, the LME was also able to condense the three questions from the original attestation form into two questions, and has reduced the number of signatures required from one to two to simplify the process for Producers. In addition, the following paragraph was deleted:</p> <p><i>Upon the provision of at least thirty (30) days' written notice (but without notice in the case of a breach or suspected breach of the instructions of this attestation form), the Brand shall permit the LME and/or its advisors and/or any independent professional auditors acting on behalf of the LME to gain access (both physical and remote) and inspect during normal business hours the systems, controls, books, records and/or other documents as may be required. Additionally, to inspect the Brand's sourcing data and, where appropriate, that of its affiliates, and any other information held by the Brand or its affiliates for the purposes of auditing the Brand's compliance with this attestation form. The LME shall ensure that its advisors and/or its auditors treat all information obtained from a Brand during the course of any audit as confidential information.</i></p> <p>However, it should be noted that the LME still retains this power as part of Paragraph 14 of the Policy itself.</p> <p>Question:</p> <p>13) Do you believe these changes still hold Producers to the appropriate level of accountability when it comes to identifying their material as 100% secondary?</p>
Summary of the feedback received	<p>The feedback to this question was mostly positive, with some respondents again raising the suggestion that recycled material should also have due diligence and traceability requirements. There was a suggestion that removing the paragraph about the potential audit of a Producer's site would discourage accountability for the Producer.</p>
Final result	<p>The LME is proceeding with the proposed change and will continue to participate in industry discussions on responsibly sourced secondary material. It should also be noted that the Policy enables on-site visits of secondary Producers to verify the content of their Secondary Materials Sourcing Attestation Form, as noted below:</p> <p><i>Paragraph 14.1 (c) where a Grievance or Own-Initiative Investigation concerns the accuracy of information provided in an LME RFA or Secondary Materials Sourcing Attestation Form, the LME may (without limitation) request that the Producer provide supporting evidence, or procure an independent audit (either on-site or otherwise) of the LME RFA or Secondary Materials Sourcing Attestation Form (subject to such conditions as the LME may reasonably prescribe).</i></p>



LME Policy on Responsible Sourcing of LME-Listed Brands

Revision date: February 2023

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1 Summary

- 1.1 This Policy sets out the basis on which The London Metal Exchange ("the LME") will determine whether a Brand is compliant with the LME's standards for the responsible sourcing of Metals admitted to trading on the LME.
- 1.2 This Policy sets out:
- (a) the general requirements that the LME will apply to determine whether and how to list a Brand, having regard to the LME's interests in promoting the responsible sourcing of Metals (Paragraph 2);
 - (b) the certification requirements to be satisfied in respect of all Brands listed by the LME (Paragraph 3);
 - (c) the process that the LME shall apply to listed Brands by which such Brands shall achieve compliance with this Policy, and the basis on which such compliance shall be determined (Paragraph 4);
 - (d) the requirements to be applied in respect of Brands applying the Recognised Alignment-Assessed Standard Track (Paragraph 5);
 - (e) the requirements to be applied in respect of Brands applying the Audited LME RFA Track (Paragraph 6);
 - (f) the requirements to be applied in respect of Brands applying the Published LME RFA Track (Paragraph 7);
 - (g) the requirements to be applied in respect of Brands applying the Secondary Materials Track (Paragraph 8);
 - (h) the LME's approach to the recognition of Standards, Certification Programmes, Alignment Assessors and Auditors (Paragraph [98](#));
 - (i) the action that the LME may take in respect of any Brand that is not compliant with any requirement of this Policy (Paragraph [109](#));
 - (j) the basis on which the LME may use or disclose information obtained from Producers pursuant to the arrangements described in this Policy (Paragraph [114](#));
 - (k) the ability of persons to raise responsible sourcing related grievances in respect of any listed Brand (Paragraph [142](#));
 - (l) the LME's own-initiative powers to conduct investigations into a Brand's compliance with this Policy (Paragraph [123](#));
 - (m) the process that the LME shall apply in respect of any grievance or own-initiative investigation, and requirements for Producers to co-operate with such investigations (Paragraph [134](#));
 - (n) confirmation of the timeline for the actions to be taken under this Policy (Paragraph [145](#));
 - (o) how this Policy may be changed from time to time (Paragraph [165](#)); and
 - (p) a glossary of defined terms used in this Policy (Paragraph [167](#)).



- 1.3 Terms which are used in this Policy are defined in Paragraph 176 of this Policy. Terms not otherwise defined in this Policy shall have the meaning ascribed to them in the LME's Rulebook (as amended from time to time) available on the Exchange's website at: <https://www.lme.com/regulation/rules/rulebook/> (the "Rules").

This Policy shall be "LME's Policy on Responsible Sourcing of LME-Listed Brands", for the purpose of Part 7 of the Rules.

References to "Paragraphs" refer to the paragraphs of this Policy. References to "Regulations" in this Policy are references to the regulations of the Rules unless otherwise stated.

- 1.4 Unless a contrary indication appears, where in this Policy it states that the LME "may" do something or take such step as it considers appropriate or where in this Policy any discretion, power or right is conferred on the LME, it shall be interpreted to mean that the LME may do that thing, or take that step or exercise that discretion, power or right conclusively and in its sole, absolute and unfettered discretion and without consultation or notice to any other person. The LME shall exercise such discretion in a manner designed to promote and maintain integrity, high standards and fair dealing in accordance and consistent with applicable laws.

2 General Requirements

- 2.1 A Metal may only be listed as a Brand where the LME determines that it shall be listed in accordance with this Policy.
- 2.2 The LME may determine that a Metal shall be listed in accordance with this Policy where:
- (a) the LME has determined that the Brand complies with the requirements set out in Paragraph 3 (*Certification Requirements*);
 - (b) the LME has determined that the Brand complies with the requirements identified in Paragraph 4 (*Brand Compliance*), and specified in detail in Paragraphs 5 (*Recognised Alignment-Assessed Standard Track*), 6 (*Audited LME RFA Track*), ~~or 7~~ (*Published LME RFA Track*), or 8 (*Secondary Materials Track*);
 - (c) the Producer complies with all other requirements applicable to a Producer set out in this Policy; and
 - (d) the Producer complies with any other reasonable requirements notified by the LME from time to time.
- 2.3 Where the LME considers that any of the requirements of this Policy are not satisfied in respect of a Brand, the LME may take any of the actions specified in ~~Paragraph 9~~ Paragraph 10 (*The LME's Powers to take Brand Action*) in relation to such Brand, subject to and in accordance with the requirements of that Paragraph.
- 2.4 In the event that a Producer or any other person (an "Objecting Party") disagrees with the LME's determination of any matter under this Policy, such Objecting Party may notify the LME in writing of such disagreement. Provided that such notification is received by the LME within 1 month of the LME's relevant determination, the LME shall liaise with the Objecting Party in order to understand and consider the Objecting Party's concerns and, where practicable, prior to such determination becoming effective. However, for the avoidance of doubt, any person's (including any Producer's) obligations in respect of the matters subject to determination shall be unchanged in the event that the LME maintains its original determination. For the avoidance of

doubt, the process described in this Paragraph 2.4 shall be separate from, and shall not involve the application of, the complaints-handling processes specified in the Rules.

- 2.5 The LME may publish Guidance Notes specifying additional information and/or guidance to assist in the interpretation, and implementation of the requirements, of this Policy.
- 2.6 The LME is not responsible for ensuring that any Producer is able to meet any particular timeframe or commercial deadline for achieving any particular status or milestone described in this Policy.

3 Certification Requirements: ISO 14001 and OHSAS 18001 / ISO 45001 Requirements for Brands

3.1 Required Certification

Each Producer shall ensure that its Brands shall each be certified as compliant with:

- (a) ISO 14001 and OHSAS 18001 / ISO 45001; or
- (b) Equivalent Certification Programmes,

in respect of the production methods (being the smelting or equivalent step, in all cases being the final substantive step resulting in the production of LME grade metal) applied at the facility or facilities at which the Brand is produced and, following the initial certification, shall ensure that such certification remains current and valid. Each Producer shall ensure that the LME is at all times in receipt of a current, valid copy of each such certification.

3.2 Use of Other Market Certification Programmes

A Certification Programme Owner may submit to the LME an ISO / OHSAS Equivalence Assessment in respect of that Certification Programme and (following confirmation by the LME that the Certification Programme represents an Equivalent Certification Programme), request that the Equivalent Certification Programme be specified on the list published by the LME in accordance with ~~Paragraph 8~~Paragraph 9.5 below.

3.3 Use of Equivalent Certification Programme

A Producer proposing to apply a Certification Programme that it considers to be an Equivalent Certification Programme must either:

- (a) demonstrate to the LME that the Certification Programme is contained on the list of Equivalent Certification Programmes published by the LME in accordance with ~~Paragraph 8~~Paragraph 9.5 below; or
- (b) provide to the LME an ISO / OHSAS Equivalence Assessment in respect of the Certification Programme. If the Producer is not the Certification Programme Owner, then the Producer must provide to the LME evidence, acceptable to the LME, that the Certification Programme Owner agrees to the use by the Producer of such ISO / OHSAS Equivalence Assessment.

3.4 Timings for submission of certificates

(a) Brands Listed as at 31 December 2023

The Producer of any Brand that is listed as of 31 December 2023 must submit its initial certifications under Paragraph 3.1 by 31 December 2023. If the Producer proposes to make use of an Equivalent Certification Programme, it must have ensured that the ISO /



OHSAS Equivalence Assessment has been reviewed by the LME in sufficiently good time prior to this date to enable both: (i) the LME to complete the appropriate assessment under Paragraphs 3.2 or 3.3 (as applicable) and (ii) the Producer to obtain the necessary certification.

(b) **New Applications for Listing**

Any Producer applying for the listing of a Brand (where such listing is expected to take effect after 31 December 2023) must submit its certifications under Paragraph 3.1 as part of its application for listing. If the Producer proposes to make use of an Equivalent Certification Programme which is not already the subject of an ISO / OHSAS Equivalence Assessment, it must submit the ISO / OHSAS Equivalence Assessment as part of the application for listing.

For the avoidance of doubt, the LME may delay or deny the granting of listed-Brand status to any Brand application until this process has been completed to the LME's satisfaction.

- 3.5 The LME will require an appropriate period of time to process an application in respect of a Certification Programme. Producers should liaise with the LME to understand the LME's indicative timing for completing its assessment and to ensure such Producers allow adequate timing for this process to be completed.

3.6 **Choice of Third Party Assessor**

A Producer that intends to submit an ISO / OHSAS Equivalence Assessment shall, prior to making such submission, notify the LME of the identity of the third party that has undertaken, or that it proposes to undertake, the assessment. The Producer shall not submit to the LME an ISO / OHSAS Equivalence Assessment produced by a third party where the LME has notified the Producer that such third party is not acceptable to the LME.

4 Brand Compliance

- 4.1 From the relevant date as specified by this Policy, in order to qualify as an LME-listed Brand, a Brand must either be sourcing 100% Secondary Materials or be compliant with the OECD Guidance (including the relevant items of steps 1 to 5, as set out therein). Such compliance shall be determined by applying the following process:

(a) the Brand determines if sources are 100% Secondary Materials and if so, applies Track D below; if not, the Brand continues to 4.1(b) below;

(a)(b) the Brand must satisfy OECD Step 1;

(b)(c) the Brand must satisfy OECD Step 2a;

(c)(d) upon the completion of OECD Step 2a, the Producer of a Brand must elect to apply one of the following Tracks A, B or C from the following tables:

Track Identifier	Name of Track	Requirements for Track
A	Recognised Alignment-Assessed Standard Track	Paragraph 5
B	Audited LME RFA Track	Paragraph 6



C	Published LME RFA Track	Paragraph 7
<u>D</u>	<u>Secondary Materials Track</u>	<u>Paragraph 8</u>

4.2 Identification of Track

In the event that, pursuant to the Red Flag Assessment carried out as part of OECD Step 2a:

- (a) the Producer identifies any OECD Red Flags, then the Producer must apply the Recognised Alignment-Assessed Standard Track in respect of the Brand; or
- (b) the Producer identifies no OECD Red Flags, then the Producer may apply any of:
 - (i) the Recognised Alignment-Assessed Standard Track;
 - (ii) the Audited LME RFA Track; or
 - (iii) the Published LME RFA Track,
 in respect of the Brand.

For the avoidance of doubt, a Producer may elect to apply the Recognised Alignment-Assessed Standard Track where no OECD Red Flags are identified pursuant to the Red Flag Assessment or instead of the Secondary Materials Track.

The LME is aware that there may be exceptionally rare cases where an OECD Red Flag is considered to have been addressed by the Producer prior to the LME RFA submission and no longer remains an OECD Red Flag. The LME RFA Template allows Producers to explain these situations. Referrals to Track A on these Red Flags will be determined on the basis of information provided to the LME, with the LME seeking further information when required. All Producers who remain on Tracks B or C are subject to the public disclosure of elements outlined in Paragraphs 6.7 (For Track B) and 7.6 (for Track C).

4.3 Notification of Proposed Track

The Producer of a Brand must notify the LME which Track it intends to apply in respect of the Brand and follow the relevant requirements of that Track:

- (c) on or before 30 June 2022, in the case of a Brand that is already listed by that date; or
- (d) at the time of application for listing of the Brand, in the case of a Brand that is not already listed by 30 June 2022.

4.4 Reclassification by the LME

The LME may at any time:

- (a) reclassify a Non-Track A Brand as a Track A Brand in the event that the LME is in receipt of information that, in the LME's determination, indicates that the Brand should be a Track A Brand, and require that the Producer comply with the requirements for Brands assessed in accordance with the Recognised Alignment-Assessed Standard Track;



- (b) notify a Producer that a Track A Brand may be reclassified as a Non-Track A Brand in the event that the LME is in receipt of information that, in the LME's determination, indicates that the Brand satisfies the requirements for a Non-Track A Brand, in which case the Producer may elect to comply with the requirements for Brands assessed in accordance with any of: (i) the Recognised Alignment-Assessed Standard Track; (ii) the Audited LME RFA Track; or (iii) the Published LME RFA Track (as applicable).

By way of example, but without limitation, the LME may be in receipt of such information that causes it to reclassify Non-Track A Brands as Track A Brands as a consequence of information or market feedback received from:

- (i) public, industry or other market sources; or
- (ii) any person or market participant pursuant to the submission of a Grievance, or the investigation of a Grievance.

4.5 In the event that it is determined that a Non-Track A Brand should be re-classified as a Track A Brand for any reason, such re-classification shall take immediate effect, and the relevant requirements and timings applicable to the Recognised Alignment-Assessed Standard Track shall be applied.

4.6 Voluntary Reclassification by Producer

A Producer may elect to change the Track applied in respect of a Brand, ~~including by changing:~~

~~(a) from the Recognised Alignment-Assessed Standard Track to either (i) the Audited LME RFA Track or (ii) the Published LME RFA Track; or~~

~~(b) from the Audited LME RFA Track or Published LME RFA Track (as applicable) to the Recognised Alignment-Assessed Standard Track; or~~

~~(c) from the Audited LME RFA Track to the Published LME RFA Track; or~~

~~(d) from the Published LME RFA Track to the Audited LME RFA Track;~~

provided in each case that the application of the newly selected Track is permissible for the Brand, in accordance with Paragraph 4.2. Before a Producer makes any such election to change the Track applied in respect of a Brand, the Producer must notify the LME in order that the LME may confirm to the Producer the applicable timescales within which the Brand must comply with the relevant requirements for the newly selected Track.

5 Track A: Recognised Alignment-Assessed Standard Track

5.1 Standard Adoption

Where the Producer of a Brand proposes to apply the Recognised Alignment-Assessed Standard Track, such Producer must commit to adopt a Standard for such Brand, and notify the LME of the Standard which it intends to adopt.

5.2 Alignment Assessment

- (a) A Producer must ensure the alignment of its proposed Standard with the OECD Guidance. Such Standard may be an Internal Standard or an External Standard.
- (b) A Standard Owner which is not a Producer may submit an OECD Alignment Assessment in respect of an External Standard, and (following confirmation by the LME that the

External Standard is aligned), request that the External Standard be specified on the list published by the LME in accordance with ~~Paragraph 8~~Paragraph 9.5 below.

- (c) A Producer must demonstrate to the LME that alignment has been achieved. Such alignment may be demonstrated either by:
 - (i) the Standard being specified on the list published by the LME in accordance with ~~Paragraph 8~~Paragraph 9.5 below; or
 - (ii) the Producer providing to the LME an OECD Alignment Assessment in respect of the Standard, from a Recognised Alignment Assessor. If the Producer is not the Standard Owner, then the Producer must provide evidence, acceptable to the LME, that the Standard Owner agrees to the use by the Producer of such OECD Alignment Assessment.

For the avoidance of doubt, in the event that a Producer proposes to use a Standard in respect of which an OECD Alignment Assessment has already been completed, such Producer shall not be required to undertake an additional OECD Alignment Assessment unless the LME, having reviewed such assessment, notifies the Producer that it requires an additional assessment to be undertaken.

- (d) Subject to (e) below, the LME shall not regard any Standard as being aligned unless and until:
 - (i) the LME is in receipt of an OECD Alignment Assessment, in a form acceptable to the LME, from a Recognised Alignment Assessor, demonstrating the alignment of such Standard with the OECD Guidance; and
 - (ii) the LME has reviewed such OECD Alignment Assessment and is itself satisfied that the Standard is sufficiently aligned with the OECD Guidance. Without limitation to the LME's discretion, in coming to a determination pursuant to this Paragraph 5.2(d), the LME may discuss the matter with the OECD and may take the views of the OECD into account.
- (e) Where an OECD Alignment Assessment demonstrates substantial but not complete alignment of a Standard with the OECD Guidance, the LME shall be entitled to form its own view regarding the alignment. In such circumstances:
 - (i) the LME may regard such Standard as aligned, subject to any such additional conditions as the LME may determine are appropriate; and
 - (ii) the Standard Owner and/or Producer must comply with any such conditions.

For example, the LME may consider that certain elements of the OECD Guidance have limited application to a specific Metal, in which case the LME may accept an OECD Alignment Assessment for a Standard applying only to that Metal where such OECD Alignment Assessment reflects such limited application and, where in the LME's view, it is accompanied by an adequate explanation of the scope of, and rationale for, such limitation.

- (f) The LME will require an appropriate period of time to process an application in respect of a Standard and to reach a view as to the alignment of a Standard. Producers should liaise with the LME to understand the LME's indicative timing for completing its assessment and to enable such Producers to allow adequate timing for this process to be completed.

