TIN CODE

ASSURANCE MANUAL

International Tin Association Ltd

Contents

Version

This is Version 3 of the ***ITA Assurance Manual***. It describes the assurance system which is appropriate for the ***Tin Code***. Please refer to Annex 4 of this document for details on its revision history.

Purpose of this Document

This document provides details of the assurance system endorsed by the International Tin Association (***ITA***) for any third-party assessment required or voluntarily undertaken to provide ***evidence*** for ***Tin Code rating*** determination***.*** The ***ITA assurance system*** may be voluntarily adopted by any ***ITA member*** wishing to achieve third-party verification of a company report on any ***standard*** of the ***Tin Code*** although the initial purpose is to enable third-party assessment of company due diligence for ***standard 7.3*** on responsible sourcing.

This document may be read and used in good faith by both ***auditors*** and companies to achieve common understanding and support measurable progressive improvement in practices in the upstream tin sector. It has been developed[1] to assist companies in making the right decisions when appointing ***audit firms*** to result in a useful ***assurance report***.

In case of any discrepancies between ***ISAE 3000*** (Revised), the Tin Code ***standards***, ***Tin Code guidance, criteria 7.3***, the ***criteria 7.3 guidance***, and this document, precedence will be in that order, with the Tin Code ***standards*** as the primary reference. Companies should refer to all documents to assist in their responsible sourcing activities. This document is not in lieu of information in ISAE 3000 (Revised).

The term 'audit' and 'assurance' is used interchangeably. ***Audit*** or ***assurance engagement firms*** audit (inspect and check) the companies against ***criteria*** relating to the ***Tin Code***. The type of audit conducted is an ISAE 3000 ***assurance engagement***. The ***assurance engagement*** is the term for the process of appointing ***audit*** or ***assurance engagement firms*** to the provision of the final ***assurance report***. For simplicity and using commonly understood terminology the term 'audit' is also used in ***ITA*** guidance documents.

For questions or suggestions on this document please contact:

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[1] In consultation with EnviroSense International Ltd

Glossary

Assurance: processes used by an assurance provider to evaluate company disclosures, underlying systems, data and processes, against ***criteria*** in order to increase the credibility of those disclosures.

Assurance engagement: process that the independent third-party person or company (***audit firm***), the ***responsible party*** (company) and ***user*** (***ITA*** or another user of the ***assurance report***) undertake to validate information (***company report***) regarding performance against ***criteria***. The ***audit firm*** assesses the ***company report*** to establish if claims are truthful and accurate based on appropriate ***evidence*** held by the company and produces an independent third-party ***assurance report***, including findings and an ***assurance conclusion***. The ***assurance engagement*** and work performed by the ***audit*** or ***assurance firm*** must comply with the ***ISAE 3000 (Revised) Assurance Engagement Standard.***

Assurance conclusion: the final opinion expressed by the ***auditor*** in relation to the ***company report***.

Assurance report: report prepared by the ***auditor*** including the ***assurance conclusion*** in accordance with ***ISAE 3000*** requirements.

Auditor/audit and assurance firm: person or company that carries out the ***assurance engagement*** of the ***company report*** against the ***criteria*** and produces an ***assurance report***. Within the ***ISAE 3000*** standard the ***auditor*** is also referred to as the 'assurance practitioner'.

Company report: report which the company (such as a smelter) has compiled about itself and its activities relating to one or more ***standards*** of the ***Tin Code***. This document includes management or director's assertions regarding the ***subject matter*** and ***criteria*** and forms the basis of the ***assurance engagement***.

Conflict-affected and high-risk areas (CAHRA): Conflict-affected and high-risk areas where Annex II risks are likely to exist. They are identified by the presence of armed conflict, widespread violence or other risks of harm to people. Armed conflict may take a variety of forms, such as a conflict of international or non-international character, which may involve two or more states, or may consist of wars of liberation, or insurgencies, civil wars, etc. High-risk areas may include areas of political instability or repression, institutional weakness, insecurity, collapse of civil infrastructure and widespread violence. Such areas are often characterized by widespread human rights abuses and violations of national or international law.

Criteria: the requirements against which an ***auditor*** assesses the veracity of company claims and evidence. The ***Tin Code standards*** are the ***criteria*** unless otherwise specified.

Criteria 7.3: ITA-RMI Assessment Criteria for Tin Smelting Companies (v2, 25 March 2021) which is recommended for ***Tin Code standard 7.3*** on Responsible Sourcing.

Criteria 7.3 guidance: document which provides further details of joint ***ITA*** and RMI expectations for each item of ***criteria 7.3*** (v1 27 August 2020).

Evidence: information and explanation, whether obtained from audit procedure or other sources, to illustrate how a requirement is met.

Improvement plan: a document written by the company as part of the ***Tin Code*** process in which the company records planned actions, targets and timelines to address the ***opportunities for improvement*** identified in the ***assurance engagement management report*** and/or other gaps.

Independent assessor: expert(s) engaged by ***ITA*** to undertake ***Tin Code evidence review*** separately and independently from ***ITA*** employees and ***ITA members***. This relates to a ***Tin Code*** process not the ***assurance engagement***.

ISAE 3000 Assurance Engagement Standard (revised): the International Standard on Assurance Engagement (ISAE 3000) Revised, Assurance Engagements Other than Audits or Reviews of Historical Financial Information developed by the International Auditing and Assurance Standards Board (IAASB). This is the standard for undertaking ***assurance engagements*** of non-financial information which must be complied with by appropriately qualified and experienced ***audit*** and ***assurance firms*** conducting the independent assessment and verification of the ***company report***. This is the standard that must be met by ***audit*** or ***assurance firms*** to be able to state the work is an ***ISAE 3000 assurance engagement*** conducted by qualified persons and reported adequately and consistently.

ITA: International Tin Association Ltd, a not-for-profit organisation.

ITA Assurance Manual: document that sets out the principles, procedures and objectives of the ***ITA Assurance System*** (v3, 18 November 2024).
ITA Assurance System: assessment approach which can be used by an ***ITA member*** to achieve third-party assessment against any ***Tin Code standard***.

