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CFSI DOWNSTREAM AUDIT

CONTINUOUS COMPLIANCE IMPROVEMENT FROM SOURCE TO STORE
World leading advisory, audit and training in responsible sourcing of natural resources

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To commission or discuss an audit contact: info@rcsglobal.com



An initiative of the EICC and CoSI

THE CFSI DOWNSTREAM AUDIT

The Conflict Free Sourcing Initiative (CFSI) has established itself as a commonly used and respected resource for companies in a range of industries addressing conflict minerals issues in their supply chains.

As part of this, the CFSI Downstream Audit provides a mechanism for companies to obtain independent validation of responsible sourcing practices. The audit is based on the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.

Who should implement an CFSI downstream audit

The audit applies to companies within the tin, tantalum, tungsten and gold supply chains who seek validation of their sourcing practices yet are not eligible to participate in the Conflict Free Smelter Program (CFSP).

AN AUDIT OVERVIEW

The audit can be broken down in to two parts:

1. Audit standards:

The audit follows the ISO19011:2011 standard for management systems audits to assess a company's processes to:

- a. Determine the products and suppliers included in the effort to identify smelters and refineries in the supply chain to confirm that the scope is correctly defined
- b. Select, approve and monitor suppliers of 3TG or products containing 3TG
- c. Monitor transactions of 3TG received and to maintain adequate documentation to confirm the origin of 3TG or 3TG containing product
- d. Identify, assess, and manage risks in the 3TG supply chain in line with the OECD Due Diligence Guidance
- e. Develop and review reporting tools, including the Conflict Minerals Reporting Template (CMRTs)

2. What is assessed:

The audit is carried out against the OECD Due Diligence Guidance for Responsible Mineral Supply Chains from Conflict-Affected and High-Risk Areas.

The company's due diligence system is designed and implemented in accordance with the OECD Due Diligence Guidance;

There is no reason to believe goods directly or indirectly financed or benefited armed groups that are perpetrators of serious human rights abuses in the DRC or an adjoining country;

All sources of 3TG are identified and confirmed to be scrap or recycled material; and/or Conflict-Free Smelter Program (CFSP) or equivalent validated companies.

WHAT ARE THE BENEFITS OF PARTICIPATING

1. External review of your supply chain due diligence program which provides an assessment of:
 - a. The scope of the program
 - b. The design and effectiveness of due diligence activities
 - c. The accuracy of reportingto customers
2. Audit Summary Report that can be shared with interested customers or made public (confidential information redacted)
3. Public listing via an online and publicly accessible CFSI registry, which lists companies that have passed the audit
4. Demonstrate year on year improvement of due diligence for your company.