- (g) For the avoidance of doubt, where an OECD Alignment Assessment has not demonstrated alignment of a Standard with OECD Guidance, the LME may reject such Standard, and the Standard consequently cannot be used to meet the requirements of this Policy.
- (h) In the event that, in the opinion of the LME, there are substantive changes in: (i) the OECD Guidance; (ii) this Policy; or (iii) any Standard, the LME shall determine whether any existing Recognised Alignment-Assessed Standard must undergo a new OECD Alignment Assessment (either in respect of the whole Standard or in respect of any specific aspects of the Standard). The LME shall also determine the timescales within which the Producer must: (1) complete such assessment process, and (2) provide any subsequent Standard Audit Report in respect of the Standard for the purposes of Paragraph 5.3. Without limitation to LME's discretion, in coming to a determination pursuant to this Paragraph 5.2(h), the LME may discuss the matter with the OECD and may take the views of the OECD into account.
- (i) In the event that:
 - (i) a Producer proposes to use a Standard which has satisfied the "*Standards*" section of the OECD Methodology, but has not yet satisfied the "*Implementation*" section of the OECD Methodology; and
 - (ii) the LME has determined that the Standard has otherwise satisfied the requirements of this Paragraph 5.2,

then in the period between the date of the LME's determination and the date that the results of the assessment under the "*Implementation*" section of the OECD Methodology are published, the LME and the Producer shall treat the Standard as being aligned with the OECD Guidance on the condition that it does not subsequently fail its assessment under the "*Implementation*" section of the OECD Methodology. For the avoidance of doubt, Paragraph 5.2(e) shall apply to any assessment of alignment pursuant to this Paragraph 5.2(i), such that the LME shall be entitled to form its own view regarding the satisfaction by a Standard of either or both the "*Standards*" and "*Implementation*" sections of the OECD Methodology, and may accordingly impose conditions to the treatment of the Standard as being aligned.

- (j) A Producer that proposes to use a Standard that has been assessed as aligned, in accordance with the OECD Methodology, with the standards established by a standard-setting body other than the LME, shall first notify the LME of the proposed Standard and the results of the OECD Alignment Assessment in order for the LME to determine whether to accept such Standard and assessment as capable of satisfying the requirements of this Paragraph 5.2.

5.3 Brand Compliance

- (a) A Producer must procure a Standard Audit Report, and submit such report to the LME. The Producer shall provide to the LME such additional information in support of the assessments and conclusions set out in the Standard Audit Report as the LME may reasonably request.
- (b) The Standard Audit Report must be undertaken by:

- (i) in the case of an External Standard, an approved or accredited auditor satisfying the requirements for audits and/or assurance assessments set out in that External Standard;
 - (ii) in the case of an Internal Standard, a Recognised Auditor.
- (c) The LME shall not regard a Brand as being compliant with the relevant Standard unless and until:
 - (i) the Standard has been confirmed as aligned with the OECD Guidance in accordance with Paragraph 5.2;
 - (ii) the LME is in receipt of a Standard Audit Report, from an approved or accredited auditor pursuant to Paragraph 5.3(b), demonstrating the compliance of the Brand with the relevant Standard;
 - (iii) in the case of an External Standard, the Standard Audit Report has undergone the necessary review processes specified by that External Standard; and
 - (iv) the LME has reviewed such Standard Audit Report (and, in the case of an External Standard, the results of any review process specified by that External Standard) and is itself satisfied that the Brand is compliant with the relevant Standard.
- (d) The LME shall not accept any Standard Audit Report conducted by an auditor who, in the period two years prior to the issuance of the Standard Audit Report, acted as the Recognised Alignment Assessor in respect of the Standard to which the Standard Audit Report relates.

5.4 Internal and External Standards

- (a) The LME may, in its discretion, seek a greater degree of assurance regarding any OECD Alignment Assessment and/or Standard Audit Report produced in relation to an Internal Standard than it would require in respect of an External Standard, by requiring further information or otherwise.
- (b) An Internal Standard must require an update of the associated Standard Audit Report at least once every three years and, in any event, following any material change to the OECD Guidance or the Standard.

5.5 Timing requirements for Brands Listed as at 30 June 2022

(a) Application

This Paragraph 5.5 shall apply to Brands that were listed prior to 30 June 2022, and which are classified as Track A Brands on 30 June 2022, pursuant to the notification under Paragraph 4.3.

(b) Requirements

The Producer of any Brand to which this Paragraph 5.5 applies must comply with the following requirements.

- (i) No later than **30 June 2022** (being also the date when Producers must notify the LME of their nominated Track pursuant to Paragraph 4.3), the Producer must notify

the LME of the Standard which it intends to adopt for the Brand, pursuant to Paragraph 5.1.

- (ii) No later than **31 December 2022**, the Producer must submit an OECD Alignment Assessment to the LME, in respect of its chosen Standard, pursuant to Paragraph 5.2(d).

This step shall not be required if the Standard is an External Standard that, as of **31 December 2022**, is already a Recognised Alignment-Assessed Standard specified on the list published by the LME in accordance with ~~Paragraph 8~~[Paragraph 9.5](#) below.

- (iii) No later than **31 December 2023**, the Producer must submit to the LME a Standard Audit Report and any other information required pursuant to Paragraph 5.3. The Producer must ensure that the Standard Audit Reports required pursuant to Paragraph 5.3 are updated in accordance with the timescales specified in the Standard, and such updated reports and any other information submitted to the LME once completed, in accordance with the requirements of Paragraphs 5.3 and 5.4.

5.6 Timing requirements for newly-listed Track A Brands

(a) Application

This Paragraph 5.6 shall apply to Brands that become listed after 30 June 2022 and which are classified as Track A Brands at the time of listing (on the basis of the notification made by the Producer as part of the listing application). The date on which the application for listing is submitted to the LME shall be the "**Application Date**".

(b) Requirements

The Producer of any Brand to which this Paragraph 5.6 applies must comply with the following requirements.

- (i) On the Application Date, the Producer must notify the LME of the Standard which it intends to adopt for the Brand, pursuant to Paragraph 5.1.
- (ii) By the later of (i) the Application Date and (ii) **31 December 2022**, the Producer must submit an OECD Alignment Assessment to the LME, in respect of its chosen Standard, pursuant to Paragraph 5.2(d).

This step shall not be required if the Standard is an External Standard that, as of the later of (i) the Application Date and (ii) **31 December 2022**, is already a Recognised Alignment-Assessed Standard specified on the list published by the LME in accordance with ~~Paragraph 8~~[Paragraph 9.5](#) below.

- (iii) By the later of (i) the Application Date and (ii) **31 December 2023**, the Producer must submit to the LME a Standard Audit Report and any other information required pursuant to Paragraph 5.3.
- (iv) The Producer must ensure that the Standard Audit Reports required pursuant to Paragraph 5.3 are updated in accordance with the timescales specified in the Standard, and such updated reports and any other information required are submitted to the LME once completed, in accordance with the requirements of Paragraphs 5.3 and 5.4.



- (c) For the avoidance of doubt, to the extent that steps above are required as of the Application Date, then the relevant information must be provided as part of the Producer's application for listing of the Brand. The LME may delay or deny the granting of listed-brand status until such the LME is in receipt of such information to its satisfaction.

5.7 Timing requirements for Brands reclassified as Track A Brands subsequent to 30 June 2022

(a) Application

This Paragraph 5.7 shall apply to Brands that, subsequent to 30 June 2022, are reclassified as Track A Brands.

(b) Requirements

The LME shall, in its absolute discretion (and acting reasonably) prescribe the dates from which such Brands must comply with the requirements of Paragraphs 5.1 to 5.4 above.

5.8 Public disclosure

Transparency reports must be made pursuant to the transparency requirements of the relevant Standard, including the requirements of OECD Step 5. Such transparency reports must be published on a publicly-accessible website maintained by the Producer, with a link to such page or pages of the LME's own website as the LME may specify.

6 Track B: Audited LME RFA Track

6.1 Eligibility for Audited LME RFA Track

A Producer may only apply the Audited LME RFA Track to a Brand in the event that:

- (a) an LME RFA has been completed in respect of the Brand;
- (b) the most recent LME RFA conducted in respect of such Brand has identified no OECD Red Flags in respect of that Brand; and
- (c) the Producer has obtained an Audit Report confirming that such assessment is correct.

For the avoidance of doubt, in the event that the Audit Report does not confirm the assessment that there are no OECD Red Flags for the Brand as being correct, the Producer must apply the Recognised Alignment-Assessment Standard Track in respect of the Brand.

6.2 Audit

A Producer must, in respect of each Reporting Period, and for each Brand for which it proposes to apply the Audited LME RFA Track, procure an audit or suitable assurance report, in order to verify that its LME RFA in respect of the relevant Reporting Period has correctly reached the conclusion that no OECD Red Flags have arisen, and is based on appropriate and accurate information (an "**Audit Report**").

6.3 Auditor

The audit must be undertaken by a Recognised Auditor.

6.4 Timings for submission of Audit Report

The following timings apply in respect of any Brand to which the Audited LME RFA Track applies.



(a) **Brands Listed as at 30 June 2022**

The Producer of any Brand that is already listed as of 30 June 2022 must submit its first Audit Report by 30 June 2022 (being also the date when Producers must notify the LME of their nominated Track pursuant to Paragraph 4.3). Such first Audit Report must relate to an LME RFA in respect of the 2021 Reporting Period.

(b) **Initial Listing of Brands taking effect after 30 June 2022**

Any Producer applying for the listing of a Brand (where such listing is expected to take effect after 30 June 2022) must submit an Audit Report as part of its application for listing. The Audit Report should cover an LME RFA that relates to (at the Producer's choice) either (i) the Reporting Period that ended in the most recent calendar year prior to the calendar year in which the date of the application falls, or (ii) the Reporting Period which ended in the calendar year in which the date of the application falls, provided that this Reporting Period ended prior to the date of the application. However, if (i) is elected, and such Reporting Period would have ended less than six months prior to the application date, then the LME RFA and Audit Report may relate to the next preceding Reporting Period.

For the avoidance of doubt, the LME may delay or deny the granting of listed-Brand status until the LME is in receipt of an Audit Report that has been completed to its satisfaction and any reviews and/or determinations pursuant to Paragraphs 6.5 and 6.6 have been completed.

(c) **Brands Reclassified to the Audited LME RFA Track after 30 June 2022**

The Producer of a Brand that is reclassified as a Brand to which the Audited LME RFA Track shall be applied shall be required to provide an Audit Report, compliant with the requirements of this Paragraph 6, on such date as the LME may, in its absolute discretion (and acting reasonably), specify.

(d) **On-Going Assessments**

The Producer of any Brand that is listed as of 30 June 2023, and/or on any subsequent 30 June, must (by 30 June of the year in question) submit a new Audit Report in respect of an LME RFA relating to the Reporting Period ending in the year preceding the year in question.

6.5 **LME Review**

The LME shall be entitled to review the Audit Report and may:

- (a) in the event that the LME has concerns or questions regarding any aspect of the Audit Report, the basis of its production, its conclusions or any of its content, require the Producer to respond to such concerns or questions and/or procure that the Recognised Auditor do so; and
- (b) in the event that the LME is not satisfied with the responses to such concerns or questions, require the Brand to be reclassified as, and assessed under the requirements for, the Recognised Alignment-Assessed Standard Track.

6.6 **LME Requests for Information**

The LME may ask a Producer for further information, clarifications or explanations, in order to assist the LME to review the Audit Report. In the event that a Producer does not comply with



such requests, the LME may (in its discretion) classify the Brand as a Track A Brand and/or take any Brand Action in respect of such Brand.

6.7 Public disclosure

The results of the Audit Report must be disclosed, pursuant to OECD Step 5, not later than the 31 December following submission of the relevant Audit Report to the LME.

Such results must be published on a publicly-accessible website maintained by the Producer, with a link to such page or pages of the LME's own website as the LME may specify.

7 Track C: Published LME RFA Track

7.1 Eligibility for Published LME RFA Track

A Producer may only apply the Published LME RFA Track to a Brand in the event that:

- (a) an LME RFA has been completed in respect of the Brand; and
- (b) the most recent LME RFA conducted in respect of such Brand has identified no OECD Red Flags in respect of that Brand.

7.2 Timings for submission of LME RFA

The following timings apply in respect of any Brand to which the Published LME RFA Track applies.

(a) Brands Listed as at 30 June 2022

The Producer of any Brand that is already listed as of 30 June 2022 must submit its first LME RFA by 30 June 2022 (being also the date when Producers must notify the LME of their nominated Track pursuant to Paragraph 4.3). Such first LME RFA must relate to the 2021 Reporting Period.

(b) Initial Listing of Brands taking effect after 30 June 2022

Any Producer applying for the listing of a Brand (where such listing is expected to take effect after 30 June 2022) must submit an LME RFA as part of its application for listing. The LME RFA should relate to (at the Producer's choice) either (i) the Reporting Period that ended in the most recent calendar year prior to the calendar year in which the date of the application falls, or (ii) the Reporting Period which ended in the calendar year in which the date of the application falls, provided that this Reporting Period ended prior to the date of the application. However, if (i) is elected, and such Reporting Period would have ended less than six months prior to the application date, then the LME RFA may relate to the next preceding Reporting Period.

For the avoidance of doubt, the LME may delay or deny the granting of listed-Brand status until the LME is in receipt of an LME RFA that has been completed to its satisfaction, and a determination has been made in respect of the resultant classification in accordance with Paragraphs 7.3 to 7.4 (and/or, where applicable, Paragraph 4.4).

(c) Brands Reclassified to the Published LME RFA Track after 30 June 2022

The Producer of a Brand that is reclassified as a Brand to which the Published LME RFA Track shall be applied shall be required to provide an LME RFA, compliant with

the requirements of this Paragraph 7, on such date as the LME may, in its absolute discretion (and acting reasonably), specify.

(d) **On-Going Assessments**

The Producer of any Brand that is listed as of 30 June 2023, and/or on any subsequent 30 June, must (by 30 June of the year in question) submit an updated LME RFA relating to the Reporting Period ending in the year preceding the year in question.

7.3 Review and Determination by the LME

Following receipt of a completed LME RFA in respect of a Brand, the LME shall:

- (a) undertake a review of the assessment and the Producer's proposed classification specified therein;
- (b) determine whether the LME:
 - (i) agrees; or
 - (ii) disagrees,with such assessment and classification; and
- (c) notify the Producer of its determination, including (where the LME disagrees with the Producer) the LME's determination of the classification of the Brand.

7.4 LME Requests for Information

The LME may ask a Producer for further information, clarifications or explanations, in order to assist the LME to review the Producer's submission. In the event that a Producer does not comply with such requests, the LME may (in its discretion) classify the Brand as a Track A Brand and/or take any Brand Action in respect of such Brand.

7.5 Disagreement with the LME's Determination

For the avoidance of doubt, in the event that a Producer disagrees with the LME's determination pursuant to Paragraph 7.3, such Producer may notify the LME in writing of such disagreement in accordance with Paragraph 2.4.

7.6 Public disclosure

- (a) The LME may publish the LME RFA for each Brand to which the Published LME RFA Track applies, subject to the restrictions set out in this Paragraph 7.6. The LME may make such publication on a publicly accessible website maintained by the LME.
- (b) Following the introduction into force of this Policy, the LME shall apply a graduated schedule for increasing the amount of detail published in respect of such LME RFAs. The following table summarises the schedule for making such LME RFAs public. However, the Producer may suggest redactions, subject to LME review, -LME may redact certain information- where the LME-Producer considers it appropriate to do so (for example, where it considers such redactions to be necessary to preserve reasonable commercial confidentiality, -either in response to a request from the Producer or at the LME's own initiative-). The LME may also redact certain information at the LME's own initiative.



Publication Date by the LME	Reporting Period (ending on the relevant Date)	Details published of LME RFAs received in respect of the Reporting Period
Not earlier than 31 December 2022	2021 Reporting Period	Summary statistics
Not earlier than 31 December 2023	2022 Reporting Period	Summary statistics
Not earlier than 31 December 2024	2023 Reporting Period	Anonymised versions of per-Brand LME RFA
Not earlier than 31 December 2025	2024 Reporting Period	Anonymised versions of per-Brand LME RFA
Not earlier than 31 December 2026	2025 Reporting Period	Attributed versions of per-Brand LME RFA
Not earlier than 31 December of the year following the year of the relevant Reporting Period	2026 Reporting Period and onwards	Attributed versions of per-Brand LME RFA

- (c) LME RFAs submitted pursuant to an application for the initial listing of a Brand (and hence not in accordance with the dates above) will be disclosed in a manner equivalent to those LME RFAs of the corresponding Reporting Period, as set out in the table above.

8 Track D: Secondary Materials Track

8.1 Eligibility for Secondary Materials Track

A Producer may only apply Secondary Materials Track to a Brand in the event that:

- (a) Brands are able to determine whether the Input Materials sourced are Secondary Materials or Primary Materials; and
- (b) the Input Materials used in production of that Brand during the Reporting Period have been sourced solely (i.e. 100%) from Secondary Material sources; and
- (c) the Producer does not wish to voluntarily use one of the other three Tracks.

For the avoidance of doubt, Input Materials will be considered “sourced” from the date their legal ownership is transferred to the Brand.

If any Primary Material is used in production of the Brand, the Brand becomes ineligible to use the Secondary Materials Track and Paragraphs 4 to 7 will apply for the Primary Material sourced.



8.2 Timings for submission of LME Secondary Materials Sourcing Attestation Form

The following timings apply in respect of any Brand to which the Secondary Materials Track applies.

(a) Brands Listed as at 30 June 2022

In respect of Brands that were listed as of 30 June 2022 that attested to 100% Secondary Materials sourcing, Producers of said Brands were required to submit the Secondary Materials Sourcing Attestation Form by 30 June 2022 (being also the date when Producers must notify the LME of their nominated Track pursuant to Paragraph 4.3).

(b) Initial Listing of Brands taking effect after 30 June 2022

Any Producer applying for the listing of a Brand (where such listing is expected to take effect after 30 June 2022) must submit a Secondary Materials Sourcing Attestation Form as part of its application for listing. The LME Secondary Materials Sourcing Attestation Form should relate to (at the Producer's choice) either (i) the Reporting Period that ended in the most recent calendar year prior to the calendar year in which the date of the application falls, or (ii) the Reporting Period which ended in the calendar year in which the date of the application falls, provided that this Reporting Period ended prior to the date of the application. However, if (i) is elected, and such Reporting Period would have ended less than six months prior to the application date, then the Secondary Materials Sourcing Attestation Form may relate to the next preceding Reporting Period.

For the avoidance of doubt, the LME may delay or deny the granting of listed-Brand status until the LME is in receipt of a Secondary Materials Sourcing Attestation Form that has been completed to its satisfaction.

(c) Brands Reclassified to the Secondary Material Track after 30 June 2022

The Producer of a Brand that is reclassified as a Brand to which the Secondary Material Track shall be applied shall be required to provide a Secondary Materials Sourcing Attestation Form, compliant with the requirements of this Paragraph 8, on such date as the LME may, in its absolute discretion (and acting reasonably), specify.

(d) On-Going Assessments

The Producer of any Brand that is listed as of 30 June 2023, and/or on any subsequent 30 June, must (by 30 June of the year in question) submit an updated LME Secondary Materials Sourcing Attestation Form relating to the Reporting Period ending in the year preceding the year in question.