ITA member: entities who are tin producers and abide by the ***ITA*** Articles of Association. Each member is entitled (but not obligated) to appoint a director to the ***ITA board***.

Issues: Points identified by the ***auditor*** during the ***assurance*** process that have an implication to the ***assurance conclusion***. A simple example of this for ***standard 7.3*** would be absence of particular records precluding the ***auditor*** forming an opinion of ***minerals*** received in period of the year.

Issues Log: A log of ***issues*** identified by the ***auditor*** during the ***assurance*** process. The log is used to record these points and assess the materiality (influence) these have on the ***assurance conclusion*** and this should be agreed[2] with the company (***responsible party***) prior to final issuance of the ***assurance report***.

Limitations: Features of an ***assurance engagement*** that are beyond the control of the ***auditor*** which prohibit elements of the ***subject matter*** from being verified and exclude the ***auditor*** forming an opinion on those elements.

Limited assurance: engagement with the objective of reaching an ***assurance conclusion*** if the ***criteria*** as stated in the ***company report*** has been met. The ***assurance*** is meaningful but not absolute and performed in accordance with ***ISAE 3000*** standards as a limited ***assurance engagement***.

Management report: a report from the ***audit*** or ***assurance firm*** for the company (***responsible party***) that is not intended for publishing unless the company wishes to do so. It includes greater detail on ***issues*** and ***opportunities for improvement*** which the company might utilise in order to form an ***improvement plan.***Material(s): Any tin-containing receipts that are not minerals, including slags, metal products or secondary materials. See all material definitions in ***criteria 7.3***.

[2] Where not agreed, the audit firm must record this within their own records and not in the ***assurance report***. The ***assurance report*** must be independent.

Mineral(s): tin containing ore in any physical form, extracted through mining of geological deposits, processed to higher grade mineral concentrate, and used in a primary smelter to undergo smelting to produce crude tin metal. Mineral(s) includes all forms of commercially useful tin ore, for example, naturally occurring tin oxide 'cassiterite'.

Opportunities for improvement: raised by the ***audit*** or ***assurance firm*** and contained within the ***management report*** and are not obligatory to be completed and responded to the ***audit*** or ***assurance firm***. The opportunities for improvement cannot and should not have any material influence on the ***assurance conclusion***. Opportunities for improvement are not outstanding material ***issues*** and are separate from the ***issues log*** identified during the ***assurance*** process.
Principles: ten overarching environmental, social and governance groupings of ***standards*** of the ***Tin Code***.

Rating: indicators of company performance arrived at by the ***independent assessor*** through the process of ***Tin Code evidence review*** and made public in ***Tin Code*** **reports**.

Responsible party: The company that is responsible for specific parts of the ***assurance engagement*** including selecting an appropriate ***audit or assurance firm***, provision of the ***company report*** and accuracy of the content of the ***assurance report***, provision of supporting evidence and facility access to persons, site and documentation in order to conclude the ***assurance engagement***.

Scope: is the entity, sites, operations, processes, time period and documents used during the ***assurance engagement.***

Standard: is any of the 71 expectations of the ***Tin Code*** which breakdown ***principles*** into specific requirements.

Standard 7.3: is the responsible sourcing ***standard*** of the ***Tin Code***.

Subject matter: is the topic and subject of what the ***assurance engagement*** is performed on, which is the ***Tin Code*** and any wider subject matter determined by the company.

Tin Code: 71 ***standards*** grouped into 10 ***principles*** covering governance, economic, environmental, health and safety, human rights and social issues relevant to tin exploration projects, mining, processing and smelting that ***ITA members*** commit to and report against (version 3 May 2022).

Tin Code evidence review: formal assessment by the ***independent assessor*** of all ***evidence*** submitted to ***ITA*** by a company to arrive at a ***Tin Code rating*** according to the ***Tin Code guidance***.

Tin Code guidance: document listing the examples of ***evidence*** that should be submitted to ***ITA*** to achieve any particular ***rating*** in ***Tin Code reports***.

Tin Code report: report showing the performance of an ***ITA member*** or ***ITA*** E&D Group member against the ***standards*** of the ***Tin Code***. This report is public.

User: intended user of the ***assurance report.*** This includes ***ITA*** and the company's interested parties (employees, shareholders, customers and industry organisations).

1. Introduction to the ITA Assurance System

The ***Tin Code*** is the ***standards*** scheme and transparency tool against which all ***ITA member companies*** are committed to reporting. The ***Tin Code*** sets around 71 ***standards*** under 10 ***principles*** of environmental, social and governance performance and is designed to allow and encourage progressive improvement with defined ***ratings*** in the range; Not Relevant, Inadequate, Informal, Progressing, Conforming, Third-Party Verified. ***Ratings*** are determined by an ***independent assessor*** appointed by ***ITA*** who reviews ***evidence*** provided by the company. The ***Tin Code guidance*** indicates what ***evidence*** of performance leads to one of the six available Tin Code ***ratings.***

The professional audit ***ITA*** endorses, and the process ***ITA*** recommends for provision of ***evidence*** for third-party verified ***rating*** under the ***Tin Code*** is an ***assurance engagement*** performed on a ***company report*** in accordance with International Standard on Assurance Engagement (ISAE 3000) Revised, Assurance Engagements Other than Audits or Reviews of Historical Financial Information. An ***assurance engagement*** on a ***company report*** relating to any ***standard*** of the ***Tin Code*** will provide ***ITA***, downstream companies and other stakeholders with assurances that the company's management and practices meet defined ***criteria***. Any Tin Code ***standard*** can be used as a ***criteria*** for an ***assurance engagement*** with the ***Tin Code Guidance*** available to guide ***auditors*** in this work.

The actual content of any ***company report*** is in most cases not prescribed and it is for the company to choose the format, extent of the content and appropriate degree of transparency. However, note that the content of a smelter's ***company report*** for ***standard 7.3*** should align with Step 5 of the responsible sourcing ***criteria 7.3***.

