

**INTRODUCING THE
COBALT INDUSTRY
RESPONSIBLE ASSESSMENT
FRAMEWORK
(CIRAF)**

The Cobalt Institute (CI) members have had a longstanding commitment to the responsible production and use of cobalt in all forms which is enshrined in its 5 key Objectives and 7 Guiding Principles.

Building on this commitment, the CI began working earlier this year on an initiative with RCS Global to establish an industry-wide cobalt supply chain risk management framework. The partnership comes at a critical time as demand for cobalt and scrutiny of its production continues to increase. In light of this, the ultimate aim of the project is to enable continued and, coordinated progress towards sustainable cobalt production.

The initial phase of the project is now complete and launch and implementation of the framework is planned for 2018.

1. Introducing CIRAF

The Cobalt Industry Responsible Assessment Framework (CIRAF) will enable member companies, and the cobalt industry more generally, to conduct enhanced risk management in line with industry good practice and global standards focused on the responsible sourcing of minerals.

It is expected that the framework will be a tool to guide CI members' approach to enhanced risk mitigation and reporting, while accounting for members' differing exposure depending on their position in the supply chain and the location of their operations.

The Framework is being specifically designed to avoid duplication of due diligence activities for the CI members who are already participating in assurance programmes that are aligned with the OECD guidance. Instead, it is intended CIRAF will enhance good, efficient risk and impact management.

Overall, CIRAF will consolidate action being taken by companies across the industry to respond to increasing interest from civil society, the media, the cobalt market, and consumers in responsible sourcing and create a synthesized and unified approach towards sustainable and ethical production.

CIRAF will also create a platform for the cobalt industry to share good practice in responsible sourcing and allow external stakeholders to follow the progress being made across the key risk areas identified by the framework.

A key part of the project will also be to strengthen engagement and coordination amongst industry bodies and other responsible cobalt programmes. This will ensure CI members and other stakeholders in the supply chain are fully aware of the due diligence and compliance landscape they are operating in.

The project will further underpin the CI's longstanding commitment to the responsible production and use of cobalt in all forms and our position as a leading industry voice on good practice in this regard.

2. Developing CIRAF

Over the last six months, RCS Global has directly consulted CI members and other stakeholders in the supply chain to understand the key risks and practical challenges the cobalt industry is facing in relation to responsible sourcing in the midstream and upstream as well as the most common responsible production standards that members already adhere to.

In parallel RCS Global is incorporating existing knowledge on responsible sourcing standards and good practices across minerals/metals supply chains into the CIRAF development.

3. Timeline to implementation

The establishment of CIRAF should be complete in early 2018 for industry-wide adoption later in the year.