8.3 Review and Determination by the LME

Following receipt of a completed Secondary Materials Sourcing Attestation Form in respect of a Brand, the LME shall:

- (a) undertake a review of the Secondary Materials Sourcing Attestation Form; and
- (b) notify the Producer of its determination, including the LME's acceptance of the Secondary Materials Sourcing Attestation Form, requirements for additional information, or reclassification of the Brand.

8.4 LME Requests for Information



The LME may ask a Producer for further information, clarifications or explanations, in order to assist the LME to review the Producer's submission. In the event that a Producer does not comply with such requests, the LME may (in its discretion) reclassify the Brand to a different Track, launch an Own-Initiative Investigation (see Paragraph 13) and/or take any Brand Action in respect of such Brand.

8.5 Disagreement with the LME's Determination

For the avoidance of doubt, in the event that a Producer disagrees with the LME's determination pursuant to Paragraph 8.3, such Producer may notify the LME in writing of such disagreement in accordance with Paragraph 2.4.

8.6 Public disclosure

The Brand's name will be shown on an appropriate LME-hosted public site (i.e the LME website, LMEpassport or other location as the LME may choose) as the Producer of the Brand having self-attested to 100% Secondary Materials sourcing.

89 Recognition of Standards, Equivalent Certification Programmes, Alignment Assessors and Auditors

8.49.1 Recognition of Standards

Pursuant to the requirements of Paragraph 5, a Producer of a Brand or Standard Owner may apply to the LME for a Standard to become a Recognised Alignment-Assessed Standard.

8.29.2 Recognition of Equivalent Certification Programmes

Pursuant to the requirements of Paragraph 3, a Producer of a Brand or Certification Programme Owner may apply to the LME for a Certification Programme to become an Equivalent Certification Programme.

8.39.3 Recognition of Alignment Assessors and Auditors

An individual or company wishing to be recognised as:

- (a) a Recognised Alignment Assessor; or
- (b) a Recognised Auditor,

shall notify the LME, together with a summary of that individual or company's qualifications to undertake the role. Where necessary, the LME may seek such further information as it considers appropriate or necessary in order to assess such individual's or company's qualifications. The LME shall, in its absolute discretion (acting reasonably) determine whether such individual or company should become a Recognised Alignment Assessor or Recognised Auditor (as applicable).

8.49.4 Recognition at the LME's Discretion

For the avoidance of doubt, the recognition of, or revocation of recognition of:

- (a) any Standard as a Recognised Alignment-Assessed Standard; or
- (b) any Certification Programme as an Equivalent Certification Programme; or
- (c) any individual or company as a Recognised Alignment Assessor; or



- (d) any individual or company as a Recognised Auditor,
shall be at the sole discretion of the LME.

8-59.5 Publication of Lists

The LME shall publish lists of:

- (a) Recognised Alignment-Assessed Standards, subject to the agreement of the relevant Standard Owner; and
- (b) Equivalent Certification Programmes, subject to the agreement of the relevant Certification Programme Owner; and
- (c) Recognised Alignment Assessors; and
- (d) Recognised Auditors.

Such lists shall be published on the LME's website. The LME shall update such lists from time to time.

8-69.6 Use of Standards and Certification Programmes Not on the LME's Published Lists

- (a) For the avoidance of doubt, a Recognised Alignment-Assessed Standard does not need to be published on the relevant list published pursuant to ~~Paragraph 8~~Paragraph 9.5, if the relevant Standard Owner does not wish such publication. In such a case, a Producer may utilise a Recognised Alignment-Assessed Standard for its own compliance with this Policy if:
 - (i) it is also the relevant Standard Owner; or
 - (ii) (otherwise) it is permitted by the relevant Standard Owner to do so, and is able to demonstrate to the LME on request that it has the relevant permissions.
- (b) For the avoidance of doubt, an Equivalent Certification Programme does not need to be published on the relevant list published pursuant to ~~Paragraph 8~~Paragraph 9.5, if the relevant Certification Programme Owner does not wish such publication. In such a case, a Producer may utilise the Equivalent Certification Programme for its own compliance with this Policy if:
 - (iii) it is also the relevant Certification Programme Owner; or
 - (iv) (otherwise) it is permitted by the relevant Certification Programme Owner to do so, and is able to demonstrate to the LME on request that it has the relevant permissions.

For the avoidance of doubt, the LME takes no responsibility for ensuring that a Producer has permission from the relevant Standard Owner or Certification Programme Owner to utilise a Recognised Alignment-Assessed Standard or Equivalent Certification Programme (as applicable), and accepts no liability to any party in the event that a Producer uses the same without having first obtained any required permission.

910 The LME's Powers to Take Brand Action

9-410.1 In the event that:

- (a) the LME determines that a Brand does not comply with this Policy; or



- (b) a Producer of a Brand fails to perform any of the actions, or take any of the steps, required of it pursuant to this Policy, including (without limitation) the completion of a requirement within any timescale specified in this Policy,

the LME may take any of the Brand Actions specified in ~~Paragraph 9~~Paragraph 10.2, in respect of the Brand, as the LME considers appropriate.

9.210.2 The LME may take one of more of the following Brand Actions:

- (a) the LME may publish a Notice specifying that it has determined that the Brand is not compliant with the requirements of this Policy and/or the relevant Standard;
- (b) the Brand may be suspended or de-listed for the purposes of Part 7 of the Rules;
- (c) the LME may suspend deliveries of Metal for that Brand onto warrant; and/or
- (d) the LME may suspend or permanently prohibit existing Warrants representing Metal for that Brand, so that such Warrants shall cease to be eligible to be validly used to settle any Contract under the Rules and may require that such Metal be removed from Warehouses.

9.310.3 Where the LME makes a determination pursuant to ~~Paragraph 9~~Paragraph 10.1 to apply any Brand Action under ~~Paragraph 9~~Paragraph 10.2, it may take such Brand Action from such date (which, for the avoidance of doubt, may be immediately), and at such period of notice as the LME may determine.

9.410.4 Where a Brand has been de-listed under this ~~Paragraph 9~~Paragraph 10, the Producer of such Brand may subsequently apply for re-listing of the Brand. Any such application must comply with the requirements of Part 7 of the Rules and this Policy, and must include sufficient explanations and evidence to satisfy the LME that, if re-listed, the Brand would not again be subject to a Brand Action.

9.510.5 The LME may, in its sole discretion and acting reasonably, choose to disapply any requirement (in general or in respect of any specific Brand, and with or without notification or notice to the market or any person affected by this Policy) where it considers this to be in the best interest of the Exchange or the market supported by the Exchange.

1011 Information Sharing

Any Producer submitting any information to the LME pursuant to or in accordance with this Policy must do so on the understanding, and with the agreement that, the LME may:

- (a) use such information for the purposes of this Policy and/or the Rules; and/or
- (b) disclose such information to:
 - (i) an auditor:
 - (1) for the purpose of enabling such auditor to discharge an audit pursuant to Paragraph 5.3 (either as a Recognised Auditor or as an auditor appointed in respect of an External Standard) or Paragraph 6.2;
 - (2) for the purpose of enabling such auditor to perform an ISO / OHSAS Equivalence Assessment; or
 - (3) to assist the LME to investigate any aspect of any matter relating to the compliance of a Brand with the requirements under this Policy; and/or



- (ii) a standards-setting, assessment or monitoring body with responsibilities in respect of any Standard (including, any Recognised Alignment Assessor); and/or
- (iii) any other person with whom the LME may need to disclose such information to enable the LME to discharge any function or responsibility described for the LME in this Policy (including, without limitation, any professional advisers of the LME); and/or
- (c) disclose such information to any person to whom it may disclose information pursuant to Membership Regulation 21 (Confidentiality) of the Rules. (For the avoidance of doubt, this provision shall apply to determine the LME's rights to disclose information notwithstanding that such information may be confidential to a person who is not a party to the Rules.)

4112 Notification of Grievances

41.412.1 Any person, whether a market participant or otherwise, having a concern as to the compliance of a Brand with the provisions of this Policy (a "**Grievance**") may submit their concerns to the LME. The LME shall determine whether and how to investigate any Grievance received pursuant to this Policy.

4213 The LME's Own-Initiative Investigation

42.413.1 The LME may, on its own initiative, undertake an investigation, or make enquiries, to determine the compliance of a Brand with the provisions of this Policy (an "**Own-Initiative Investigation**"). The LME shall not be required to have reasonable grounds in order to exercise such powers.

4314 Co-Operation with LME Investigations

43.414.1 Following a determination by the LME to investigate a Grievance or, upon the initiation of an Own-Initiative Investigation:

- (a) the LME shall undertake such investigation, and make such enquiries, as it considers reasonable;
- (b) the LME may request that the Producer of the Brand provide to the LME such information regarding the Brand as the LME considers appropriate to enable the LME to assess the merits of the Grievance or to progress the Own-Initiative Investigation (as applicable);
- (c) where a Grievance or Own-Initiative Investigation concerns the accuracy of information provided in an LME RFA or Secondary Materials Sourcing Attestation Form, the LME may (without limitation) request that the Producer provide supporting evidence, or procure an independent audit (either on-site or otherwise) of the LME RFA or Secondary Materials Sourcing Attestation Form (subject to such conditions as the LME may reasonably prescribe);
- (d) where a Grievance or Own-Initiative Investigation concerns the accuracy or sufficiency of a Standard Audit Report or Audit Report submitted in respect of a Brand, the LME may (without limitation) provide relevant information to the auditor and request that this be considered in the context of the audit;



- (e) in respect of any Grievance or Own-Initiative Investigation, the LME may require any other reasonable action to be undertaken by the Producer and the Producer shall comply with any such request;
- (f) where the LME:
 - (i) is satisfied that a Grievance is valid; or
 - (ii) determines that a Brand is not compliant with the requirements of this Policy (whether pursuant to an Own-Initiative Investigation or otherwise),

the LME may take Brand Action in respect of the Brand in accordance with ~~Paragraph 9~~Paragraph 10. For the avoidance of doubt, the LME's power to take Brand Action shall be determined by ~~Paragraph 9~~Paragraph 10 and nothing in this Paragraph ~~13~~14 shall limit, or introduce any additional procedural conditions upon, the LME's ability to take Brand Action pursuant to ~~Paragraph 9~~Paragraph 10.

~~13.2~~14.2 Where the LME makes an enquiry or request pursuant to Paragraph 6.6, Paragraph 7.4, Paragraph 8.4 or Paragraph ~~13~~14.1 above, the Producer's costs of complying with such enquiry or request (including any costs of appointing any auditor) shall be borne by the Producer. In the event that a Producer does not wish to comply with any such request in respect of any of its Brands, and to bear the cost of such compliance accordingly, such Producer may apply to the LME to voluntarily de-list the affected Brand(s). For the avoidance of doubt, in the event that a Producer elects to apply for such voluntary de-listing, the LME may (where the LME considers it appropriate in the circumstances) take Brand Action in respect of the affected Brand(s).

1415 Timetable

The deadlines for specific actions required to be performed by Producers or other parties under this Policy shall be as set out in the relevant Paragraphs of this Policy.

1516 Changes to Policy

~~15.4~~16.1 The LME reserves the right to modify or update the terms of this Policy at any time, for any reason, without seeking the prior consent of any Member, Producer or other person.

~~15.2~~16.2 Subject to Paragraphs ~~16~~5.3 and ~~15~~6.4 below, the LME shall use reasonable endeavours to enter into dialogue with Producers of the LME-listed Brands in respect of any material change to the Policy that is likely to have a substantial impact on the operational burden imposed on Producers generally.

~~15.3~~16.3 Any such dialogue shall offer such Producers or other parties a reasonable period, as determined by the LME, to review and comment on the proposed change. The LME shall take any comments received from Producers or other parties into account, but it shall be under no obligation to amend its proposed changes or to act in any way on the basis of the comments received from Producers or other parties. Any changes implemented, or not implemented, by the LME shall be at the absolute discretion of the LME.

~~15.4~~16.4 The LME shall not be required to enter into dialogue with Producers or other parties, or otherwise consult, on any change to the Policy that:

- (a) does not fall within Paragraph ~~15~~6.2 above;



- (b) is required to comply with any direction given to the LME by any competent regulator of the LME, or any law enforcement authority;
- (c) is required to comply with any change in applicable law or regulation in circumstances where there is, in the opinion of the LME, not sufficient time to conduct a consultation;
- (d) is required to comply with any change in relevant OECD Guidance; and/or
- (e) is a non-material administrative change,

and any such changes shall be notified to Producers by a Notice issued by the LME.

~~45.5~~16.5 Any change to the Policy shall come into effect upon the expiry of 30 days following the issue by the LME of notice of the proposed change or thereafter on such date prescribed by the LME in its absolute discretion. The LME may specify a shorter notice period than required pursuant to this Paragraph ~~156~~.5, where the LME considers that it is appropriate to do so, having regard to the interests of the LME, Producers and users of the Brands, and to the obligations of the LME to ensure continued compliance with applicable law and regulation.

~~45.6~~16.6 For the avoidance of doubt, the LME shall not be required to consult on any issuance of, update to, or change to, any Guidance Note, ~~or the LME RFA Template,~~ or the [Secondary Materials Sourcing Attestation Form](#). Without prejudice to the foregoing, Guidance Notes shall be used to provide additional detail regarding requirements under, or matters described within, this Policy and are not intended to be used to specify substantive requirements additional to those set out in this Policy.

1617 Glossary

Term	Definition
Application Date	has the meaning set out in Paragraph 5.6(a);
Audited LME RFA Track	means the process and requirements specified in Paragraph 6;
Audit Report	has the meaning set out in Paragraph 6.2;
Brand	means a brand of Metal, associated with a particular Producer, that is listed, or submitted for listing, in accordance with Part 7 (<i>Requirements for the Listing of Brands</i>) of the Rules;
Brand Action	means any action described under Paragraph 109 .2;
Certification Programme	means a documented set of requirements which a Brand must satisfy in order to demonstrate at least equivalent protections as the ISO 14001 and OHSAS 18001 / ISO 45001 certifications;
Certification Programme Owner	means the entity or entities having the intellectual property or other ownership rights in respect of a Certification Programme;
Equivalent Certification Programme	means a Certification Programme that has been demonstrated to the LME's satisfaction to be equivalent to, or an improvement upon, the ISO 14001 and OHSAS 18001 / ISO 45001 certifications;
External Standard	means a Standard which is not an Internal Standard;
Grievance	has the meaning set out in Paragraph 11 Paragraph 12.1;
Guidance Note	means any guidance note published by the LME specifying how the requirements of this Policy may be implemented by Producers;
<u>Input Materials</u>	<u>means the feedstock (input) fed into a process for conversion into the Metal of a Brand, this can include Primary Materials or Secondary Materials. This includes Metals that are present in the final Metal produced by a Brand and excludes chemical or other additives that may be added during the production process (such as silicon, carbon anodes, caustic soda, or aluminium fluoride);</u>
Internal Standard	means a Standard whose Standard Owner is the Producer, or an Affiliate of the Producer;



ISO / OHSAS Equivalence Assessment	means an independent audit report, produced by a reputable and appropriately experienced third party that is acceptable to the LME, which assesses and confirms that a certification programme is an Equivalent Certification Programme;
ISO 14001	means the international standard prescribed by the International Organisation for Standardization that specifies the framework requirements for an effective environmental management system;
ISO 45001	means the international standard prescribed by the International Organisation for Standardization that specifies the framework requirements to improve employee safety, reduce workplace risks and create better, safer working conditions, all over the world;
<u>LME Secondary Materials Sourcing Attestation Form</u>	<u>means the template published by the LME, which must be used by Producers applying the Secondary Materials Track in respect of a given Brand;</u>
LME RFA	means a completed LME RFA Template;
LME RFA Template	means the template published by the LME, which must be used by Producers applying the Audited LME RFA Track or the Published LME RFA Track to complete Red Flag Assessments in respect of a given Brand;
Metal	means any metal for which specifications are detailed in Part 6 (Special Contract Rules for Metals) of the Rules, but excluding any metal specified in Parts 6A, 6B, 6C or 6D of the Rules;
Non-Track A Brand	means a Brand which is not a Track A Brand;
Objecting Party	has the meaning set out in Paragraph 2.4;
OECD	means the Organisation for Economic Co-operation and Development;
OECD Alignment Assessment	means the process by which a Standard is shown to be capable of demonstrating adherence to the OECD Guidance, pursuant to the methodology set out in the OECD Methodology and, for the purposes of this Policy, a Standard which has satisfied the requirements of Paragraph 5.2;
OECD Guidance	means the guidance and requirements set out in the OECD document “ <i>OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, Third Edition</i> ”, including, in

	the case of tin Brands, the “ <i>Supplement on Tin, Tantalum and Tungsten</i> ” of the OECD Guidance;
OECD Methodology	means the “ <i>Methodology for the Alignment Assessment of Industry Programmes with the OECD Minerals Guidance</i> ”;
OECD Red Flags	means the red flags in either (i) the “ <i>Supplement on Tin, Tantalum and Tungsten</i> ” of the OECD Guidance, or (ii) the “ <i>Supplement on Gold</i> ” of the OECD Guidance, with the choice of (i) or (ii) being for the Standard to elect. In either route, the LME expects that the definition of “conflict-affected and high-risk areas” will be as set out in the “ <i>Supplement on Gold</i> ” of the OECD Guidance, save that (1) for Standards which have been alignment assessed prior to the introduction of this Policy, the definition of “conflict-affected and high-risk areas” may be as set out in the main section of the OECD Guidance, and (2) the LME may, in its absolute discretion (acting reasonably), recognise lists of conflict-affected and high-risk areas published by third parties and notify such lists to the market by Notice, following which notification Brands may choose to apply such lists when assessing red flags;
OECD Step 1	means the relevant sections of the process described as step 1 (“establish strong company management systems”) in the OECD Guidance;
OECD Step 2a	means the process described as step 2a (“identify risks in their supply chain as recommended in the Supplements”) in the OECD Guidance, which the LME expects shall be carried out by means of a Red Flag Assessment;
OECD Step 5	means the process described as step 5 (“report annually on supply chain due diligence”) in the OECD Guidance, augmented as appropriate by any future requirements specified by the LME (whether pursuant to amendments to this Policy or otherwise);
OHSAS 18001	is a British Standard framework for an occupational health and safety management system (officially known as BS OHSAS 18001). It has been superseded by ISO 45001 and all OHSAS 18001 certified organisations will need to have transitioned by March 2021 – and consequently, any reference in this Policy to OHSAS 18001 shall be read as ISO 45001 from the date of such transition;
Own-Initiative Investigation	has the meaning set out in Paragraph 132.1 ;
Policy	means this Policy on Responsible Sourcing of LME-Listed Brands;