The ***company report*** does not need to be limited to ***standard 7.3*** of the ***Tin Code***. It is recognised that the ***assurance engagement*** requires resources and maximising use of the same approach enables companies to include reporting against other ***standards*** amongst other ***subject matters*** and ***scope*** and to avoid audit duplication where possible. The company to be audited chooses the report content and may create a ***company report*** with a wide ***subject matter*** and ***scope***, however, that does not mean the company has to be audited on all of the report's statements and content in the final ***assurance report*** produced by the independent ***audit*** or ***assurance firm***. The ***assurance report*** can specify limitations and exclusions clarifying what was audited and what the ***assurance conclusion*** was formed on, for example not including one of the company's sites or activities.

As part of the ***assurance*** process the ***audit firm*** must be required to verify information and data to allow an ***assurance conclusion*** to be formed within the ***company report***. The ***company report*** must include assertions made by senior management or directors of the company regarding company practices claimed by management relating to ***standard(s)*** of the ***Tin Code***. It is also recommended that companies consider including qualitative statements regarding the processes they have undertaken and quantitative statements of facts and values associated with the referenced ***standard(s)***. However, the extent of the information and data to be included in the ***company report*** is at the company's discretion and must account for confidentiality and competitive limitations.

The ***audit*** or ***assurance firm*** must also provide a separate ***management report*** for the company that includes greater detail than the ***assurance report***. The ***management report*** is not intended for publication while the ***assurance report*** is without confidential information and suitable for publication. The ***management report*** includes description of ***issues*** in the ***issues log*** as well as ***opportunities for improvement*** made by the ***auditors*** which the company should consider when developing an ***improvement plan*** as part of the ***Tin Code*** process.

ITA's role is to provide guidance to enable this mechanism to be used by companies to demonstrate the ***Tin Code*** has been met while also providing a framework for companies to extend the ***subject matter*** and ***scope*** to cover other ***non-ITA*** topics at their discretion.

It is necessary the ***auditors***, ***audit*** or ***assurance firm*** adhere to the ***ISAE 3000*** standard requirements when conducting the ***assurance engagement*** and compiling the ***assurance report*** in order for the report to be valid. Where ***ITA*** accepts the ***assurance engagement*** was performed correctly and the final ***assurance report*** meets the ***ISAE 3000*** standard and provides an accurate ***conclusion***, ***ITA*** will publish a ***Tin Code report*** summarising the company's performance based on the ***company report***, ***assurance report*** and ***management report***. The ***Tin Code report*** will be published on the ***Tin Code*** website.

Note that Tin Code ***standard 7.3*** on responsible sourcing expects that;

> *Companies[1,2] will evaluate potential risks, seek to avoid support to conflict, human rights and other significant abuses and publicly report on their efforts according to international expectations and laws, in particular the OECD Due Diligence Guidance 3T Supplement.*

1. *Companies with smelters will seek to be third-party assessed against recommended criteria.*
2. *Companies without smelters will seek to apply aspects of the recommended criteria relevant to their own circumstances.*

With the recommended ***criteria 7.3*** being the ITA-RMI Assessment Criteria for Tin Smelting Companies (version 2, 25 March 2021).

2. An Explanation of ISAE 3000 (Revised)

The International Standard on Assurance Engagement (***ISAE 3000***) Revised, Assurance Engagements Other than Audits or Reviews of Historical Financial Information is the authoritative standard for undertaking ***assurance engagements*** of non-financial information. It was developed by the International Auditing and Assurance Standards Board (IAASB) as a suitable mechanism for ensuring ***assurance engagements*** are conducted by qualified persons and are reported adequately and consistently.

The term 'audit' is commonly used interchangeably with 'assurance engagement' which is the ***ISAE 3000*** term for the entire process of an ***assurance*** provider evaluating a company disclosure in order to increase the credibility of the company disclosure. In fact, the audit is one element of the ***assurance engagement***. ***Assurance engagements*** involve multiple stages and the auditing performed is only one stage as described in Section 3.

ISAE 3000 provides two options: a ***limited assurance engagement*** or a reasonable ***assurance engagement***. ***ITA*** considers a ***limited assurance engagement*** is satisfactory for verifying the ***company report*** of activities related to ***standards*** of the Tin Code, including ***standard 7.3*** on responsible sourcing. The nature, timing and extent of procedures performed in a ***limited assurance engagement*** is not as extensive compared with that necessary in a reasonable ***assurance engagement***. However, a ***limited assurance engagement*** is thoroughly planned to obtain a level of ***assurance*** that is, in the ***auditor's*** professional judgment, meaningful. ***Limited assurance engagements*** are routinely used for reporting to government regulators in various countries and the ***ITA*** consider this mechanism appropriate. Some companies may prefer to have a reasonable ***assurance engagement*** performed. A reasonable ***assurance engagement*** samples a very substantial amount of information and involves extensive design of ***assurance engagement*** procedures.

A three-party relationship between the ***responsible party*** (the company, such as a smelter), ***user*** (such as ***ITA***, who will read and use the report) and the ***audit firm*** is one of the key elements of ***ISAE 3000***. It is the responsibility of the company to ensure the ***subject matter*** (for example for ***standard 7.3*** responsible sourcing) is defined clearly enough to appoint ***auditors*** capable of conducting a meaningful ***ISAE 3000 assurance engagement***.

The assessment ***criteria***, which is what the ***responsible party*** or company in question will be assessed against, is any of the Tin Code ***standards***. Regarding ***standard 7.3***, reference is made to smelter third-party assessment against the specific recommended ***criteria 7.3*** of ITA-RMI Assessment Criteria for Tin Smelting Companies (version 2, 25 March 2021). The company can also elect to include other ***subject matter*** and criteria in the ***assurance engagement*** as stated in Section 1.

