

LME Red Flag Audit Report

SITE INFORMATION	
Brand Name:	CASERONES
LME Brand Code	CASER
Producer Name:	SCM Minera Lumina Copper Chile
Producer Address:	Av. Andrés Bello 2687, 5th floor, Building “Edificio del Pacífico”, Las Condes, Santiago
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AUDIT INFORMATION	
Audit Date:	June 27, 2022
Reporting Period:	January 1, 2021 - December 31, 2021
Assessment Team:	Rachelle Jackson, Emily Brennan
Methodology applied:	ISO 19011:2018 Guidelines for Auditing Management Systems
Audit scope:	Track B Red Flag Assessment Producer Report
AUDIT ACTIVITY	
Interviewed facility management:	Jorge Badillo, Internal Audit Manager
Reviewed documents and record:	<p>ISO 9001 Quality Management Certificate, valid through Jan 2025</p> <p>SCM Minera Lumina Copper Chile (MLCC) Annual Report 2020 and 2021</p> <p>SCM MLCC Certificate for Implementing Crime Prevention Model in compliance with Law 20.393, Valid through December 2023</p> <p>MLCC Declaration on Resources and Reserves March 2021</p> <p>MLCC Producer Supply Chain Due Diligence Policy - Cathodes, May 2022</p> <p>MLCC LME Red Flag Assessment Report, May 2022</p> <p>MLCC Crime Prevention Model, December 2021</p>
Summary of findings:	<p>The producer is a copper mine in Chile engaged in mining and copper cathode production. They do not have any suppliers and do not accept materials from outside the mine. They have prepared a Supply Chain Due Diligence Policy in the event that they ever procure any suppliers. This policy is designed to comply with Step 1A of the OECD Due Diligence Guidance For Responsible Supply Chains Of Minerals from Conflict-Affected and High-Risk Areas and align with the Model Policy from Annex II.</p> <p>The Supply Chain Due Diligence Policy includes an explanation of the management structure and control systems that would be in place should suppliers be introduced in the future and the policy be implemented. Information on the producer database and record-keeping system was also provided, including on the ISO 9001 material control systems.</p>

	<p>As the producer does not currently have any suppliers, all materials are obtained from the site itself, located in Chile. The producer refers to the EU CAHRA list to determine CAHRA applicability and has verified that Chile is not a CAHRA.</p> <p>The producer reports publicly on all payments to governments, showing in their annual report the taxes paid to the government of Chile. They also implement a crime prevention model, certified by an independent third party. The producer is not located in an EITI country.</p>
Compliance determination:	<p>A review of all documents, records, and data gathered from management indicates that the Reg Flag Assessment accurately reports a lack of red flags.</p>