Primary Materials	means processed -material which has never previously been refined;
Producer	means a producer, smelter or refiner of a Metal represented by a Brand;
Published LME RFA Track	means the process and requirements specified in Paragraph 7;
Recognised Auditor	means an individual, company, partnership or association recognised by the LME as being competent to undertake a Standard Audit Report in respect of the compliance of a Brand with any Internal Standard, and that may also produce Audit Reports for the purposes of this Policy;
Recognised Alignment-Assessed Standard Track	means the process and requirements specified in Paragraph 5;
Recognised Alignment Assessor	means an individual or company recognised by the LME as being competent to undertake an OECD Alignment Assessment;
Recognised Alignment-Assessed Standard	means a Standard which has, in the opinion of the LME, successfully undergone OECD Alignment Assessment by a Recognised Alignment Assessor;
Red Flag Assessment	means an assessment, undertaken by a Producer in respect of its Brand, in order to identify whether that Brand triggers any of the OECD Red Flags;
Reporting Period	<p>means an annual period ending on the Reporting Period End Day of a given calendar year.</p> <p>So, for example, if the Reporting Period End Day is 31 March, then the “2025 Reporting Period” shall be the period from 1 April 2024 through 31 March 2025. If the Reporting Period End Day is 31 December, then the “2025 Reporting Period”, shall be the period from 1 January 2025 through 31 December 2025</p> <p>However, in all cases, the 2021 Reporting Period shall start on 1 January 2021. So, if the Reporting Period End Day is 31 March, then the “2021 Reporting Period” shall be the period from 1 January 2021 to 31 March 2021. If the Reporting Period End Day is 31 December, then the “2021 Reporting Period” shall be the period from 1 January 2021 to 31 December 2021;</p>
Reporting Period End Day	means, in respect of a Brand, a specific calendar day (e.g. 31 December), chosen by the Producer in respect of such Brand;

Rules	has the meaning set out in Paragraph 1.3;
Secondary Materials	<p><u>means the reclaimed end-user products (post-consumer) or scrap processed metals (pre-consumer):</u></p> <ul style="list-style-type: none"> • <u>Reclaimed end-user or post-consumer products is material containing metal that is reclaimed from a consumer or commercial product that has been used for its intended purpose by individuals, households or commercial, industrial and institutional facilities as end-users of the product which can no longer be used for its intended purpose. For the avoidance of doubt, reshaping or rebranding of metal from other smelters, refiners, traders or warehouses cannot be included in this category.</u> • <u>Scrap processed metal (pre-consumer scrap) is material created during product manufacturing which are returned to a smelter or refiner or re-melter.</u> <p><u>Secondary Materials include obsolete, defective, and scrap materials which contain refined or processed metals that are appropriate to recycle in the production of aluminium, copper, lead, nickel, cobalt, tin and zinc. For the avoidance of doubt, materials partially processed, unprocessed, or a by-product from another ore are not Secondary Materials;</u></p>
Secondary Materials Track	means the process and requirements specified in Paragraph 8;
Standard	means a documented set of requirements which a Brand must meet, together with an auditing or assurance procedure, in order to demonstrate adherence to the OECD Guidance;
Standard Audit Report	means an audit or suitable assurance report demonstrating that a Brand complies with a relevant Standard;
Standard Owner	means the entity or entities having the intellectual property or other ownership rights in respect of a Standard;
Track	<p>means any of:</p> <ul style="list-style-type: none"> (a) the Recognised Alignment-Assessed Standard Track; (b) the Audited LME RFA Track; or (c) the Published LME RFA Track; <u>or</u> (d) <u>the Secondary Materials Track</u>
Track A Brand	means a Brand to which the Recognised Alignment-Assessed Standard Track either: (i) must be applied in accordance with Paragraph 4.2(a); or (ii) has been electively applied by the Producer of the Brand, in accordance with Paragraph 4.2(b) or 4.4(b).

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LME Policy on Responsible Sourcing of LME-Listed Brands

Revision date: February 2023

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1 Summary

- 1.1 This Policy sets out the basis on which The London Metal Exchange ("**the LME**") will determine whether a Brand is compliant with the LME's standards for the responsible sourcing of Metals admitted to trading on the LME.
- 1.2 This Policy sets out:
- (a) the general requirements that the LME will apply to determine whether and how to list a Brand, having regard to the LME's interests in promoting the responsible sourcing of Metals (Paragraph 2);
 - (b) the certification requirements to be satisfied in respect of all Brands listed by the LME (Paragraph 3);
 - (c) the process that the LME shall apply to listed Brands by which such Brands shall achieve compliance with this Policy, and the basis on which such compliance shall be determined (Paragraph 4);
 - (d) the requirements to be applied in respect of Brands applying the Recognised Alignment-Assessed Standard Track (Paragraph 5);
 - (e) the requirements to be applied in respect of Brands applying the Audited LME RFA Track (Paragraph 6);
 - (f) the requirements to be applied in respect of Brands applying the Published LME RFA Track (Paragraph 7);
 - (g) the requirements to be applied in respect of Brands applying the Secondary Materials Track (Paragraph 8);
 - (h) the LME's approach to the recognition of Standards, Certification Programmes, Alignment Assessors and Auditors (Paragraph 9);
 - (i) the action that the LME may take in respect of any Brand that is not compliant with any requirement of this Policy (Paragraph 10);
 - (j) the basis on which the LME may use or disclose information obtained from Producers pursuant to the arrangements described in this Policy (Paragraph 11);
 - (k) the ability of persons to raise responsible sourcing related grievances in respect of any listed Brand (Paragraph 12);
 - (l) the LME's own-initiative powers to conduct investigations into a Brand's compliance with this Policy (Paragraph 13);
 - (m) the process that the LME shall apply in respect of any grievance or own-initiative investigation, and requirements for Producers to co-operate with such investigations (Paragraph 14);
 - (n) confirmation of the timeline for the actions to be taken under this Policy (Paragraph 15);
 - (o) how this Policy may be changed from time to time (Paragraph 16); and
 - (p) a glossary of defined terms used in this Policy (Paragraph 17).



- 1.3 Terms which are used in this Policy are defined in Paragraph 17 of this Policy. Terms not otherwise defined in this Policy shall have the meaning ascribed to them in the LME's Rulebook (as amended from time to time) available on the Exchange's website at: <https://www.lme.com/regulation/rules/rulebook/> (the "**Rules**").

This Policy shall be "*LME's Policy on Responsible Sourcing of LME-Listed Brands*", for the purpose of Part 7 of the Rules.

References to "**Paragraphs**" refer to the paragraphs of this Policy. References to "**Regulations**" in this Policy are references to the regulations of the Rules unless otherwise stated.

- 1.4 Unless a contrary indication appears, where in this Policy it states that the LME "may" do something or take such step as it considers appropriate or where in this Policy any discretion, power or right is conferred on the LME, it shall be interpreted to mean that the LME may do that thing, or take that step or exercise that discretion, power or right conclusively and in its sole, absolute and unfettered discretion and without consultation or notice to any other person. The LME shall exercise such discretion in a manner designed to promote and maintain integrity, high standards and fair dealing in accordance and consistent with applicable laws.

2 General Requirements

- 2.1 A Metal may only be listed as a Brand where the LME determines that it shall be listed in accordance with this Policy.
- 2.2 The LME may determine that a Metal shall be listed in accordance with this Policy where:
- (a) the LME has determined that the Brand complies with the requirements set out in Paragraph 3 (*Certification Requirements*);
 - (b) the LME has determined that the Brand complies with the requirements identified in Paragraph 4 (*Brand Compliance*), and specified in detail in Paragraphs 5 (*Recognised Alignment-Assessed Standard Track*), 6 (*Audited LME RFA Track*), 7 (*Published LME RFA Track*), or 8 (*Secondary Materials Track*);
 - (c) the Producer complies with all other requirements applicable to a Producer set out in this Policy; and
 - (d) the Producer complies with any other reasonable requirements notified by the LME from time to time.
- 2.3 Where the LME considers that any of the requirements of this Policy are not satisfied in respect of a Brand, the LME may take any of the actions specified in Paragraph 10 (*The LME's Powers to take Brand Action*) in relation to such Brand, subject to and in accordance with the requirements of that Paragraph.
- 2.4 In the event that a Producer or any other person (an "**Objecting Party**") disagrees with the LME's determination of any matter under this Policy, such Objecting Party may notify the LME in writing of such disagreement. Provided that such notification is received by the LME within 1 month of the LME's relevant determination, the LME shall liaise with the Objecting Party in order to understand and consider the Objecting Party's concerns and, where practicable, prior to such determination becoming effective. However, for the avoidance of doubt, any person's (including any Producer's) obligations in respect of the matters subject to determination shall be unchanged in the event that the LME maintains its original determination. For the avoidance of

doubt, the process described in this Paragraph 2.4 shall be separate from, and shall not involve the application of, the complaints-handling processes specified in the Rules.

- 2.5 The LME may publish Guidance Notes specifying additional information and/or guidance to assist in the interpretation, and implementation of the requirements, of this Policy.
- 2.6 The LME is not responsible for ensuring that any Producer is able to meet any particular timeframe or commercial deadline for achieving any particular status or milestone described in this Policy.

3 Certification Requirements: ISO 14001 and OHSAS 18001 / ISO 45001 Requirements for Brands

3.1 Required Certification

Each Producer shall ensure that its Brands shall each be certified as compliant with:

- (a) ISO 14001 and OHSAS 18001 / ISO 45001; or
- (b) Equivalent Certification Programmes,

in respect of the production methods (being the smelting or equivalent step, in all cases being the final substantive step resulting in the production of LME grade metal) applied at the facility or facilities at which the Brand is produced and, following the initial certification, shall ensure that such certification remains current and valid. Each Producer shall ensure that the LME is at all times in receipt of a current, valid copy of each such certification.

3.2 Use of Other Market Certification Programmes

A Certification Programme Owner may submit to the LME an ISO / OHSAS Equivalence Assessment in respect of that Certification Programme and (following confirmation by the LME that the Certification Programme represents an Equivalent Certification Programme), request that the Equivalent Certification Programme be specified on the list published by the LME in accordance with Paragraph 9.5 below.

3.3 Use of Equivalent Certification Programme

A Producer proposing to apply a Certification Programme that it considers to be an Equivalent Certification Programme must either:

- (a) demonstrate to the LME that the Certification Programme is contained on the list of Equivalent Certification Programmes published by the LME in accordance with Paragraph 9.5 below; or
- (b) provide to the LME an ISO / OHSAS Equivalence Assessment in respect of the Certification Programme. If the Producer is not the Certification Programme Owner, then the Producer must provide to the LME evidence, acceptable to the LME, that the Certification Programme Owner agrees to the use by the Producer of such ISO / OHSAS Equivalence Assessment.

3.4 Timings for submission of certificates

(a) Brands Listed as at 31 December 2023

The Producer of any Brand that is listed as of 31 December 2023 must submit its initial certifications under Paragraph 3.1 by 31 December 2023. If the Producer proposes to make use of an Equivalent Certification Programme, it must have ensured that the ISO /



OHSAS Equivalence Assessment has been reviewed by the LME in sufficiently good time prior to this date to enable both: (i) the LME to complete the appropriate assessment under Paragraphs 3.2 or 3.3 (as applicable) and (ii) the Producer to obtain the necessary certification.

(b) New Applications for Listing

Any Producer applying for the listing of a Brand (where such listing is expected to take effect after 31 December 2023) must submit its certifications under Paragraph 3.1 as part of its application for listing. If the Producer proposes to make use of an Equivalent Certification Programme which is not already the subject of an ISO / OHSAS Equivalence Assessment, it must submit the ISO / OHSAS Equivalence Assessment as part of the application for listing.

For the avoidance of doubt, the LME may delay or deny the granting of listed-Brand status to any Brand application until this process has been completed to the LME's satisfaction.

- 3.5 The LME will require an appropriate period of time to process an application in respect of a Certification Programme. Producers should liaise with the LME to understand the LME's indicative timing for completing its assessment and to ensure such Producers allow adequate timing for this process to be completed.

3.6 Choice of Third Party Assessor

A Producer that intends to submit an ISO / OHSAS Equivalence Assessment shall, prior to making such submission, notify the LME of the identity of the third party that has undertaken, or that it proposes to undertake, the assessment. The Producer shall not submit to the LME an ISO / OHSAS Equivalence Assessment produced by a third party where the LME has notified the Producer that such third party is not acceptable to the LME.

4 Brand Compliance

- 4.1 From the relevant date as specified by this Policy, in order to qualify as an LME-listed Brand, a Brand must either be sourcing 100% Secondary Materials or be compliant with the OECD Guidance (including the relevant items of steps 1 to 5, as set out therein). Such compliance shall be determined by applying the following process:

- (a) the Brand determines if sources are 100% Secondary Materials and if so, applies Track D below; if not, the Brand continues to 4.1(b);
- (b) the Brand must satisfy OECD Step 1;
- (c) the Brand must satisfy OECD Step 2a;
- (d) upon the completion of OECD Step 2a, the Producer of a Brand must elect to apply Tracks A, B or C from the following table:

Track Identifier	Name of Track	Requirements for Track
A	Recognised Alignment-Assessed Standard Track	Paragraph 5
B	Audited LME RFA Track	Paragraph 6



C	Published LME RFA Track	Paragraph 7
D	Secondary Materials Track	Paragraph 8

4.2 Identification of Track

In the event that, pursuant to the Red Flag Assessment carried out as part of OECD Step 2a:

- (a) the Producer identifies any OECD Red Flags, then the Producer must apply the Recognised Alignment-Assessed Standard Track in respect of the Brand; or
- (b) the Producer identifies no OECD Red Flags, then the Producer may apply any of:
 - (i) the Recognised Alignment-Assessed Standard Track;
 - (ii) the Audited LME RFA Track; or
 - (iii) the Published LME RFA Track,
 in respect of the Brand.

For the avoidance of doubt, a Producer may elect to apply the Recognised Alignment-Assessed Standard Track where no OECD Red Flags are identified pursuant to the Red Flag Assessment or instead of the Secondary Materials Track.

The LME is aware that there may be exceptionally rare cases where an OECD Red Flag is considered to have been addressed by the Producer prior to the LME RFA submission and no longer remains an OECD Red Flag. The LME RFA Template allows Producers to explain these situations. Referrals to Track A on these Red Flags will be determined on the basis of information provided to the LME, with the LME seeking further information when required. All Producers who remain on Tracks B or C are subject to the public disclosure elements outlined in Paragraphs 6.7 (For Track B) and 7.6 (for Track C).

4.3 Notification of Proposed Track

The Producer of a Brand must notify the LME which Track it intends to apply in respect of the Brand and follow the relevant requirements of that Track:

- (c) on or before 30 June 2022, in the case of a Brand that is already listed by that date; or
- (d) at the time of application for listing of the Brand, in the case of a Brand that is not already listed by 30 June 2022.

4.4 Reclassification by the LME

The LME may at any time:

- (a) reclassify a Non-Track A Brand as a Track A Brand in the event that the LME is in receipt of information that, in the LME's determination, indicates that the Brand should be a Track A Brand, and require that the Producer comply with the requirements for Brands assessed in accordance with the Recognised Alignment-Assessed Standard Track;
- (b) notify a Producer that a Track A Brand may be reclassified as a Non-Track A Brand in the event that the LME is in receipt of information that, in the LME's determination, indicates

that the Brand satisfies the requirements for a Non-Track A Brand, in which case the Producer may elect to comply with the requirements for Brands assessed in accordance with any of: (i) the Recognised Alignment-Assessed Standard Track; (ii) the Audited LME RFA Track; or (iii) the Published LME RFA Track (as applicable).

By way of example, but without limitation, the LME may be in receipt of such information that causes it to reclassify Non-Track A Brands as Track A Brands as a consequence of information or market feedback received from:

- (i) public, industry or other market sources; or
- (ii) any person or market participant pursuant to the submission of a Grievance, or the investigation of a Grievance.

4.5 In the event that it is determined that a Non-Track A Brand should be re-classified as a Track A Brand for any reason, such re-classification shall take immediate effect, and the relevant requirements and timings applicable to the Recognised Alignment-Assessed Standard Track shall be applied.

4.6 **Voluntary Reclassification by Producer**

A Producer may elect to change the Track applied in respect of a Brand, provided in each case that the application of the newly selected Track is permissible for the Brand, in accordance with Paragraph 4.2. Before a Producer makes any such election to change the Track applied in respect of a Brand, the Producer must notify the LME in order that the LME may confirm to the Producer the applicable timescales within which the Brand must comply with the relevant requirements for the newly selected Track.

5 **Track A: Recognised Alignment-Assessed Standard Track**

5.1 **Standard Adoption**

Where the Producer of a Brand proposes to apply the Recognised Alignment-Assessed Standard Track, such Producer must commit to adopt a Standard for such Brand, and notify the LME of the Standard which it intends to adopt.

5.2 **Alignment Assessment**

- (a) A Producer must ensure the alignment of its proposed Standard with the OECD Guidance. Such Standard may be an Internal Standard or an External Standard.
- (b) A Standard Owner which is not a Producer may submit an OECD Alignment Assessment in respect of an External Standard, and (following confirmation by the LME that the External Standard is aligned), request that the External Standard be specified on the list published by the LME in accordance with Paragraph 9.5 below.
- (c) A Producer must demonstrate to the LME that alignment has been achieved. Such alignment may be demonstrated either by:
 - (i) the Standard being specified on the list published by the LME in accordance with Paragraph 9.5 below; or
 - (ii) the Producer providing to the LME an OECD Alignment Assessment in respect of the Standard, from a Recognised Alignment Assessor. If the Producer is not the Standard Owner, then the Producer must provide evidence, acceptable to the LME,

that the Standard Owner agrees to the use by the Producer of such OECD Alignment Assessment.

For the avoidance of doubt, in the event that a Producer proposes to use a Standard in respect of which an OECD Alignment Assessment has already been completed, such Producer shall not be required to undertake an additional OECD Alignment Assessment unless the LME, having reviewed such assessment, notifies the Producer that it requires an additional assessment to be undertaken.

- (d) Subject to (e) below, the LME shall not regard any Standard as being aligned unless and until:
 - (i) the LME is in receipt of an OECD Alignment Assessment, in a form acceptable to the LME, from a Recognised Alignment Assessor, demonstrating the alignment of such Standard with the OECD Guidance; and
 - (ii) the LME has reviewed such OECD Alignment Assessment and is itself satisfied that the Standard is sufficiently aligned with the OECD Guidance. Without limitation to the LME's discretion, in coming to a determination pursuant to this Paragraph 5.2(d), the LME may discuss the matter with the OECD and may take the views of the OECD into account.
- (e) Where an OECD Alignment Assessment demonstrates substantial but not complete alignment of a Standard with the OECD Guidance, the LME shall be entitled to form its own view regarding the alignment. In such circumstances:
 - (i) the LME may regard such Standard as aligned, subject to any such additional conditions as the LME may determine are appropriate; and
 - (ii) the Standard Owner and/or Producer must comply with any such conditions.