As a ***responsible party***, the company must understand the requirements of ***ISAE 3000*** in order to appoint ***auditors*** capable of complying with ***ISAE 3000*** requirements and not depend on the ***auditor's*** claims of experience in conducting ***ISAE 3000 assurance engagements***. Further information is provided in Section 4. The company is responsible for appointing appropriately qualified, experienced ***auditors*** and failure to do so will cause the ***assurance engagement*** to be of little value. Please be aware, this guidance does not act as a substitute for the ***ISAE 3000*** requirements and should not be used in lieu of it. The ***ISAE 3000*** standard can be accessed via www.ifac.org

The ***ISAE 3000*** standard is premised on the basis that members of the audit team, including any quality control reviewer, have independent evidence of complying with the requirements of Parts A and B of the *Code of Ethics for Professional Accountants* issued by the International Ethics Standards Board for Accountants (IESBA). It also requires that the ***auditor*** performing the engagement is a member of a firm that is subject to the International Standard on Quality Control (ISQC 1) for conducting ***assurance engagements***, or an equivalent. Quality control within firms that perform ***assurance engagements***, and compliance with ethical principles, including independence requirements, are necessary to meet the standards of ***ISAE 3000*** in order for the work to be classed as an ***ISAE 3000 assurance engagement.***

3. ISAE 3000 Assurance Engagement Process Overview

This section provides guidance on the key elements of the ***assurance engagement*** process to enable companies (such as smelters) to select an appropriate firm for the engagement, prepare, and understand their role to enable a final ***assurance report*** to be produced that is of value.

For the company, there are six basic steps to ensure that the ***assurance engagement*** is correctly planned and reported by the ***audit firm*** (Table 1). Prior to starting these steps the company is advised to understand the ***ISAE 3000*** standard.

Holding an initial meeting of the company with the proposed ***audit or assurance firm***, remotely or in person, is highly advisable to initially discuss the engagement and be confident the company is considering the appointment of an appropriate firm. The ***subject matter***, ***scope***, ***criteria*** and engagement will be new to both the company being audited and the ***audit firm*** and will need to be defined and agreed with the prospective ***audit or assurance firm***.

It is a requirement of ***ISAE 3000*** that an ***audit firm*** only accepts an appointment to carry out the ***assurance engagement*** (or continues where applicable) when sufficient preliminary information is provided to satisfy them that, among other professional requirements, the engagement exhibits all of the following characteristics;

- the ***subject matter*** is appropriate
- the ***criteria*** to be used are suitable and will be available to the intended ***users*** of the ***assurance report***
- the ***auditor*** will have access to sufficient appropriate ***evidence*** to support the ***conclusion***
- the likelihood of being able to reach a meaningful ***assurance conclusion*** to be contained in a written report
- the ***auditor*** is satisfied that there is a rational purpose for the ***engagement***
- the ***auditor*** believes that the client has no intention to associate the ***auditor's*** name with the ***subject matter*** in an inappropriate manner.

The planned ***audit*** or ***assurance firm*** (***auditor***) should therefore request a selection of information including basic details on how the company (***responsible party***) operates in order to assess if it can conduct the work according to its resources, experiences and competencies. The company should at least provide some preliminary information, such as the ***company report***, prior to agreeing their appointment as set out above to confirm the company's assertions relating to the chosen

Tin Code ***standard*** (such as ***standard 7.3*** responsible sourcing), and an explanation of the company operations, and documentary ***evidence*** held to substantiate assertions made in the ***company report***. The ***auditors*** should be appointed once the ***scope*** and extent of the ***assurance engagement*** has been determined and agreed by both parties. For many ***standards*** the ***Tin Code Guidance*** can act as a helpful guide on documents and evidence that may be available on the relevant ***subject matter***.

Table 1: The company's role in an ***ISAE 3000 assurance engagement***

No	Steps for the company
1	Appoint an ***audit firm*** that is appropriately qualified to undertake a ***limited assurance engagement*** in accordance with ***ISAE 3000*** after understanding the process to select and appoint ***ISAE 3000 auditors*** (section 4).
2	Continually engage with and submit the relevant information and ***evidence*** to the ***audit firm***.
3	Host any visits from the ***audit firm***.
4	Respond to any questions from the ***audit firm***.
5	Correct any material and non-material misstatements identified by the ***audit firm***.
6	Read the ***assurance report*** provided by the ***audit firm*** and check that it includes all the information required (Section 8).

Planning the ***assurance engagement*** in accordance with ***ISAE 3000*** is the responsibility of the ***audit firm***. For the ***audit firm*** there are three main steps in an ***ISAE 3000 assurance engagement***. These are listed in Table 2. The firm conducting the ***assurance engagement*** must demonstrate they meet the ***ISAE 3000*** ethical requirements as specified in the Standard. Chartered Professional Accountancy firms normally meet this.

The company is expected to inform ***ITA*** when their ***assurance engagement*** is expected in the coming period, the ***auditor's*** identity as soon as appointed, and the planned date for the ***audit***.

Once appointed and following on from the provision of preliminary information by the company and the risk and materiality assessment (see Section 6), the ***audit firm*** will log initial findings and discuss these with the company. These initial findings contribute to thorough planning of the ***assurance engagement***, auditing) and timeframes for completing the initial report.

If during planning of the ***audit,*** the ***auditor*** determines that the company circumstance and level of risk allows for remote ***audit***, that may be proposed to the company and communicated for agreement to ***ITA***. Note that the company as the ***responsible party*** has the responsibility in conjunction with the ***audit firm*** to ensure that the audit is performed in accordance with ***ISAE 3000***. For audits against the ***criteria 7.3***, an onsite audit is likely expected for companies sourcing from ***conflict-affected and high-risk areas***.
The ***audit firm*** should lead on further detailed planning of the auditing work which must be completed. This includes;

- Further information required that is based on initial findings and agreed focus areas
- If any tests performed on data to validate if the values to be reported are correct
- Allocation of audit time to focus areas
- Access to key persons and records
- Logistics and re-confirmation of timelines for drafting the ***assurance report*** and review by the company.

The ***audit*** onsite or remote is not necessarily where all of the work is completed. An ***audit firm*** should not start auditing unless the prior stages have been completed appropriately. The company and the ***audit firm*** will have already agreed when auditing will take place and the focus areas, information, records and persons to be available.

The ***audit firm*** will have recorded and will revisit ***issues*** identified during the process and material misstatements or errors in the ***company's report***. The company may correct misstatements or errors in their company report during the assurance process and the ***audit firm*** must record those in the ***issues log***.

The audit firm then drafts the ***assurance report*** that includes their ***conclusion*** as to whether the company's report and assertions are truthful and accurate. The conclusion will include ***issues*** further described in the ***issues log*** but will not include misstatements or errors which the ***auditor*** confirms have been corrected by the company. The report might include exceptions where in the opinion of the ***auditor*** part of the ***criteria*** is not met but has met in all other parts. The conclusion is not a 'pass' or 'fail' opinion.

The company will be required to review the content of the draft ***assurance report***. The final report will require the company's acceptance of the ***assurance report*** and information contained within it has not been falsely represented and ***evidence*** has been recorded and retained related to the ***ISAE 3000*** standard.

If the company believes there are inaccuracies within the report, the ***audit firm*** must record the differences of opinion and both parties work towards a resolution in order achieve the final acceptance and completion of the ***assurance report***. It is reasonable to expect completion of the ***assurance report*** within 1 month of the audit.

Table 2: Steps in ***ISAE 3000 assurance engagement***

Step 1: Preparation	Appointing an ***auditor*** that meets the requirements to perform the ***assurance engagement*** including experience in conducting ***ISAE 3000*** engagements with independently validated ethical requirements
	Initial meeting to discuss and plan the ***assurance engagement*** including ensuring a clear understanding by both parties of the ***subject matter*** and ***criteria***
	Provide preliminary information to the ***audit firm*** and access to persons to be initially interviewed to enable a greater understanding of the company's management processes and practices to be audited
	Risk and materiality assessment to determine material risks
	Record initial ***issues*** on a log and discuss with the auditee
	Detailed planning of focus areas, sampling strategies and tests (for example data accuracy tests)
Step 2: Implementation	Evaluation of ***issues log***
	Strategic analysis of data and information
	Perform tests on data and information
	Update the risk assessment during the work performed and re-evaluate
	Record key findings and collate ***evidence***
	Determine the draft ***assurance conclusion***
	Independent technical review (as necessary)
Step 3: Conclusion & reporting	Raise findings with the company being audited (auditee)
	Verify material (significant) misstatements or errors that have been reported are corrected
	Prepare the ***assurance report*** and ***management report***

	Quality control as required in accordance with the International Standard on Quality Control (ISQC1)
	Audit firm signature approval of ***assurance report***
	Auditee signature approval of the ***assurance report***

4. The Process to Select and Appoint ISAE 3000 Auditors

The audit and resulting ***assurance report*** should be carried out and prepared by an independent ***audit firm*** as prescribed in ***ISAE 3000*** and complete independence is a pre-requisite. An independent ***auditor*** must not be connected to the company via employment, direct shareholding, financial benefits other than payment for ***audit*** services, consultancy to the company or any other financial interests. This precludes consultancy provided to the company for the ***subject matter*** within the prior 3 years. This precludes consultancy provided to immediate suppliers of the company if the consultancy is for the same ***subject matter*** within 2 years. This does not preclude auditing suppliers to the company. This is a fundamental requirement of independence as the ***auditor*** and the ***audit firm*** may be biased or regarded[3] by another party (a reader or user of the report) as biased.

Any appointed ***audit firm*** must have the ***ISAE 3000*** assurance experience, skills and techniques related to planning, ***evidence*** gathering, ***evidence*** evaluation, communication and reporting findings and providing high quality reports in accordance with ***ISAE 3000***. The ***assurance*** and verification work (also referred to as 'audits') are to be properly planned and reported with the ***responsible party*** (the company) and conducted in accordance with the ***ISAE 3000*** Standard. Failure by the company to appoint a suitable ***audit firm*** could cause the ***assurance engagement*** and ***assurance report*** to be of no value.

It is vital for the company to agree from the outset the ***subject matter*** (what is to be audited) with any firm prior to appointment. The company will be required to work with the ***audit firm*** throughout the whole engagement process, supplying information prior to formal appointment, supplying documents, hosting visits, responding to requests for information or errors or misstatements. Companies are advised to ensure that the terms of engagement agreed with the ***audit firm*** make provision for subsequent events that may transpire after the engagement should the ***assurance report*** require amending.

Annex 1 provides a checklist which may be helpful for companies when selecting registered ***auditors***. It provides some guidance on how ***auditors*** can demonstrate their suitability for this work.

5. Auditor Registration

ITA recognises that it has overall responsibility for the effective functioning and ongoing improvement of the ***assurance system***. ***ITA*** retains the authority to define and oversee implementation of ***auditor*** registration by ***ITA*** staff and other parties including applicants, ***ITA*** registered ***audit firms*** and ***auditors***. This section defines and provides guidance on the

[3] The audit firm will need to have appropriate engagement assessment procedures and records and to demonstrate application of safeguards if independence is at risk.

role and responsibility of the ***ITA*** in the processes for registering ***auditors*** as well as the processes that ***auditors*** are requested to complete to be listed as a registered ***auditor***.

Phase 1 – Auditor Application

ISAE 3000 auditors and ***firms*** with appropriate experience and who have independent evidence of meeting Parts A and B of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA) seeking to be registered for the ***ITA assurance system*** are required to complete an Application Form and submit it with the required supporting documentation. ***ITA*** will acknowledge and confirm receipt of completed applications.

Phase 2 – ITA Review of the Application

ITA will first review the submitted application form and supporting documentation for completeness and eligibility. If initial gaps or need for additional information are found the applicant may be contacted and asked to provide further clarification. ***ITA*** then reviews the application and supporting documentation to establish ***auditor's*** and ***audit firm's*** ability to fulfil the following general requirements;

- Independence from the ***company***[4] (the ***responsible party***; for example the smelter producing the ***company report*** which is part of the ***assurance engagement***)
- Experience and knowledge of the ***subject matter***
- Experience and a track record of ***ISAE 3000 assurance engagements*** and reporting
- Company processes to deliver the ***assurance engagement*** and report in accordance with the ***ISAE 3000*** standard and the International Standard of Quality Control, ISQC1.

It is the responsibility of the applicant to ensure the relevant accreditations and qualifications claimed by the organisation and/or individual ***auditor*** are demonstrated to ***ITA***, for example through provision of documentary evidence or other means.