For example, the LME may consider that certain elements of the OECD Guidance have limited application to a specific Metal, in which case the LME may accept an OECD Alignment Assessment for a Standard applying only to that Metal where such OECD Alignment Assessment reflects such limited application and, where in the LME's view, it is accompanied by an adequate explanation of the scope of, and rationale for, such limitation.

- (f) The LME will require an appropriate period of time to process an application in respect of a Standard and to reach a view as to the alignment of a Standard. Producers should liaise with the LME to understand the LME's indicative timing for completing its assessment and to enable such Producers to allow adequate timing for this process to be completed.
- (g) For the avoidance of doubt, where an OECD Alignment Assessment has not demonstrated alignment of a Standard with OECD Guidance, the LME may reject such Standard, and the Standard consequently cannot be used to meet the requirements of this Policy.
- (h) In the event that, in the opinion of the LME, there are substantive changes in: (i) the OECD Guidance; (ii) this Policy; or (iii) any Standard, the LME shall determine whether any existing Recognised Alignment-Assessed Standard must undergo a new OECD Alignment Assessment (either in respect of the whole Standard or in respect of any specific aspects of the Standard). The LME shall also determine the timescales within which the Producer must: (1) complete such assessment process, and (2) provide any

subsequent Standard Audit Report in respect of the Standard for the purposes of Paragraph 5.3. Without limitation to LME's discretion, in coming to a determination pursuant to this Paragraph 5.2(h), the LME may discuss the matter with the OECD and may take the views of the OECD into account.

- (i) In the event that:
 - (i) a Producer proposes to use a Standard which has satisfied the "*Standards*" section of the OECD Methodology, but has not yet satisfied the "*Implementation*" section of the OECD Methodology; and
 - (ii) the LME has determined that the Standard has otherwise satisfied the requirements of this Paragraph 5.2,

then in the period between the date of the LME's determination and the date that the results of the assessment under the "*Implementation*" section of the OECD Methodology are published, the LME and the Producer shall treat the Standard as being aligned with the OECD Guidance on the condition that it does not subsequently fail its assessment under the "*Implementation*" section of the OECD Methodology. For the avoidance of doubt, Paragraph 5.2(e) shall apply to any assessment of alignment pursuant to this Paragraph 5.2(i), such that the LME shall be entitled to form its own view regarding the satisfaction by a Standard of either or both the "*Standards*" and "*Implementation*" sections of the OECD Methodology, and may accordingly impose conditions to the treatment of the Standard as being aligned.

- (j) A Producer that proposes to use a Standard that has been assessed as aligned, in accordance with the OECD Methodology, with the standards established by a standard-setting body other than the LME, shall first notify the LME of the proposed Standard and the results of the OECD Alignment Assessment in order for the LME to determine whether to accept such Standard and assessment as capable of satisfying the requirements of this Paragraph 5.2.

5.3 Brand Compliance

- (a) A Producer must procure a Standard Audit Report, and submit such report to the LME. The Producer shall provide to the LME such additional information in support of the assessments and conclusions set out in the Standard Audit Report as the LME may reasonably request.
- (b) The Standard Audit Report must be undertaken by:
 - (i) in the case of an External Standard, an approved or accredited auditor satisfying the requirements for audits and/or assurance assessments set out in that External Standard;
 - (ii) in the case of an Internal Standard, a Recognised Auditor.
- (c) The LME shall not regard a Brand as being compliant with the relevant Standard unless and until:
 - (i) the Standard has been confirmed as aligned with the OECD Guidance in accordance with Paragraph 5.2;

- (ii) the LME is in receipt of a Standard Audit Report, from an approved or accredited auditor pursuant to Paragraph 5.3(b), demonstrating the compliance of the Brand with the relevant Standard;
 - (iii) in the case of an External Standard, the Standard Audit Report has undergone the necessary review processes specified by that External Standard; and
 - (iv) the LME has reviewed such Standard Audit Report (and, in the case of an External Standard, the results of any review process specified by that External Standard) and is itself satisfied that the Brand is compliant with the relevant Standard.
- (d) The LME shall not accept any Standard Audit Report conducted by an auditor who, in the period two years prior to the issuance of the Standard Audit Report, acted as the Recognised Alignment Assessor in respect of the Standard to which the Standard Audit Report relates.

5.4 Internal and External Standards

- (a) The LME may, in its discretion, seek a greater degree of assurance regarding any OECD Alignment Assessment and/or Standard Audit Report produced in relation to an Internal Standard than it would require in respect of an External Standard, by requiring further information or otherwise.
- (b) An Internal Standard must require an update of the associated Standard Audit Report at least once every three years and, in any event, following any material change to the OECD Guidance or the Standard.

5.5 Timing requirements for Brands Listed as at 30 June 2022

(a) Application

This Paragraph 5.5 shall apply to Brands that were listed prior to 30 June 2022, and which are classified as Track A Brands on 30 June 2022, pursuant to the notification under Paragraph 4.3.

(b) Requirements

The Producer of any Brand to which this Paragraph 5.5 applies must comply with the following requirements.

- (i) No later than **30 June 2022** (being also the date when Producers must notify the LME of their nominated Track pursuant to Paragraph 4.3), the Producer must notify the LME of the Standard which it intends to adopt for the Brand, pursuant to Paragraph 5.1.
- (ii) No later than **31 December 2022**, the Producer must submit an OECD Alignment Assessment to the LME, in respect of its chosen Standard, pursuant to Paragraph 5.2(d).

This step shall not be required if the Standard is an External Standard that, as of **31 December 2022**, is already a Recognised Alignment-Assessed Standard specified on the list published by the LME in accordance with Paragraph 9.5 below.

- (iii) No later than **31 December 2023**, the Producer must submit to the LME a Standard Audit Report and any other information required pursuant to Paragraph 5.3. The

Producer must ensure that the Standard Audit Reports required pursuant to Paragraph 5.3 are updated in accordance with the timescales specified in the Standard, and such updated reports and any other information submitted to the LME once completed, in accordance with the requirements of Paragraphs 5.3 and 5.4.

5.6 Timing requirements for newly-listed Track A Brands

(a) Application

This Paragraph 5.6 shall apply to Brands that become listed after 30 June 2022 and which are classified as Track A Brands at the time of listing (on the basis of the notification made by the Producer as part of the listing application). The date on which the application for listing is submitted to the LME shall be the "**Application Date**".

(b) Requirements

The Producer of any Brand to which this Paragraph 5.6 applies must comply with the following requirements.

- (i) On the Application Date, the Producer must notify the LME of the Standard which it intends to adopt for the Brand, pursuant to Paragraph 5.1.
- (ii) By the later of (i) the Application Date and (ii) **31 December 2022**, the Producer must submit an OECD Alignment Assessment to the LME, in respect of its chosen Standard, pursuant to Paragraph 5.2(d).

This step shall not be required if the Standard is an External Standard that, as of the later of (i) the Application Date and (ii) **31 December 2022**, is already a Recognised Alignment-Assessed Standard specified on the list published by the LME in accordance with Paragraph 9.5 below.

- (iii) By the later of (i) the Application Date and (ii) **31 December 2023**, the Producer must submit to the LME a Standard Audit Report and any other information required pursuant to Paragraph 5.3.
 - (iv) The Producer must ensure that the Standard Audit Reports required pursuant to Paragraph 5.3 are updated in accordance with the timescales specified in the Standard, and such updated reports and any other information required are submitted to the LME once completed, in accordance with the requirements of Paragraphs 5.3 and 5.4.
- (c) For the avoidance of doubt, to the extent that steps above are required as of the Application Date, then the relevant information must be provided as part of the Producer's application for listing of the Brand. The LME may delay or deny the granting of listed-brand status until such the LME is in receipt of such information to its satisfaction.

5.7 Timing requirements for Brands reclassified as Track A Brands subsequent to 30 June 2022

(a) Application

This Paragraph 5.7 shall apply to Brands that, subsequent to 30 June 2022, are reclassified as Track A Brands.



(b) **Requirements**

The LME shall, in its absolute discretion (and acting reasonably) prescribe the dates from which such Brands must comply with the requirements of Paragraphs 5.1 to 5.4 above.

5.8 **Public disclosure**

Transparency reports must be made pursuant to the transparency requirements of the relevant Standard, including the requirements of OECD Step 5. Such transparency reports must be published on a publicly-accessible website maintained by the Producer, with a link to such page or pages of the LME's own website as the LME may specify.

6 **Track B: Audited LME RFA Track**

6.1 **Eligibility for Audited LME RFA Track**

A Producer may only apply the Audited LME RFA Track to a Brand in the event that:

- (a) an LME RFA has been completed in respect of the Brand;
- (b) the most recent LME RFA conducted in respect of such Brand has identified no OECD Red Flags in respect of that Brand; and
- (c) the Producer has obtained an Audit Report confirming that such assessment is correct.

For the avoidance of doubt, in the event that the Audit Report does not confirm the assessment that there are no OECD Red Flags for the Brand as being correct, the Producer must apply the Recognised Alignment-Assessment Standard Track in respect of the Brand.

6.2 **Audit**

A Producer must, in respect of each Reporting Period, and for each Brand for which it proposes to apply the Audited LME RFA Track, procure an audit or suitable assurance report, in order to verify that its LME RFA in respect of the relevant Reporting Period has correctly reached the conclusion that no OECD Red Flags have arisen, and is based on appropriate and accurate information (an "**Audit Report**").

6.3 **Auditor**

The audit must be undertaken by a Recognised Auditor.

6.4 **Timings for submission of Audit Report**

The following timings apply in respect of any Brand to which the Audited LME RFA Track applies.

(a) **Brands Listed as at 30 June 2022**

The Producer of any Brand that is already listed as of 30 June 2022 must submit its first Audit Report by 30 June 2022 (being also the date when Producers must notify the LME of their nominated Track pursuant to Paragraph 4.3). Such first Audit Report must relate to an LME RFA in respect of the 2021 Reporting Period.

(b) **Initial Listing of Brands taking effect after 30 June 2022**

Any Producer applying for the listing of a Brand (where such listing is expected to take effect after 30 June 2022) must submit an Audit Report as part of its application for listing. The Audit Report should cover an LME RFA that relates to (at the Producer's choice)



either (i) the Reporting Period that ended in the most recent calendar year prior to the calendar year in which the date of the application falls, or (ii) the Reporting Period which ended in the calendar year in which the date of the application falls, provided that this Reporting Period ended prior to the date of the application. However, if (i) is elected, and such Reporting Period would have ended less than six months prior to the application date, then the LME RFA and Audit Report may relate to the next preceding Reporting Period.

For the avoidance of doubt, the LME may delay or deny the granting of listed-Brand status until the LME is in receipt of an Audit Report that has been completed to its satisfaction and any reviews and/or determinations pursuant to Paragraphs 6.5 and 6.6 have been completed.

(c) Brands Reclassified to the Audited LME RFA Track after 30 June 2022

The Producer of a Brand that is reclassified as a Brand to which the Audited LME RFA Track shall be applied shall be required to provide an Audit Report, compliant with the requirements of this Paragraph 6, on such date as the LME may, in its absolute discretion (and acting reasonably), specify.

(d) On-Going Assessments

The Producer of any Brand that is listed as of 30 June 2023, and/or on any subsequent 30 June, must (by 30 June of the year in question) submit a new Audit Report in respect of an LME RFA relating to the Reporting Period ending in the year preceding the year in question.

6.5 LME Review

The LME shall be entitled to review the Audit Report and may:

- (a) in the event that the LME has concerns or questions regarding any aspect of the Audit Report, the basis of its production, its conclusions or any of its content, require the Producer to respond to such concerns or questions and/or procure that the Recognised Auditor do so; and
- (b) in the event that the LME is not satisfied with the responses to such concerns or questions, require the Brand to be reclassified as, and assessed under the requirements for, the Recognised Alignment-Assessed Standard Track.

6.6 LME Requests for Information

The LME may ask a Producer for further information, clarifications or explanations, in order to assist the LME to review the Audit Report. In the event that a Producer does not comply with such requests, the LME may (in its discretion) classify the Brand as a Track A Brand and/or take any Brand Action in respect of such Brand.

6.7 Public disclosure

The results of the Audit Report must be disclosed, pursuant to OECD Step 5, not later than the 31 December following submission of the relevant Audit Report to the LME.

Such results must be published on a publicly-accessible website maintained by the Producer, with a link to such page or pages of the LME's own website as the LME may specify.

7 Track C: Published LME RFA Track

7.1 Eligibility for Published LME RFA Track

A Producer may only apply the Published LME RFA Track to a Brand in the event that:

- (a) an LME RFA has been completed in respect of the Brand; and
- (b) the most recent LME RFA conducted in respect of such Brand has identified no OECD Red Flags in respect of that Brand.

7.2 Timings for submission of LME RFA

The following timings apply in respect of any Brand to which the Published LME RFA Track applies.

(a) Brands Listed as at 30 June 2022

The Producer of any Brand that is already listed as of 30 June 2022 must submit its first LME RFA by 30 June 2022 (being also the date when Producers must notify the LME of their nominated Track pursuant to Paragraph 4.3). Such first LME RFA must relate to the 2021 Reporting Period.

(b) Initial Listing of Brands taking effect after 30 June 2022

Any Producer applying for the listing of a Brand (where such listing is expected to take effect after 30 June 2022) must submit an LME RFA as part of its application for listing. The LME RFA should relate to (at the Producer's choice) either (i) the Reporting Period that ended in the most recent calendar year prior to the calendar year in which the date of the application falls, or (ii) the Reporting Period which ended in the calendar year in which the date of the application falls, provided that this Reporting Period ended prior to the date of the application. However, if (i) is elected, and such Reporting Period would have ended less than six months prior to the application date, then the LME RFA may relate to the next preceding Reporting Period.

For the avoidance of doubt, the LME may delay or deny the granting of listed-Brand status until the LME is in receipt of an LME RFA that has been completed to its satisfaction, and a determination has been made in respect of the resultant classification in accordance with Paragraphs 7.3 to 7.4 (and/or, where applicable, Paragraph 4.4).

(c) Brands Reclassified to the Published LME RFA Track after 30 June 2022

The Producer of a Brand that is reclassified as a Brand to which the Published LME RFA Track shall be applied shall be required to provide an LME RFA, compliant with the requirements of this Paragraph 7, on such date as the LME may, in its absolute discretion (and acting reasonably), specify.

(d) On-Going Assessments

The Producer of any Brand that is listed as of 30 June 2023, and/or on any subsequent 30 June, must (by 30 June of the year in question) submit an updated LME RFA relating to the Reporting Period ending in the year preceding the year in question.

7.3 Review and Determination by the LME

Following receipt of a completed LME RFA in respect of a Brand, the LME shall:



- (a) undertake a review of the assessment and the Producer's proposed classification specified therein;
- (b) determine whether the LME:
 - (i) agrees; or
 - (ii) disagrees,
 with such assessment and classification; and
- (c) notify the Producer of its determination, including (where the LME disagrees with the Producer) the LME's determination of the classification of the Brand.

7.4 LME Requests for Information

The LME may ask a Producer for further information, clarifications or explanations, in order to assist the LME to review the Producer's submission. In the event that a Producer does not comply with such requests, the LME may (in its discretion) classify the Brand as a Track A Brand and/or take any Brand Action in respect of such Brand.

7.5 Disagreement with the LME's Determination

For the avoidance of doubt, in the event that a Producer disagrees with the LME's determination pursuant to Paragraph 7.3, such Producer may notify the LME in writing of such disagreement in accordance with Paragraph 2.4.

7.6 Public disclosure

- (a) The LME may publish the LME RFA for each Brand to which the Published LME RFA Track applies, subject to the restrictions set out in this Paragraph 7.6. The LME may make such publication on a publicly accessible website maintained by the LME.
- (b) Following the introduction into force of this Policy, the LME shall apply a graduated schedule for increasing the amount of detail published in respect of such LME RFAs. The following table summarises the schedule for making such LME RFAs public. However, the Producer may suggest redactions, subject to LME review, where the Producer considers it appropriate to do so (for example, where it considers such redactions to be necessary to preserve reasonable commercial confidentiality). The LME may also redact certain information at the LME's own initiative.

Publication Date by the LME	Reporting Period (ending on the relevant Date)	Details published of LME RFAs received in respect of the Reporting Period
Not earlier than 31 December 2022	2021 Reporting Period	Summary statistics
Not earlier than 31 December 2023	2022 Reporting Period	Summary statistics



Publication Date by the LME	Reporting Period (ending on the relevant Date)	Details published of LME RFAs received in respect of the Reporting Period
Not earlier than 31 December 2024	2023 Reporting Period	Anonymised versions of per-Brand LME RFA
Not earlier than 31 December 2025	2024 Reporting Period	Anonymised versions of per-Brand LME RFA
Not earlier than 31 December 2026	2025 Reporting Period	Attributed versions of per-Brand LME RFA
Not earlier than 31 December of the year following the year of the relevant Reporting Period	2026 Reporting Period and onwards	Attributed versions of per-Brand LME RFA

- (c) LME RFAs submitted pursuant to an application for the initial listing of a Brand (and hence not in accordance with the dates above) will be disclosed in a manner equivalent to those LME RFAs of the corresponding Reporting Period, as set out in the table above.

8 Track D: Secondary Materials Track

8.1 Eligibility for Secondary Materials Track

A Producer may only apply Secondary Materials Track to a Brand in the event that:

- (a) Brands are able to determine whether the Input Materials sourced are Secondary Materials or Primary Materials; and
- (b) the Input Materials used in production of that Brand during the Reporting Period have been sourced solely (i.e. 100%) from Secondary Material sources; and
- (c) the Producer does not wish to voluntarily use one of the other three Tracks.

For the avoidance of doubt, Input Materials will be considered “sourced” from the date their legal ownership is transferred to the Brand.

If any Primary Material is used in production of the Brand, the Brand becomes ineligible to use the Secondary Materials Track and Paragraphs 4 to 7 will apply for the Primary Material sourced.

8.2 Timings for submission of LME Secondary Materials Sourcing Attestation Form

The following timings apply in respect of any Brand to which the Secondary Materials Track applies.

- (a) **Brands Listed as at 30 June 2022**

In respect of Brands that were listed as of 30 June 2022 that attested to 100% Secondary Materials sourcing, Producers of said Brands were required to submit the Secondary Materials Sourcing Attestation Form by 30 June 2022 (being also the date



when Producers must notify the LME of their nominated Track pursuant to Paragraph 4.3).

(b) **Initial Listing of Brands taking effect after 30 June 2022**

Any Producer applying for the listing of a Brand (where such listing is expected to take effect after 30 June 2022) must submit a Secondary Materials Sourcing Attestation Form as part of its application for listing. The LME Secondary Materials Sourcing Attestation Form should relate to (at the Producer's choice) either (i) the Reporting Period that ended in the most recent calendar year prior to the calendar year in which the date of the application falls, or (ii) the Reporting Period which ended in the calendar year in which the date of the application falls, provided that this Reporting Period ended prior to the date of the application. However, if (i) is elected, and such Reporting Period would have ended less than six months prior to the application date, then the Secondary Materials Sourcing Attestation Form may relate to the next preceding Reporting Period.

For the avoidance of doubt, the LME may delay or deny the granting of listed-Brand status until the LME is in receipt of a Secondary Materials Sourcing Attestation Form that has been completed to its satisfaction.

(c) **Brands Reclassified to the Secondary Material Track after 30 June 2022**

The Producer of a Brand that is reclassified as a Brand to which the Secondary Material Track shall be applied shall be required to provide a Secondary Materials Sourcing Attestation Form, compliant with the requirements of this Paragraph 8, on such date as the LME may, in its absolute discretion (and acting reasonably), specify.

(d) **On-Going Assessments**

The Producer of any Brand that is listed as of 30 June 2023, and/or on any subsequent 30 June, must (by 30 June of the year in question) submit an updated LME Secondary Materials Sourcing Attestation Form relating to the Reporting Period ending in the year preceding the year in question.

8.3 **Review and Determination by the LME**

Following receipt of a completed Secondary Materials Sourcing Attestation Form in respect of a Brand, the LME shall:

- (a) undertake a review of the Secondary Materials Sourcing Attestation Form; and
- (b) notify the Producer of its determination, including the LME's acceptance of the Secondary Materials Sourcing Attestation Form, requirements for additional information, or reclassification of the Brand.

8.4 **LME Requests for Information**

The LME may ask a Producer for further information, clarifications or explanations, in order to assist the LME to review the Producer's submission. In the event that a Producer does not comply with such requests, the LME may (in its discretion) reclassify the Brand to a different Track, launch an Own-Initiative Investigation (see Paragraph 13) and/or take any Brand Action in respect of such Brand.



8.5 Disagreement with the LME's Determination

For the avoidance of doubt, in the event that a Producer disagrees with the LME's determination pursuant to Paragraph 8.3, such Producer may notify the LME in writing of such disagreement in accordance with Paragraph 2.4.

8.6 Public disclosure

9 The Brand's name will be shown on an appropriate LME-hosted public site (i.e the LME website, LMEpassport or other location as the LME may choose) as the Producer of the Brand having self-attested to 100% Secondary Materials sourcing.**Recognition of Standards, Equivalent Certification Programmes, Alignment Assessors and Auditors**

9.1 Recognition of Standards

Pursuant to the requirements of Paragraph 5, a Producer of a Brand or Standard Owner may apply to the LME for a Standard to become a Recognised Alignment-Assessed Standard.

9.2 Recognition of Equivalent Certification Programmes

Pursuant to the requirements of Paragraph 3, a Producer of a Brand or Certification Programme Owner may apply to the LME for a Certification Programme to become an Equivalent Certification Programme.

9.3 Recognition of Alignment Assessors and Auditors

An individual or company wishing to be recognised as:

- (a) a Recognised Alignment Assessor; or
- (b) a Recognised Auditor,

shall notify the LME, together with a summary of that individual or company's qualifications to undertake the role. Where necessary, the LME may seek such further information as it considers appropriate or necessary in order to assess such individual's or company's qualifications. The LME shall, in its absolute discretion (acting reasonably) determine whether such individual or company should become a Recognised Alignment Assessor or Recognised Auditor (as applicable).

9.4 Recognition at the LME's Discretion

For the avoidance of doubt, the recognition of, or revocation of recognition of:

- (a) any Standard as a Recognised Alignment-Assessed Standard; or
- (b) any Certification Programme as an Equivalent Certification Programme; or
- (c) any individual or company as a Recognised Alignment Assessor; or
- (d) any individual or company as a Recognised Auditor,

shall be at the sole discretion of the LME.

9.5 Publication of Lists

The LME shall publish lists of:



- (a) Recognised Alignment-Assessed Standards, subject to the agreement of the relevant Standard Owner; and
- (b) Equivalent Certification Programmes, subject to the agreement of the relevant Certification Programme Owner; and
- (c) Recognised Alignment Assessors; and
- (d) Recognised Auditors.

Such lists shall be published on the LME's website. The LME shall update such lists from time to time.

9.6 Use of Standards and Certification Programmes Not on the LME's Published Lists

- (a) For the avoidance of doubt, a Recognised Alignment-Assessed Standard does not need to be published on the relevant list published pursuant to Paragraph 9.5, if the relevant Standard Owner does not wish such publication. In such a case, a Producer may utilise a Recognised Alignment-Assessed Standard for its own compliance with this Policy if:
 - (i) it is also the relevant Standard Owner; or
 - (ii) (otherwise) it is permitted by the relevant Standard Owner to do so, and is able to demonstrate to the LME on request that it has the relevant permissions.
- (b) For the avoidance of doubt, an Equivalent Certification Programme does not need to be published on the relevant list published pursuant to Paragraph 9.5, if the relevant Certification Programme Owner does not wish such publication. In such a case, a Producer may utilise the Equivalent Certification Programme for its own compliance with this Policy if:
 - (iii) it is also the relevant Certification Programme Owner; or
 - (iv) (otherwise) it is permitted by the relevant Certification Programme Owner to do so, and is able to demonstrate to the LME on request that it has the relevant permissions.

For the avoidance of doubt, the LME takes no responsibility for ensuring that a Producer has permission from the relevant Standard Owner or Certification Programme Owner to utilise a Recognised Alignment-Assessed Standard or Equivalent Certification Programme (as applicable), and accepts no liability to any party in the event that a Producer uses the same without having first obtained any required permission.

10 The LME's Powers to Take Brand Action

10.1 In the event that:

- (a) the LME determines that a Brand does not comply with this Policy; or
- (b) a Producer of a Brand fails to perform any of the actions, or take any of the steps, required of it pursuant to this Policy, including (without limitation) the completion of a requirement within any timescale specified in this Policy,

the LME may take any of the Brand Actions specified in Paragraph 10.2, in respect of the Brand, as the LME considers appropriate.

10.2 The LME may take one of more of the following Brand Actions:



- (a) the LME may publish a Notice specifying that it has determined that the Brand is not compliant with the requirements of this Policy and/or the relevant Standard;
- (b) the Brand may be suspended or de-listed for the purposes of Part 7 of the Rules;
- (c) the LME may suspend deliveries of Metal for that Brand onto warrant; and/or
- (d) the LME may suspend or permanently prohibit existing Warrants representing Metal for that Brand, so that such Warrants shall cease to be eligible to be validly used to settle any Contract under the Rules and may require that such Metal be removed from Warehouses.

10.3 Where the LME makes a determination pursuant to Paragraph 10.1 to apply any Brand Action under Paragraph 10.2, it may take such Brand Action from such date (which, for the avoidance of doubt, may be immediately), and at such period of notice as the LME may determine.

10.4 Where a Brand has been de-listed under this Paragraph 10, the Producer of such Brand may subsequently apply for re-listing of the Brand. Any such application must comply with the requirements of Part 7 of the Rules and this Policy, and must include sufficient explanations and evidence to satisfy the LME that, if re-listed, the Brand would not again be subject to a Brand Action.

10.5 The LME may, in its sole discretion and acting reasonably, choose to disapply any requirement (in general or in respect of any specific Brand, and with or without notification or notice to the market or any person affected by this Policy) where it considers this to be in the best interest of the Exchange or the market supported by the Exchange.

11 Information Sharing

Any Producer submitting any information to the LME pursuant to or in accordance with this Policy must do so on the understanding, and with the agreement that, the LME may:

- (a) use such information for the purposes of this Policy and/or the Rules; and/or
- (b) disclose such information to:
 - (i) an auditor:
 - (1) for the purpose of enabling such auditor to discharge an audit pursuant to Paragraph 5.3 (either as a Recognised Auditor or as an auditor appointed in respect of an External Standard) or Paragraph 6.2;
 - (2) for the purpose of enabling such auditor to perform an ISO / OHSAS Equivalence Assessment; or
 - (3) to assist the LME to investigate any aspect of any matter relating to the compliance of a Brand with the requirements under this Policy; and/or
 - (ii) a standards-setting, assessment or monitoring body with responsibilities in respect of any Standard (including, any Recognised Alignment Assessor); and/or
 - (iii) any other person with whom the LME may need to disclose such information to enable the LME to discharge any function or responsibility described for the LME in this Policy (including, without limitation, any professional advisers of the LME); and/or



- (c) disclose such information to any person to whom it may disclose information pursuant to Membership Regulation 21 (Confidentiality) of the Rules. (For the avoidance of doubt, this provision shall apply to determine the LME's rights to disclose information notwithstanding that such information may be confidential to a person who is not a party to the Rules.)

12 Notification of Grievances

- 12.1 Any person, whether a market participant or otherwise, having a concern as to the compliance of a Brand with the provisions of this Policy (a "**Grievance**") may submit their concerns to the LME. The LME shall determine whether and how to investigate any Grievance received pursuant to this Policy.

13 The LME's Own-Initiative Investigation

- 13.1 The LME may, on its own initiative, undertake an investigation, or make enquiries, to determine the compliance of a Brand with the provisions of this Policy (an "**Own-Initiative Investigation**"). The LME shall not be required to have reasonable grounds in order to exercise such powers.

14 Co-Operation with LME Investigations

- 14.1 Following a determination by the LME to investigate a Grievance or, upon the initiation of an Own-Initiative Investigation:
 - (a) the LME shall undertake such investigation, and make such enquiries, as it considers reasonable;
 - (b) the LME may request that the Producer of the Brand provide to the LME such information regarding the Brand as the LME considers appropriate to enable the LME to assess the merits of the Grievance or to progress the Own-Initiative Investigation (as applicable);
 - (c) where a Grievance or Own-Initiative Investigation concerns the accuracy of information provided in an LME RFA or Secondary Materials Sourcing Attestation Form, the LME may (without limitation) request that the Producer provide supporting evidence, or procure an independent audit (either on-site or otherwise) of the LME RFA or Secondary Materials Sourcing Attestation Form (subject to such conditions as the LME may reasonably prescribe);
 - (d) where a Grievance or Own-Initiative Investigation concerns the accuracy or sufficiency of a Standard Audit Report or Audit Report submitted in respect of a Brand, the LME may (without limitation) provide relevant information to the auditor and request that this be considered in the context of the audit;
 - (e) in respect of any Grievance or Own-Initiative Investigation, the LME may require any other reasonable action to be undertaken by the Producer and the Producer shall comply with any such request;
 - (f) where the LME:
 - (i) is satisfied that a Grievance is valid; or
 - (ii) determines that a Brand is not compliant with the requirements of this Policy (whether pursuant to an Own-Initiative Investigation or otherwise),



the LME may take Brand Action in respect of the Brand in accordance with Paragraph 10. For the avoidance of doubt, the LME's power to take Brand Action shall be determined by Paragraph 10 and nothing in this Paragraph 14 shall limit, or introduce any additional procedural conditions upon, the LME's ability to take Brand Action pursuant to Paragraph 10.

- 14.2 Where the LME makes an enquiry or request pursuant to Paragraph 6.6, Paragraph 7.4, Paragraph 8.4 or Paragraph 14.1 above, the Producer's costs of complying with such enquiry or request (including any costs of appointing any auditor) shall be borne by the Producer. In the event that a Producer does not wish to comply with any such request in respect of any of its Brands, and to bear the cost of such compliance accordingly, such Producer may apply to the LME to voluntarily de-list the affected Brand(s). For the avoidance of doubt, in the event that a Producer elects to apply for such voluntary de-listing, the LME may (where the LME considers it appropriate in the circumstances) take Brand Action in respect of the affected Brand(s).

15 Timetable

The deadlines for specific actions required to be performed by Producers or other parties under this Policy shall be as set out in the relevant Paragraphs of this Policy.

16 Changes to Policy

- 16.1 The LME reserves the right to modify or update the terms of this Policy at any time, for any reason, without seeking the prior consent of any Member, Producer or other person.
- 16.2 Subject to Paragraphs 16.3 and 16.4 below, the LME shall use reasonable endeavours to enter into dialogue with Producers of the LME-listed Brands in respect of any material change to the Policy that is likely to have a substantial impact on the operational burden imposed on Producers generally.
- 16.3 Any such dialogue shall offer such Producers or other parties a reasonable period, as determined by the LME, to review and comment on the proposed change. The LME shall take any comments received from Producers or other parties into account, but it shall be under no obligation to amend its proposed changes or to act in any way on the basis of the comments received from Producers or other parties. Any changes implemented, or not implemented, by the LME shall be at the absolute discretion of the LME.
- 16.4 The LME shall not be required to enter into dialogue with Producers or other parties, or otherwise consult, on any change to the Policy that:
- (a) does not fall within Paragraph 16.2 above;
 - (b) is required to comply with any direction given to the LME by any competent regulator of the LME, or any law enforcement authority;
 - (c) is required to comply with any change in applicable law or regulation in circumstances where there is, in the opinion of the LME, not sufficient time to conduct a consultation;
 - (d) is required to comply with any change in relevant OECD Guidance; and/or
 - (e) is a non-material administrative change,
- and any such changes shall be notified to Producers by a Notice issued by the LME.

- 16.5 Any change to the Policy shall come into effect upon the expiry of 30 days following the issue by the LME of notice of the proposed change or thereafter on such date prescribed by the LME in its absolute discretion. The LME may specify a shorter notice period than required pursuant to this Paragraph 16.5, where the LME considers that it is appropriate to do so, having regard to the interests of the LME, Producers and users of the Brands, and to the obligations of the LME to ensure continued compliance with applicable law and regulation.
- 16.6 For the avoidance of doubt, the LME shall not be required to consult on any issuance of, update to, or change to, any Guidance Note, the LME RFA Template, or the Secondary Materials Sourcing Attestation Form. Without prejudice to the foregoing, Guidance Notes shall be used to provide additional detail regarding requirements under, or matters described within, this Policy and are not intended to be used to specify substantive requirements additional to those set out in this Policy.

17 Glossary

Term	Definition
Application Date	has the meaning set out in Paragraph 5.6(a);
Audited LME RFA Track	means the process and requirements specified in Paragraph 6;
Audit Report	has the meaning set out in Paragraph 6.2;
Brand	means a brand of Metal, associated with a particular Producer, that is listed, or submitted for listing, in accordance with Part 7 (<i>Requirements for the Listing of Brands</i>) of the Rules;
Brand Action	means any action described under Paragraph 10.2;
Certification Programme	means a documented set of requirements which a Brand must satisfy in order to demonstrate at least equivalent protections as the ISO 14001 and OHSAS 18001 / ISO 45001 certifications;
Certification Programme Owner	means the entity or entities having the intellectual property or other ownership rights in respect of a Certification Programme;
Equivalent Certification Programme	means a Certification Programme that has been demonstrated to the LME's satisfaction to be equivalent to, or an improvement upon, the ISO 14001 and OHSAS 18001 / ISO 45001 certifications;
External Standard	means a Standard which is not an Internal Standard;
Grievance	has the meaning set out in Paragraph 12.1;
Guidance Note	means any guidance note published by the LME specifying how the requirements of this Policy may be implemented by Producers;
Input Materials	means the feedstock (input) fed into a process for conversion into the Metal of a Brand, this can include Primary Materials or Secondary Materials. This includes Metals that are present in the final Metal produced by a Brand and excludes chemical or other additives that may be added during the production process (such as silicon, carbon anodes, caustic soda, or aluminium fluoride);
Internal Standard	means a Standard whose Standard Owner is the Producer, or an Affiliate of the Producer;



ISO / OHSAS Equivalence Assessment	means an independent audit report, produced by a reputable and appropriately experienced third party that is acceptable to the LME, which assesses and confirms that a certification programme is an Equivalent Certification Programme;
ISO 14001	means the international standard prescribed by the International Organisation for Standardization that specifies the framework requirements for an effective environmental management system;
ISO 45001	means the international standard prescribed by the International Organisation for Standardization that specifies the framework requirements to improve employee safety, reduce workplace risks and create better, safer working conditions, all over the world;
LME Secondary Materials Sourcing Attestation Form	means the template published by the LME, which must be used by Producers applying the Secondary Materials Track in respect of a given Brand;
LME RFA	means a completed LME RFA Template;
LME RFA Template	means the template published by the LME, which must be used by Producers applying the Audited LME RFA Track or the Published LME RFA Track to complete Red Flag Assessments in respect of a given Brand;
Metal	means any metal for which specifications are detailed in Part 6 (Special Contract Rules for Metals) of the Rules, but excluding any metal specified in Parts 6A, 6B, 6C or 6D of the Rules;
Non-Track A Brand	means a Brand which is not a Track A Brand;
Objecting Party	has the meaning set out in Paragraph 2.4;
OECD	means the Organisation for Economic Co-operation and Development;
OECD Alignment Assessment	means the process by which a Standard is shown to be capable of demonstrating adherence to the OECD Guidance, pursuant to the methodology set out in the OECD Methodology and, for the purposes of this Policy, a Standard which has satisfied the requirements of Paragraph 5.2;
OECD Guidance	means the guidance and requirements set out in the OECD document “ <i>OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, Third Edition</i> ”, including, in

	the case of tin Brands, the “ <i>Supplement on Tin, Tantalum and Tungsten</i> ” of the OECD Guidance;
OECD Methodology	means the “ <i>Methodology for the Alignment Assessment of Industry Programmes with the OECD Minerals Guidance</i> ”;
OECD Red Flags	means the red flags in either (i) the “ <i>Supplement on Tin, Tantalum and Tungsten</i> ” of the OECD Guidance, or (ii) the “ <i>Supplement on Gold</i> ” of the OECD Guidance, with the choice of (i) or (ii) being for the Standard to elect. In either route, the LME expects that the definition of “conflict-affected and high-risk areas” will be as set out in the “ <i>Supplement on Gold</i> ” of the OECD Guidance, save that (1) for Standards which have been alignment assessed prior to the introduction of this Policy, the definition of “conflict-affected and high-risk areas” may be as set out in the main section of the OECD Guidance, and (2) the LME may, in its absolute discretion (acting reasonably), recognise lists of conflict-affected and high-risk areas published by third parties and notify such lists to the market by Notice, following which notification Brands may choose to apply such lists when assessing red flags;
OECD Step 1	means the relevant sections of the process described as step 1 (“establish strong company management systems”) in the OECD Guidance;
OECD Step 2a	means the process described as step 2a (“identify risks in their supply chain as recommended in the Supplements”) in the OECD Guidance, which the LME expects shall be carried out by means of a Red Flag Assessment;
OECD Step 5	means the process described as step 5 (“report annually on supply chain due diligence”) in the OECD Guidance, augmented as appropriate by any future requirements specified by the LME (whether pursuant to amendments to this Policy or otherwise);
OHSAS 18001	is a British Standard framework for an occupational health and safety management system (officially known as BS OHSAS 18001). It has been superseded by ISO 45001 and all OHSAS 18001 certified organisations will need to have transitioned by March 2021 – and consequently, any reference in this Policy to OHSAS 18001 shall be read as ISO 45001 from the date of such transition;
Own-Initiative Investigation	has the meaning set out in Paragraph 13.1;
Policy	means this Policy on Responsible Sourcing of LME-Listed Brands;