Phase 3 – Outcome of Review

ITA will make a decision regarding registration for the applicant and notify the applicant accordingly. ***ITA*** registers lead and support ***auditors***, where relevant. To become a registered ***auditor*** by ***ITA*** for highly specialised standards such as ***standard 7.3*** all individual ***auditors*** covered by the application must meet the mandatory training and assessment requirements to test and measure their understanding of the ***subject matter***. Training may either be undertaken in advance of the application or following notification of ***ITA***'s decision on the application.

Phase 4 – Registration and Monitoring

ITA auditor registration is for ***ISAE 3000 auditors*** and ***audit firms*** who may be contracted by companies (such as smelters) to carry out ***ISAE 3000 assurance engagements***. Once ***auditors*** are registered by ***ITA*** they are listed online on the ITA List of Registered Auditors[5] including the following information;

- Organisation name
- Name and contact details of lead ***auditor*** (person leading, conducting and concluding the ***assurance engagement***) and support ***auditor***, where relevant.
- Technical competence (per ***Tin Code*** principle), geographic and language scope

[4] Including previous employment, financial, personal relationships, commercial advice and consultancy
[5] Note that there is no generally available database of ***ISAE*** approved or accredited ***audit firms***.

ITA registered ***auditors*** and ***firms*** must provide all reasonable assistance to ***ITA*** whenever requested to assist ***ITA*** to ensure the effective functioning and ongoing improvement of the ***assurance system***.

Registration is not a single event, but an ongoing process that deliberately focuses on continual improvement to ensure registered ***auditors*** meet requirements of the ***assurance system***. Submission of an application form will be required each year to renew ***ITA auditor*** registration to confirm that competencies and qualifications are maintained. ***ITA*** will also consider the quality of ***assurance reports*** submitted by companies for the ***Tin Code*** as well as feedback on the ***assurance engagement*** process from companies undertaking the ***assurance process***.

ITA auditor registration may be suspended or revoked at any time if action or inaction by the registered ***auditor*** has, in the opinion of ***ITA***, a material effect on the integrity of the ***assurance system***.

Note on Observation of Tin Code Assurance Engagements

ITA aims to achieve consistent outcomes through monitoring of ***assurance engagements***. ***ITA*** may also engage external independent parties to assist with evaluation of the ***assurance system*** to enhance understanding of ***ITA's Tin Code*** processes and enhance credibility. ***ITA*** may propose that an ***assurance engagement*** is shadowed by an observer if observation will achieve improved outcomes and is aligned with the overall aims of the ***Tin Code***.

ITA may propose that a relevant staff member observe ***Tin Code assurance engagements*** for any reasonable reason, including to understand the work of any individual ***auditor*** at the auditee's site. ***ITA*** may also engage external independent parties to assist with the evaluation of the ***assurance system*** and who may also act as observers. Observation of ***Tin Code assurance engagement*** audits is for the purpose of supporting or evaluating ***ITA's*** own process and systems. Observation is outside, and does not influence or report on, the performance of the auditee company.

ITA will discuss the purpose and benefits of any proposed observation with the auditee and obtain their prior agreement to accept observers for such purposes. The auditee shall have the right to accept or decline the proposal for any reason. ***ITA*** will not discuss the proposed observation until and unless the auditee is in general agreement**.** For registered ***auditors***, ***ITA*** will provide notice of the proposed observation or shadowing as early as possible but would not expect requests to shadow ***audits*** to be refused by registered ***auditors*** or ***audit firms*** without strong reasons.

The obligations of ***ITA***, auditees and ***auditors*** are explained in the Guidance on Observation of Tin Code Assurance Engagements (September 2024) which will be provided to relevant parties participating in the observation.

6. Risk, Materiality, Sampling Strategies and Data Tests Planning

ISAE 3000 states that ***auditors*** are required to consider materiality and ***assurance engagement*** risks when planning and conducting an ***assurance engagement***. Conducting the risk and materiality assessment enables the ***auditors*** to consider where to focus audit efforts, the information and data required, time and the extent of audit procedures required to reach an opinion on the accuracy of the ***company report***. The risk and materiality assessment is a fundamental aspect of complying with ***ISAE 3000***. The company should ensure they hold copies of the ***audit firm's*** risk and materiality assessments as ***users*** of the report, including ***ITA***, might request copies to ascertain if the ***audit firm*** has conducted a full risk and materiality assessment.

Risk

There is a risk that the ***company's report*** contains material misstatements and the ***auditor*** may not identify misstatements and unknowingly fails to appropriately modify his or her opinion. The consequence is that such failings might render the ***assurance report*** and ***conclusion*** as meaningless if such failings are identified at a later date.

To counter the overall risk of failing to identify material misstatements, the ***audit firm*** will need to conduct a thorough risk assessment and determine the important areas to focus on. The outcome of the risk and materiality assessment and determined focus areas, audit procedures to be undertaken, planned sampling of information and data and time required will need to be agreed with the company being audited. The ***responsible party*** (the company to be audited) has the responsibility in conjunction with the ***audit firm*** to ensure the audit is performed correctly in accordance with ***ISAE 3000***, this includes ensuring a thorough and documented risk assessment is conducted and agreeing this prior to proceeding with the audit.

Materiality

Materiality is a concept and can be described as the importance factor, significance factor or the amount of discrepancy and the consequence of that discrepancy, or a combination of these. At what point, or threshold, the aspect in question becomes material differs according to each engagement. An error made by a ***company report*** relating to ***standard 7.3*** asserting, for example, the proportion of ***minerals*** sourced from ***conflict affected and high risk areas*** (CAHRA) with an inaccuracy of 5% might not be as material as claiming all ***mineral*** supply is subject to due diligence when it transpires during the audit that is not the case. Materiality is dependent on the professional judgement of the ***auditor*** and the needs of a reasonable person who will rely and make use on the ***company report*** and ***audit conclusion*** of the ***audit firm*** in the ***assurance report*** (the ***user***, for example ***ITA***).

Materiality can be applied on both a quantitative and qualitative basis. Quantitative is in relation to material misstatements or errors of data used in the ***company report***. Essentially this is where the data inaccuracies are too large to ignore. Qualitative is in relation to where there is a major problem with due process such as not complying with a fundamental agreed process or procedure or a regulatory requirement.