Primary Materials	means material which has never previously been refined;
Producer	means a producer, smelter or refiner of a Metal represented by a Brand;
Published LME RFA Track	means the process and requirements specified in Paragraph 7;
Recognised Auditor	means an individual, company, partnership or association recognised by the LME as being competent to undertake a Standard Audit Report in respect of the compliance of a Brand with any Internal Standard, and that may also produce Audit Reports for the purposes of this Policy;
Recognised Alignment-Assessed Standard Track	means the process and requirements specified in Paragraph 5;
Recognised Alignment Assessor	means an individual or company recognised by the LME as being competent to undertake an OECD Alignment Assessment;
Recognised Alignment-Assessed Standard	means a Standard which has, in the opinion of the LME, successfully undergone OECD Alignment Assessment by a Recognised Alignment Assessor;
Red Flag Assessment	means an assessment, undertaken by a Producer in respect of its Brand, in order to identify whether that Brand triggers any of the OECD Red Flags;
Reporting Period	<p>means an annual period ending on the Reporting Period End Day of a given calendar year.</p> <p>So, for example, if the Reporting Period End Day is 31 March, then the “2025 Reporting Period” shall be the period from 1 April 2024 through 31 March 2025. If the Reporting Period End Day is 31 December, then the “2025 Reporting Period”, shall be the period from 1 January 2025 through 31 December 2025</p> <p>However, in all cases, the 2021 Reporting Period shall start on 1 January 2021. So, if the Reporting Period End Day is 31 March, then the “2021 Reporting Period” shall be the period from 1 January 2021 to 31 March 2021. If the Reporting Period End Day is 31 December, then the “2021 Reporting Period” shall be the period from 1 January 2021 to 31 December 2021;</p>
Reporting Period End Day	means, in respect of a Brand, a specific calendar day (e.g. 31 December), chosen by the Producer in respect of such Brand;
Rules	has the meaning set out in Paragraph 1.3;

Secondary Materials	<p>means the reclaimed end-user products (post-consumer) or scrap processed metals (pre-consumer):</p> <ul style="list-style-type: none"> Reclaimed end-user or post-consumer products is material containing metal that is reclaimed from a consumer or commercial product that has been used for its intended purpose by individuals, households or commercial, industrial and institutional facilities as end-users of the product which can no longer be used for its intended purpose. For the avoidance of doubt, reshaping or rebranding of metal from other smelters, refiners, traders or warehouses cannot be included in this category. Scrap processed metal (pre-consumer scrap) is material created during product manufacturing which are returned to a smelter or refiner or re-melter. <p>Secondary Materials include obsolete, defective, and scrap materials which contain refined or processed metals that are appropriate to recycle in the production of aluminium, copper, lead, nickel, cobalt, tin and zinc. For the avoidance of doubt, materials partially processed, unprocessed, or a by-product from another ore are not Secondary Materials;</p>
Secondary Materials Track	means the process and requirements specified in Paragraph 8;
Standard	means a documented set of requirements which a Brand must meet, together with an auditing or assurance procedure, in order to demonstrate adherence to the OECD Guidance;
Standard Audit Report	means an audit or suitable assurance report demonstrating that a Brand complies with a relevant Standard;
Standard Owner	means the entity or entities having the intellectual property or other ownership rights in respect of a Standard;
Track	<p>means any of:</p> <ul style="list-style-type: none"> (a) the Recognised Alignment-Assessed Standard Track; (b) the Audited LME RFA Track; (c) the Published LME RFA Track; or (d) the Secondary Materials Track
Track A Brand	means a Brand to which the Recognised Alignment-Assessed Standard Track either: (i) must be applied in accordance with Paragraph 4.2(a); or (ii) has been electively applied by the Producer of the Brand, in accordance with Paragraph 4.2(b) or 4.4(b).



LME Red Flag Assessment Template

Reporting template for LME-listed brands

LME RED FLAG ASSESSMENT TEMPLATE – OECD DUE DILIGENCE GUIDANCE FOR RESPONSIBLE SUPPLY CHAINS OF MINERALS FROM CONFLICT-AFFECTED AND HIGH-RISK AREAS

Directions

- This template constitutes the LME RFA Template for the purposes of the LME Policy on Responsible Sourcing of LME-Listed Brands (the “Policy”). Capitalised terms not defined herein have the meaning ascribed to them in the Policy
- This template is only required for Brands following the Audited LME RFA Track (when the completed template must be submitted to the auditor) and the Published LME RFA Track (when the completed template must be submitted to the LME)
- Producers should consult the Policy for information on reporting periods, submission deadlines and other information
- This template is based on the “Supplement on Tin, Tantalum and Tungsten” of the “OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas”. References to “OECD Guidance” in the context of this template should be interpreted accordingly

1) BRAND INFORMATION

Brand name:		LME Brand code:	
Producer name:		Producer address:	
Contact details:		Reporting Period:	
Date of submission:			

2) COMPANY MANAGEMENT SYSTEMS

- The LME believes it important that its listed Brands report (per A.1.1 of Step 5 of the OECD Guidance) on their company management systems (per Step 1A and Step 1B of the OECD Guidance). This is because this information is necessary to reassure market stakeholders that the analysis of the Red Flag Assessment has been correctly completed.
- a. **Company Management Systems:** In respect of the production of this Brand in this Reporting Period, set out the Producer’s supply chain due diligence policy; explain the management structure responsible for the Producer’s due diligence and who in the Producer is directly responsible; describe the control systems over the mineral supply chain put in place by the Producer, explaining how this operates and what data it has yielded that has strengthened the Producer’s due diligence efforts in this Reporting Period; describe the Producer’s database and record-keeping system

This question reflects those elements of item A.1.1 of the Step 5 Reporting which themselves relate to Step 1A and Step 1B. Note that the requirement to “disclose information on payments made to governments in line with EITI criteria and principles” is contained in Section 6) of this template, given the LME’s specific commitment to the combatting of financial crime and corruption risk.

3) LOCATIONS OF MINERAL ORIGIN AND TRANSIT

- An effective Red Flag Assessment will require a clear understanding of the countries (i) from which minerals have originated, and (ii) through which minerals have transited. For the purposes of this Red Flag Assessment, the terms “transited through” and “transported via” may be read as interchangeable.



- a. On the basis of the Producer's Company Management Systems for tracing the origin of materials from its operations and those of its suppliers, list the countries from which the minerals used for this Brand originated during the Reporting Period

This answer may be provided as a list of countries, and does not need to be disaggregated by supplier. However, the LME may request this information on a confidential basis in the event that further information in respect of the Red Flag Assessment is required.

- b. On the basis of the Producer's Company Management Systems for tracing the transit of materials from its operations and those of its suppliers, list the countries through which minerals used for this Brand have transited during the Reporting Period

This answer may be provided as a list of countries, and does not need to be disaggregated by supplier. However, the LME may request this information on a confidential basis in the event that further information in respect of the Red Flag Assessment is required.

- c. Is any company in the supply chain for this Brand unable to determine the countries from which minerals used for this Brand either originated or transited during the Reporting Period?

4) SUPPLIERS

- a. On the basis of the Producer's Company Management Systems for assessing suppliers and other known upstream companies, compile a list of companies (the "Relevant Companies") in which the Producer's suppliers and other upstream companies have had shareholder and other interests during the Reporting Period. List the countries from which the Relevant Companies supply minerals, and countries in which the Relevant Companies operate

This answer may be provided as a list of countries, and does not need to be disaggregated by Relevant Company. For the avoidance of doubt, the identities of the Relevant Companies do not need to be disclosed; however, the LME may request this information on a confidential basis in the event that further information in respect of the Red Flag Assessment is required.

For the purposes of this analysis, "shareholder interest" may be interpreted as a majority shareholder interest, and "other interest" may be interpreted as a controlling interest achieved through a route other than a shareholding.

- b. On the basis of the Producer's Company Management Systems for assessing suppliers and other upstream companies, list the countries in which those suppliers and other upstream companies have sourced minerals during the Reporting Period

This answer may be provided as a list of countries, and does not need to be disaggregated by supplier/other upstream company. However, the LME may request this information on a confidential basis in the event that further information in respect of the Red Flag Assessment is required.

5) ASSESSMENT OF GEOGRAPHIES (ORIGINATION AND CHAIN OF CUSTODY)

- Core to the Red Flag Assessment is the determination of Conflict-Affected and High-Risk Areas ("CAHRAs")



- The LME believes that the determination of CAHRAs is ultimately for producers to undertake
 - The LME has determined that the CAHRA definition relevant to LME-listed brands should be the expanded scope set out in the “Definitions” section of the “Supplement on gold” in the “OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas”. In particular, this incorporates the abuses from Paragraph 1 of Annex II of the OECD Guidance into the CAHRA definition
 - The LME further recognises that the definition of CAHRA does not map precisely onto national boundaries, and it appears possible under the OECD Guidance that certain sub-divisions of a state would be a CAHRA, and other sub-divisions not a CAHRA. This possibility is reflected in the methodology below
- a. For each of the countries identified in the answers to items 3)a, 3)b, 4)a and 4)b, classify that country (based on the Producer’s analysis during the Reporting Period) into:
- (i) A country of which no area falls into the CAHRA definition;
 - (ii) A country of which all areas fall into the CAHRA definition; or
 - (iii) A country of which some, but not all, areas fall into the CAHRA definition. In this case, indicate whether the areas to which the answers to items 3)a, 3)b, 4)a and 4)b relate fall within the CAHRA definition

Countries falling into the CAHRA definition per (ii), and regions of countries falling into the CAHRA definition per (iii), shall be referred to as “CAHRA areas”.

- b. For each of the countries identified in the answers to items 3)a, 3)b, 4)a and 4)b, indicate whether or not (based on the Producer’s risk identification during the Reporting Period) minerals from CAHRAs are known to transit through that country
- c. For each of the countries identified in the answers to items 3)a, 3)b, 4)a and 4)b, indicate whether or not (based on the Producer’s risk identification during the Reporting Period) that country (in respect of the contribution of minerals from that country to production of the Brand) has limited known resources, likely resources or expected production levels (i.e. whether the declared volumes of mineral from that country for use in producing the Brand are out of keeping with that country’s known reserves or expected production levels)

6) FINANCIAL CRIME AND CORRUPTION RISK

- The LME believes that financial crime and corruption risk represent important concerns for industry stakeholders. Accordingly, the LME is particularly keen to ensure that the principles of the Extractive Industries Transparency Initiative (“EITI”), as referenced in the OECD Guidance, are embedded into global supply chains. As such, this template references the specific wording of the OECD Guidance in respect of EITI, but further requires that Producers explain broader disclosure on a per-country basis.

- a. **Payments made to governments:** Confirm that the Producer discloses information in respect of this Brand in this Reporting Period on payments made to governments in line with EITI criteria and principles, and provide the details of where such reporting may be found

This question partially reflects item A.1.1 of the Step 5 Reporting.

- b. **Per-country EITI transparency:** For each of the countries identified in the answers to items 3)a, 3)b, 4)a and 4)b, set out:



- (i) Whether the country is an EITI member country;
- (ii) If the country is an EITI member country, whether the Producer, its suppliers and/or other upstream companies are in compliance with the EITI reporting requirements of that country. Where relevant (and where such disclosure would not require the disclosure of commercially confidential information), provide links to the latest EITI report, or the relevant company's submission for the purpose of EITI reporting; or
- (iii) If the country is not an EITI member country, whether the Producer, its suppliers and/or other upstream companies undertake other steps to provide transparency on payments and other matters in line with the aims of EITI

7) RED FLAG ASSESSMENT

- a. Do any of the countries identified in 3)a (origin of minerals) or 3)b (transit of minerals) fall into the CAHRA areas identified in 5)a?

This provides coverage of the first OECD Red Flag.

- b. Do any of the countries identified in 3)a (origin of minerals) fall into the list of limited resource countries identified in 5)c?

This provides coverage of the second OECD Red Flag.

- c. Do any of the countries identified in 3)a (origin of minerals) fall into the list of transit counties identified in 5)b?

This provides coverage of the third OECD Red Flag.

- d. Do any of the countries identified in 4)a (shareholder and other interests) fall into the CAHRA areas identified in 5)a, or the list of transit counties identified in 5)b?

This provides coverage of the fourth OECD Red Flag.

- e. Do any of the countries identified in 4)b (supplier operations) fall into the CAHRA areas identified in 5)a, or the list of transit counties identified in 5)b?

This provides coverage of the fifth OECD Red Flag.

- f. Is the answer to 3)c (unknown source of minerals) positive?

This provides coverage of the OECD Red Flag instruction that "if a company in the supply chain is unable to determine whether the minerals in the company's possession come from a 'red flag location of mineral origin or transit', it should proceed to Step 1 of the Guidance". For the purposes of this Red Flag Assessment, this is understood as being equivalent to triggering an OECD Red Flag.

- g. Does the producer fail to undertake required EITI reporting pursuant to 6)a?

This reflects the stated focus of the LME on financial crime and corruption risk.



- h. Is the answer to any of 7)a – 7)g positive?

If so, then it should be assumed that one or more OECD Red Flags are engaged, and the must hence follow the Recognised Alignment Assessed Standard Track.

If not, then it should be assumed that Red Flags are not engaged, and the Brand may hence choose any of the Recognised Alignment Assessed Standard Track, the Audited LME RFA Track, or the Published LME RFA Track.

- i. Does the Producer believe that the Red Flag Assessment should result in a different outcome than indicated in 7)h? If so, then a full explanation must be given.

If this is the case, it is expected that the Producer will have discussed this with the LME in advance of submission of this template (either to the LME or auditor).



LME Red Flag Assessment Template

Reporting template for LME-listed Brands, version 2

Revision date: January 2023

LME RED FLAG ASSESSMENT TEMPLATE

Introduction

- This document constitutes the LME RFA Template (the “template”) for the purposes of the LME Policy on Responsible Sourcing of LME-Listed Brands (the “Policy”). This template and embedded workbook is only required for Brands following the Audited LME RFA Track (Track B) and the Published LME RFA Track (Track C). Capitalised terms not defined herein have the meaning ascribed to them in the Policy.
- This template is based on the “Supplement on Tin, Tantalum and Tungsten” of the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, Third Edition. References to “OECD Guidance” in the context of this template should be interpreted accordingly.
- The purpose of the OECD Guidance is to help companies respect human rights and avoid contributing to conflict through their sourcing decisions, including the choice of their suppliers¹.
- Producers should consult the Policy for information on Reporting Periods, and submission deadlines; other contextual information may be found in the guidance notes published by the LME.
- Please submit all relevant documents in English, this includes the template, RFA workbook, and any supplemental documents the LME should consider as part of the submission.
- The RFA workbook is available here:



Microsoft Excel
Worksheet

¹ OECD Guidance, page 12



Section 1. BRAND INFORMATION	
LME Brand Producer name ²	
LME Brand name(s) ^{2,3}	
Reporting Period start date (DD/MM/YYYY)	
Reporting Period end date (DD/MM/YYYY)	
Date of submission (DD/MM/YYYY)	
Address of Brand producing site	
Website of Brand Producer	
Name of person submitting RFA	
Job title of person submitting RFA	
Phone number	
Email address	

² This may be found on the list of LME Approved Brands: <https://www.lme.com/en/physical-services/brands/approved-brands>

³ In the majority of cases, each Brand will require a unique RFA. However, if multiple Brands are produced by the same Producer, and the responses to the RFA questions are identical for all said Brands, one RFA may be submitted for all Brands.



Section 2. COMPANY MANAGEMENT SYSTEMS

- a. Describe the Producer's supply chain due diligence policy. The policy should incorporate the standards against which due diligence is to be conducted, consistent with the model policy contained in Annex II of the OECD Guidance.⁴

Please provide a link or a copy where available.

⁴ OECD Guidance, page 20



b. Describe how this policy been communicated to suppliers, employees, and the public.⁵

c. Explain the management structure responsible for the Producer's due diligence, including who is directly responsible for implementing the supply chain due diligence policy.⁶

⁵ OECD Guidance, page 17

⁶ OECD Guidance, page 17 and page 52



- d. Describe the system of controls and transparency over the mineral supply chain put in place by the Producer. This includes:
 - a. the type of information⁷ the Producer collects from suppliers,
 - b. whether this information is required in commercial contracts with suppliers⁸
 - c. the format of the record-keeping of the Producer (such as paper-based, computerised, digital ledger technology, or part of an institutionalised mechanism)⁸, and
 - d. for how long this information is stored⁸.

⁷ OECD Guidance, page 38, which refers to the information expected on page 37

⁸ OECD Guidance, page 38



e. Describe the data the management system has yielded this Reporting Period and how it has strengthened the company's due diligence efforts.⁹

f. Confirm that a company-level or industry-wide grievance mechanism has been established and provide evidence.¹⁰

⁹ OECD Guidance, page 52

¹⁰ OECD Guidance, page 17 with details on page 40



g. Describe the Producer's method for identifying Conflict-Affected and High-Risk Areas ("CAHRA").¹¹

¹¹ Though not directly referenced in the OECD Guidance, the LME requires this information to be disclosed as part of the transparency requirements for Track C. In line with the Policy, the LME expects that the definition of "conflict-affected and high-risk areas" will be as set out in the "Supplement on Gold" of the OECD Guidance page 66.



Section 3. LOCATION OF MINERAL ORIGIN AND TRANSIT RED FLAG EVALUATION

Use the workbook to provide the following information:

- a. On the basis of the Producer's Company Management Systems for tracing the transit of materials from its operations and those of its suppliers, list all countries from which the minerals used for this Brand originated and transited through during the Reporting Period.
- b. Identify whether each of the countries listed in (a.) is a source for the Brand material or a country through which the material only transits.
- c. Specify the type of material being sourced or transited. This is optional to disclose and only requested to assist in answering the remaining questions.
- d. Classify each country's CAHRA status:
 - (i) A country of which no area falls into the CAHRA definition;
 - (ii) A country of which all areas fall into the CAHRA definition; or
 - (iii) A country of which some, but not all areas fall into the CAHRA definition. In this case, indicate whether the material is sourced from or transits through the CAHRA in the comment column.
- e. For each of the source countries identified, assess if the volume of mineral the Producer sourced during the Reporting Period is in keeping with the source country's known reserves and expected production levels. Provide the result of your assessment.
- f. For each of the countries identified, assess if this country known to transit materials from CAHRAs.
- g. For each of the source countries in (b.), assess the status of the supplier's Extractive Industry Transparency Initiative ("EITI") implementation following these steps¹²:
 - (i) State whether or not the country is an EITI-implementing country¹³;
 - (ii) If the supplier is located in an EITI-implementing country, identify if the supplier is in compliance with the EITI reporting requirements of that country¹⁴. Provide links to the relevant company's submission for the purpose of EITI reporting, where such a disclosure does not reveal commercially sensitive information.
 - (iii) If the country is not an EITI-implementing country, identify if the supplier takes other steps to provide transparency on payments to governments and other matters in line with the aims of EITI. Provide link(s) to disclosures where available.

¹² The LME believes that financial crime and corruption risk represent important concerns for industry stakeholders. Accordingly, the LME is particularly keen to ensure that the principles of the EITI, as referenced on page 52 of the OECD Guidance, are embedded into global supply chains. As such, this template references the specific wording of the OECD Guidance in respect of EITI, but further requires that Producers explain broader disclosure on a per-country basis.

¹³ The status of country's EITI implementation can be found here: <https://eiti.org/countries>

¹⁴ Producers are encouraged to contact the EITI International Secretariat secretariat@eiti.org for support in finding and understanding supplier's reports.



Section 4. SUPPLIER RED FLAG EVALUATION

The Producer is expected to identify all intermediaries, consolidators, or other actors upstream in their supply chain through their management system¹⁵. This includes but is not limited to: traders who provide minerals to the Producer or the Producer's suppliers; parent companies of the Producer or the Producer's suppliers; and companies that have a controlling interest in the Producer or Producer's suppliers ("Relevant Companies"). The Producer then must identify whether any of the Relevant Companies operate in or source from CAHRAs¹⁶.

If a Relevant Company operates in or sources minerals from a CAHRA, a potential OECD Red Flag is raised. Producers should verify through public sources, KYC checks, and engagement with suppliers to secure evidence (including spot checks as appropriate), that the supplier has strong company-wide due diligence management systems. If evidence is secured (and provided to the LME upon request) that minerals from a red flag location of mineral origin and transit have not entered the Brand's feedstock and the Relevant company has strong company-wide due diligence management systems, Producers may continue to use this template and follow the public disclosure requirements of the relevant Track. If no evidence is available, the supplier red flag remains and the Producer will be referred to Track A for enhanced due diligence with the support of an assurance framework¹⁷.

Use the workbook to provide the following information:

- a. Indicate where the "Relevant Companies" have operated in or sourced minerals during the Reporting Period.
- b. Classify the locations provided in (a.) into either locations where no minerals are produced (such as headquarters, offices, or holding companies) or locations where minerals are produced.
- c. Classify each country's CAHRA status:
 - (i) A country of which no area falls into the CAHRA definition;
 - (ii) A country of which all areas fall into the CAHRA definition; or
 - (iii) A country of which some, but not all areas fall into the CAHRA definition. In this case, indicate whether the operations are located within the CAHRA in the comment column.
- d. If any CAHRAs are identified, provide confirmation that the Producer has secured evidence that the origin or transit of the material entering their feedstock was not sourced from the CAHRA that raised the OECD supplier red flag and that the Relevant Company has strong company-wide due diligence management systems.

¹⁵ OECD Guidance, page 34, which refers to the information expected to be collected by Producers on page 37

¹⁶ The LME is aware that the OECD Guidance goes further on this point, including countries with limited reserves or production levels and countries where minerals from CAHRAs are known to transit; however, the LME considers these points to be adequately covered in Section 3.

¹⁷ The LME provides a guidance note on this topic: <https://www.lme.com/en/About/Responsibility/Responsible-sourcing#Guidance-notes-and-webinars>



Section 5. RED FLAG ASSESSMENT

a. Is there any Input Material for the LME Brand where the origin is unable to be determined?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
b. Do any of the countries identified in Section 3 LOCATION OF MINERAL ORIGIN AND TRANSIT EVALUATION fall into the CAHRA areas identified in 3.d?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
c. Do any of the source countries identified in Section 3 LOCATION OF MINERAL ORIGIN AND TRANSIT EVALUATION receive a quantity of material that is out of keeping with the source country's known reserves and expected production levels as answered in 3.e?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
d. Do any of the countries identified in Section 3 LOCATION OF MINERAL ORIGIN AND TRANSIT EVALUATION fall into the list of countries known to transit materials from CAHRAs identified in 3.f?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
e. Do any of the countries identified in Section 4. SUPPLIER RED FLAG EVALUATION fall into the CAHRA areas identified in 4.c without confirmation provided in 4.d?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
f. Is the answer to any of Section 5.a – 5.e positive? If yes, the LME Brand is considered to have raised an OECD Red Flag and must use Track A.	<input type="checkbox"/> Yes	<input type="checkbox"/> No
g. Does the Producer fail to identify the EITI status of any of the source countries identified in Section 3 LOCATION OF MINERAL ORIGIN AND TRANSIT EVALUATION in 3.g.(i)?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
h. Does the Producer fail to provide supplier's EITI disclosure information described in 3.g.(ii) for suppliers located in EITI-implementing countries?	<input type="checkbox"/> Yes	<input type="checkbox"/> No



i. Does the Producer believe that the Red Flag Assessment should result in a different outcome than indicated in 5.f? If so, then a full explanation must be given.

☐ Yes ☐ No

Explanation:



Additional comments:



Question from RFA	Country identification			Red Flag 1	Red Flag 2	Red Flag 3	EITI Implementation			Additional comments
	3.a. On the basis of the Producer's Company Management Systems for tracing the transit of materials from its operations and those of its suppliers, list all countries from which the minerals used for this Brand originated and transited through during the Reporting Period.	3.b. Identify whether each of the countries listed in (a.) is a source for the Brand material or a country through which the material only transits.	3.c. Specify the type of material being sourced or transited. This is optional to disclose and only requested to assist in answering the remaining questions.	3.d. Classify each country's Conflict-Affected or High-Risk Area ("CAHRA") status.	3.e. For each of the source countries identified, assess if the volume of mineral the Producer sourced during the Reporting Period is in keeping with the source country's known reserves and expected production levels. Provide the result of your assessment.	3.f. For each of the countries identified, assess if this country known to transit materials from CAHRAs.	3.g. For each of the source countries in (b.), assess the status of the supplier's Extractive Industry Transparency Initiative ("EITI") implementation following these steps			
Clarification of required answers	Please enter the country name.	Please enter "Source" or "transit only".	Optional: you may enter the type of material sourced if desired.	Please enter country CAHRA evaluation as "No CAHRAs", "Some CAHRAs", or "All CAHRA". For "Some CAHRAs", provide specific region in comments column K.	For source countries only: Please enter Yes or No for source countries and NA for transit only countries.	For all countries: Please enter Yes if known to transit materials from CAHRAs or No if not.	For source countries only: (i) State whether or not the country is an EITI-implementing country. Please enter Yes or No for source countries and NA (Not Applicable) for transit only countries.	For source countries only: (ii) If the supplier is located in an EITI-implementing country, identify if the supplier is in compliance with the EITI reporting requirements of that country. Provide links to the relevant company's submission for the purpose of EITI reporting, where such a disclosure does not reveal commercially sensitive information.	For source countries only: (iii) If the country is not an EITI-implementing country, identify if the supplier takes other steps to provide transparency on payments to governments and other matters in line with the aims of EITI. Provide link(s) to disclosures where available.	
Example answers	Country A	Source	Copper concentrate	No CAHRAs	Yes	No	Yes	Not in compliance	NA	Region ABC in Country B is considered a CAHRA and the materials we source do not come from this region.
	Country B	Source	Alumina	Some CAHRAs	No	No	Yes	In compliance, report here: (link)	NA	
	Country C	Transit only	Zinc oxide	All CAHRA	NA	Yes	NA	NA	NA	
	Country D	Source	Bauxite	No CAHRAs	Yes	No	No	NA	Reporting on payments to governments on page XX (link)	

Question from RFA				
	4.a. Indicate where the Relevant Companies have operated in or sourced minerals during the Reporting Period.	4.b. Classify the locations provided in (a.) into either locations where no minerals are produced (such as headquarters, offices, or holding companies) or locations where minerals are produced.	4.c. Classify each country's Conflict-Affected or High-Risk Area ("CAHRA") status.	4.d. If any CAHRAs are identified, provide confirmation that the Producer has secured evidence that the origin or transit of the material entering their feedstock was not sourced from the CAHRA that raised the OECD supplier red flag and that the Relevant Company has strong company-wide due diligence management systems.
Clarification of required answers	Please enter the country name.	Please enter "No Mineral Production" or "Mineral Production"	Please enter country CAHRA evaluation as "No CAHRAs", "Some CAHRAs", or "All CAHRA".	
Example answers	Country X	No Mineral Production	No CAHRAs	
	Country Y	No Mineral Production	Some CAHRAs	[Confirmation needed]
	Country Z	Mineral Production	All CAHRA	[Confirmation needed]

LME Responsible Sourcing – Secondary Material sourcing attestation form

Revision date: 22 November 2021

1.) BRAND INFORMATION

Brand name		LME Brand code	
Producer name		Producer address	
Contact details			
Date of submission		Date of last submission	

2.) DIRECTIONS

Introduction

- This form replaces and combines the previous versions of the LME Responsible Sourcing – Secondary Material sourcing attestation form and Addendum released in Nov 2020. Both this version and the previous versions will be accepted for the 2021 Reporting Period.
- As outlined in Section 4.1 of the Overview of LME responsible sourcing document, and in line with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (“OECD Guidance”), the LME’s requirements for the responsible sourcing of its listed-brands will not apply to those Brands sourcing their feedstock exclusively from Secondary Materials (as defined in Section 3 below).
- For the avoidance of doubt, this exclusion will only apply to the compliance requirements as laid out in Sections 4-7 of the LME Policy on Responsible Sourcing of LME-Listed Brands (“LME Responsible Sourcing Policy”). **ISO 14001 and OHSAS 18001 / ISO 45001 (or equivalent certification programmes) certifications are required for all LME-listed Brands (including Brands sourcing solely from Secondary Material sources)** and the first LME reporting date for these certifications (or equivalent) is 31 December 2023.
- Capitalised terms not otherwise defined in this form shall have the meanings ascribed to them under the LME Responsible Sourcing Policy.
- This attestation form is only intended for Brands that source solely from (i.e. 100%) Secondary Material sources and wish to use this form to self-attest as such. Brands sourcing Primary Materials should consult the LME Responsible Sourcing Policy for information on Reporting Periods, submission deadlines and other information relating to compliance.
- Brands will be required to comply with the LME Responsible Sourcing Policy if unable to determine the origin of minerals sourced.

Timeline

- The first submission of this attestation form to the LME should be 30 June 2022.
- Brands that wish to use this form to comply will need to attest that the Brand has only sourced Secondary Materials for the production of that Brand for the Reporting Period (please see the meaning of Reporting Period in LME Responsible Sourcing Policy).
- Should sourcing practices then change and the Brand stops sourcing only Secondary Materials, the Brand should make the LME aware within 30 days. The LME will then work with the Brand to agree a timeline for transition to Track A, B or C for the purposes of responsible sourcing compliance.



Further instructions

- To ensure compliance with the LME Responsible Sourcing Policy via this attestation form, Brands must take the following steps:
 - i) Complete Brand information (shown in Section 1) as per the Brand's LME brand listing requirements. Should Brand information not be available (or new Brand information is required), please email the LME [Brands](#) Team.
 - ii) The Brand's sourcing team (e.g. buying / procurement department) and Compliance team to jointly conduct an internal first-party assessment of the Brand's sourcing history (for materials used in the production of the LME brand) for the Reporting Period (if first submission) or since last submission date, to determine percentages of Primary Materials sourced and percentage of Secondary Materials sourced.

For the avoidance of doubt, Materials will be considered "sourced" from the date the material's legal ownership is transferred to the Brand. Additionally, Brands must inform the LME in Section 5 of this form if the Brand is relying purely on assurances from their suppliers rather than objective evidence e.g. audits.

If any Primary Material sourcing is used in production of the Brand, the Brand becomes ineligible to use this attestation form and the LME Responsible Sourcing Policy Sections 4 to 7 will apply.
 - iii) After conducting the assessment review by internal teams, confirm with the Brand's reporting officer (defined below) that 100% of materials sourced for production constitute Secondary Materials.
 - iv) Complete the supporting information in Section 5. The information in this section will not be published externally by the LME.
 - v) Once completed, ensure the Reporting Officer and an Authorised Signatory sign the attestation form declaration (shown in Section 6).
 - vi) Send completed form as a PDF to the LME by email to responsiblesourcing@lme.com.
 - vii) The Brand will receive confirmation from the LME that the attestation form has been received and ratified and furthermore the **Brand's name will be shown on the LME website as the Brand having self-attested to 100% Secondary Materials sourcing.**
 - viii) If the Brand becomes aware that sourcing practices change and Primary Material is due to be (or has already been) sourced, the Brand will be required to inform the LME within 30 days, and to begin working towards compliance with the LME Responsible Sourcing Policy on a timeline to be agreed with the LME.
 - ix) Brands are encouraged to periodically review and conduct assessments of their sourcing practices.

3.) DEFINITIONS

- **Primary Materials** – Processed material which has never previously been refined
- **Secondary Materials** – for LME requirements for base metals, Secondary Materials are the reclaimed end-user or post-consumer products (this is material containing metal that is reclaimed from a consumer or commercial product that has been used for its intended purpose by individuals, households or commercial, industrial and institutional facilities as end-users of the product which can no longer be used for its intended purpose – for the avoidance of doubt, reshaping or rebranding of metal from other smelters, refiners, traders or warehouses cannot be



included in this category), or scrap processed metals (this is material created during product manufacturing which are returned to a smelter or refiner or re-melter).

Secondary Materials include obsolete, defective, and scrap materials which contain refined or processed metals that are appropriate to recycle in the production of aluminium, copper, lead, nickel, cobalt, tin and zinc. For the avoidance of doubt, materials partially processed, unprocessed, or a bi-product from another ore, are not Secondary Materials

- **Reporting Officer** – a person responsible for ensuring the accuracy of the attestation form that is submitted to the LME. The LME does not require the reporting officer to collate all the pertinent sourcing data required for the Brand to be confident that the attestation form is correct, nor design and implement the processes by which such data is collated. That said, the reporting officer shall ultimately be responsible for the declaration and submission of the attestation form and should therefore be satisfied that the form is accurate (having checked any internal assessment and materials). The attestation form must be approved and submitted by the reporting officer (and signed off by an authorised company signature).

The LME shall be entitled to rely on any report submitted by the reporting officer as being complete and accurate in respect of Secondary Material sourcing on the basis that it has been reviewed and approved by reporting officer

- **Authorised Signatory** – an individual with the capacity and authority to sign this form on behalf the organisation

4.) FURTHER LME GOVERNANCE

- The LME may request at any time, and the Brand will comply, that the reporting officer of the Brand confirms, in writing, the Brand's compliance with the terms of the attestation form and that its sourcing remains 100% from Secondary Materials.
- Upon the provision of at least thirty (30) days' written notice (but without notice in the case of a breach or suspected breach of the instructions of this attestation form), the Brand shall permit the LME and/or its advisors and/or any independent professional auditors acting on behalf of the LME to gain access (both physical and remote) and inspect during normal business hours the systems, controls, books, records and/or other documents as may be required. Additionally, to inspect the Brand's sourcing data and, where appropriate, that of its affiliates, and any other information held by the Brand or its affiliates¹ for the purposes of auditing the Brand's compliance with this attestation form. The LME shall ensure that its advisors and/or its auditors treat all information obtained from a Brand during the course of any audit as confidential information.

¹This includes reviewing the system processes and policy documents used to collate data



5.) SUPPORTING INFORMATION

- Please answer the following questions about the Brand's sourcing practices. In addition to the information provided, please include with your submission any other documentation deemed relevant to the Brand's secondary material sourcing practices.

1. Explain whether the Brand is relying solely on assurances from suppliers regarding the sources of material or on objective evidence (e.g. from independent audits).

2. List corporate level checks that Brand conducts on its suppliers (e.g. Know Your Client/Counterparty checks).

3. Confirm that the Brand has a strong company management system in place (please refer to OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, page 36) and give examples.



6.) DECLARATION

I confirm on behalf of _____ [*insert parent company's registered company name*] that the information in this attestation form is true, accurate, and complete, and, furthermore, that _____ [*insert Brand name*] Brand sourced 100% Secondary Materials (as defined in this attestation form) in this Reporting Period.

Reporting Officer signature: _____

Name: _____

Position: _____

Date: _____

Authorised Signatory signature: _____

Name: _____

Position: _____

Date: _____



LME Secondary Materials Sourcing Attestation Form

Reporting template for LME-listed brands, version 3

Revision date: January 2023

LME SECONDARY MATERIALS SOURCING ATTESTATION FORM

Introduction

- The LME Secondary Materials Sourcing Attestation Form (the “attestation form”) is intended for Producers of Brands following the Secondary Materials Track (Track D). These brands must source solely from Secondary Material sources for their feedstock to their LME Brand according to Section 8 of the LME Policy on Responsible Sourcing of LME-Listed Brands (the “Policy”)¹.
- Producers sourcing Primary Materials should consult the Policy for information on Track A, B, or C and other information relating to compliance. If unable to determine the origin of minerals sourced, Brands will automatically be referred to Track A.
- ISO 14001 and OHSAS 18001 / ISO 45001 (or equivalent certification programmes) are required for all Brands and the first LME reporting date for these additional requirements is 31 December 2023.
- Capitalised terms not otherwise defined in this form shall have the meanings ascribed to them under the Policy.

Section 1. BRAND INFORMATION

LME Brand Producer name ²	
LME Brand name(s) ³	
Reporting Period start date (DD/MM/YYYY)	
Reporting Period end date (DD/MM/YYYY)	
Date of submission (DD/MM/YYYY)	
Address of Brand Producing site	
Website of Brand Producer	
Name of person submitting form	
Job title of person submitting form	
Phone number	
Email address	

¹ The Policy may be found here: <https://www.lme.com/en/About/Responsibility/Responsible-sourcing#policy-documents>

² This may be found on the list of LME Approved Brands: <https://www.lme.com/en/physical-services/brands/approved-brands>.

³ Most often each Brand will require a unique form. However, if multiple Brands are produced by the same Producer and the responses to the questions are identical for all said Brands, one form may be submitted for all Brands.



Section 2. SUPPORTING INFORMATION

Please answer the following questions about the sourcing practices of the Producer. In addition to the information provided, please include with your submission any other documentation deemed relevant.

1. Describe the Producer's methods to ensure Input Materials sourced during the Reporting Period are 100% Secondary Materials. Examples of assurance methods include, but are not limited to, conducting site inspections or independent audits of suppliers.

2. Describe the corporate level checks the Producer conducts on its suppliers. This is also known as Know Your Client/Counterparty ("KYC") and is typically undertaken before entering into a business relationship with a supplier. If the Producer implements a management system (as set out in the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, page 36), please describe the management system and give examples.

Section 3. DECLARATION

I confirm on behalf of _____ *[insert the name of the Producer of the registered Brand]* that the information in this attestation form is true, accurate, and complete, and, furthermore, that _____ *[insert Brand name]* Brand sourced 100% Secondary Materials for its feedstock in this Reporting Period.

Authorised Signatory* signature: _____

Name: _____

Position: _____

Date: _____

***Authorised Signatory** – an individual with the capacity and authority to sign this form on behalf the organisation