Sampling strategies and testing of data

As part of the risk and materiality assessment the sampling strategy and testing of the company's information and data must be planned by the ***audit firm***. The sampling strategy to be employed is to be proportional to the risk and materiality. The strategy is based on professional judgement of the ***audit firm***. High risk items where there will be notable repercussions if errors or misstatements fail to be identified, for example in relation to ***standard 7.3*** should the company state ***minerals*** are not sourced from any of the covered countries as listed in the Dodd Frank Act 1502, will involve precise sampling and re-testing of data.

There are numerous types of sampling strategies which includes random sampling, block sampling (e.g. six months material inputs), interval sampling (every third week of material receipt evidence), stratified sampling (suppliers, supplier type then shipping points) or a combination of all four. For each risk a sample strategy and planned sample size must be determined in advance of conducting audit verification work. This can be revised during the audit process to increase or decrease sampling and data tests subject to the audit findings. Any changes from the planned risk and materiality assessment and sampling strategy is required to be recorded by the ***audit firm***.

Agreement of the risk and materiality assessment

As stated, the risk and materiality assessment will need to be agreed by the company being audited (the ***responsible party***). This is the ***auditor's*** assessment of what, in their judgement, are the risks associated with the ***assurance engagement***. For example, access to a number of key persons is not possible as they are on leave or travelling for business purposes, the actual content of the ***company report*** which lacks clarity or an absence of definitive statements or quantitative data and facts that can be validated. This can affect the ability of the ***auditor*** to form an ***assurance conclusion*** overall or on specific content within the ***company report***. This will have an effect on who uses the report.

A threshold of quantitative errors can be agreed and applied to specific aspects in the risk and materiality assessment, for example completeness of material descriptions in shipping documentation. It is not mandatory to set quantitative thresholds. There is not a set acceptable error rate as prescribed by ***ISAE 3000***, for example, <5% of errors are acceptable. The same applies to qualitative errors, for example relating to ***standard 7.3***, five significant or material errors identified from failings of the smelter's process to record certificates of origins does not automatically constitute a material error or misstatement. It might be that a weakness has been identified that could lead to a material error or misstatement if this is not addressed.

Annex 2 provides an example risk and materiality assessment which may be helpful for companies working to understand the process.

7. Compiling the Company Report

As explained in section 2, ***ITA*** considers the ***subject matter*** for the ***ISAE 3000 assurance engagement*** to include ***standard 7.3*** of the Tin Code, additional ***standards*** of the Tin Code, or a wider ***subject matter*** and criteria determined by the company. The ***subject matter*** decided by the company will form the basis of the company's management assertions and claims included in the ***company report***, for example how the company performs due diligence for ***standard 7.3***.

Verifiable and Measurable Content of a company report

The ***company report*** does not need to be extensive such as a corporate responsibility report that can include multiple ***subject matters*** and numerous pages and commentary. The audit firm can be required to conduct an ***assurance engagement*** on one page or paragraph of information within a larger report. In any case, the company should keep any report concise and citing measurable and verifiable facts and this should be considered when preparing the ***company report***.

For example, when compiling a ***company report*** relating to ***standard 7.3***;

- Are the sites, legal entities and minerals (***scope***) clearly stated in the report? The report might only relate to one smelter of a company, or one mineral although the company may deal in several minerals.
- Are the assertions or claims unambiguous and do not use wording that cannot be substantiated or evidenced by the company such as 'endeavour to make efforts to improve general sourcing'? This precludes the ability to verify assertions or claims by the audit firm.
- Is there a consistent interpretation which is free from bias and subjectivity? If the company is stating they have the 'best sourcing practices in the mineral industry' then what is rated as the best and what exactly are criteria that defines 'best'.
- Are the data and facts measurable such as a percentage breakdown of countries sourced from?

The ***audit firm*** will then provide an ***assurance conclusion*** in the ***ISAE 3000 assurance report*** on the assertion, claims and content of the ***company's report***.

The ***audit or assurance firm*** must also provide a separate ***management report***. The purpose of this is to provide more detailed commentary including on ***issues*** and ***opportunities for improvement*** (see section 9). ***ITA*** will use and review the ***management report*** as part of the ***Tin Code evidence*** review and determination of ***Tin Code ratings***.

The separate document Example Content of a Company Report – Tin Code 7.3 provides further information on indicative ***company report*** content for ***standard 7.3*** which may be helpful for companies when preparing their own reports.

8. Compiling the Assurance Engagement Report

1.1. Content of Assurance Reports to Comply with ISAE 3000 (Revised)

The format of the audit firm's ***assurance report*** must include the following information as part of ***ISAE 3000*** requirements.

Contents of the Assurance Report

A satisfactory level of detail is required within the ***assurance report*** in order for a company to be able to use that as ***evidence*** for ***Tin Code rating***. If reports do not address all the sections as stated below in sufficient detail then this will not provide ***evidence*** of an adequate level of ***assurance*** and the ***assurance report*** may be inconclusive and of no value. Separate templates are available but the ***assurance report*** must include:

- Title – the title at the top and include the words 'independent assurance report' and ***level of assurance***
- Assurance Conclusion – This section confirms the audit firm's ***assurance*** opinion, expressed to the limited level applicable to ***limited assurance engagements***. The opinion is included in the ***assurance conclusion*** which must be expressed in a negative form though this may be contrary to the normal structure of sentences. ***Conclusions*** will be expressed with or without reference to material ***issues*** as applicable based on the independent opinion of the ***auditor***. For example, *"Based on the work in this assurance report and in the opinion of the auditors, nothing has come to our attention that the assertions made in the company report are not accurate".* Or, "*Based on the work in this assurance report and in the opinion of the auditors, nothing has come to our attention that the assertions made in the company report are not accurate with exception (e.g. the auditor states and qualifies what is not accurate based on their opinion).* Having a clear and unambiguous ***assurance conclusion*** is critical and the company must review the report and agree with the content and pay particular attention to the wording in the ***conclusion***.
- Date and Period of Assessment – the date the ***assurance engagement*** report has been compiled and the period covered by the assessment.
  - Addressee; the company name and registered address of the legal entity the report has been prepared for and the name of the site covered by ***audit***. This will be the company (such as a smelter) and including the registered company address to prevent misrepresentation.
  - Level of assurance; Whether the ***audit*** was conducted to the level of ***limited*** or ***reasonable*** assurance.
- Author of the Assurance Report – Name and address of the ***auditor*** and ***assurance firm*** authoring the report. Brief information on qualifications, experience and independence of the ***auditor*** and ***audit firm*** authoring the assurance report. The ***audit firm*** is the author of the ***assurance report***. The ***assurance report*** must be written entirely by the ***audit firm***. The assurance standard ISAE 3000 requires the ***audit firm*** who the ***auditor*** is an employee of, contracted to or a member of, applies ISQC1 or state another professional requirement equivalent that is equal to ISQC1. Additionally, the ***audit firm*** must state within the assurance report the independent evidence the ***audit firm*** and ***auditors*** meet the ethical requirements of the IESBA Code Part A and Part B.
- Assurance Firm Responsibilities and Company Responsibilities – Responsibilities of both parties (the ***audit firm*** and the company);

  In general terms, the company's responsibilities shall include but are not limited to:
  - Preparing data and information for auditing and verification
  - Appointing an appropriately qualified and ***ISAE 3000*** experienced audit firm
  - Disclosing data and information to the ***audit firm*** on request
  - Providing further information to the ***audit firm*** on request to enable a ***conclusion*** to be reached by the ***audit firm*** to a ***limited assurance engagement*** level as to whether the assertions of senior management and the directors contained within the ***company report*** of complying with a referenced ***Tin Code standard*** are appropriate and accurate.

- Disclosing any changes in the data and information, or misstatements identified internally by the company that could affect the ***conclusion*** of the ***audit firm***.
- Correcting material misstatements or errors identified by the ***audit firm*** within the ***company report*** or with data and information related to the ***company report***.

The ***audit firm's*** responsibilities shall include but are not limited to:

- Demonstrating the audit firm is suitably experienced and capable of conducting the ***assurance engagement*** to the ***ISAE 3000*** Standard.
- Applying testing methodologies and processes to data and information used by the company in compiling the ***company report*** to validate its accuracy.
- Providing an explanation to the company of ***audit*** findings including misstatements identified or absence of information that hinders the formation of a definitive conclusion.
- The provision of clear ***evidence*** and information on which, in the opinion of the ***auditor***, the assertions made in the ***company report*** are not accurate and cannot be substantiated.
- Verifying corrections to misstatements with the ***company report*** where there is insufficient information to enable verification.
- Applying the audit principles of traceability, completeness, consistency and accuracy to the verification of information and data.
- Preparation of the report in accordance with ***ISAE 3000*** including International Standard on Quality Control (ISQC1).

The ***assurance report*** must unequivocally state within it that it has been performed to the ***ISAE 3000*** (Revised) Standard.

- The Subject Matter

The topic and subject of what the assurance engagement is performed on, which is the ***Tin Code*** and any wider subject matter determined by the company.

- The Assessment Criteria

The assessment ***criteria*** is any referenced ***standard*** of the ***Tin Code*** and can include additional elements the company elects to include. In the case of ***standard 7.3*** (Responsible Sourcing) the ***criteria*** is that ***standard 7.3*** and ***criteria 7.3*** (ITA-RMI Assessment Criteria for Tin Smelting Companies version 2, 25 March 2021).

- Summary of Work Performed

A clear and descriptive summary of work, including of the assessment methodology & activities conducted, is recommended to enable the ***user*** of the report to understand the work undertaken. Additionally, ***ITA*** will review the work undertaken and submitted as Tin Code ***evidence*** and providing clarity by including the following will help ***users*** of the report:

- Site visits undertaken or details of remote meetings
- Interviews conducted
- Documents & records inspected
- Brief summary of risk & materiality assessment and decisions made (*it is not expected to include the full confidential risk and materiality assessment which should be recorded elsewhere)
- Sampling approach applied
- Other key activities undertaken
- Activities undertaken during the ***assurance engagement*** (reviewing specific data records, testing data sets, reviewing due processes of material sourcing and approval, reviewing financial payments to suppliers etc)
- Follow-up activities

- Summary of Findings

Brief summary of the ***auditor's*** findings of company implementation of the audit ***criteria***. Specific templates will be provided for the relevant ***standard*** used if needed.

- Company Report

The entire company report, or the relevant content if the report is extensive, or inclusion of the assertions of senior management or company directors made within the ***company report*** should be attached as Annex in the ***assurance report***. There will be two sections in this report: the first section will be assertions of senior management or company directors contained within the ***company report*** (this may be the entire ***company report***); the second section will be the ***audit firm***'s content.

- Limitations (if appropriate)

This section includes statements made by the ***audit firm*** where there were limitations in the evaluation against the assessment ***criteria***. This must not contradict the ***assurance conclusion*** and its purpose is to clearly specify limitations, for example:

- Absence of particular records
- The work of third parties (other audit firms and upstream initiatives or projects) and the extent such information was relied upon
- If processes have been relied upon by the company without verifying their implementation
- Inability to interview a person with responsibilities for compiling specific data.

- Restrictions on Use of the Report (if appropriate)

The report may be restricted in its use. The ***subject matter*** and assessment ***criteria*** partly determine the report's use, the ***responsible party*** (the company) may wish the report to be limited to one specific purpose, such as use by customers, and not be used for the purpose of demonstrating legal compliance in relation to a country of operation for tax purposes for example. In case the ***assurance report*** is intended to be relevant to any regulatory requirements, this should be clearly stated. The restrictions must be agreed by the ***audit firm*** and the company.

- Statement on the Accuracy of Information

A statement about the accuracy of the information is required and this must not contradict the ***conclusion***. The statement of accuracy of information can provide further commentary in relation to the ***conclusion*** whether this is a qualified conclusion (material ***issues***) or a ***conclusion*** without any qualifications (no material ***issues***).

- Additional Measures (Optional)

This section can be used to briefly describe any additional measures conducted by the company that do not fall under any other section.

- Approval and Signature

The report requires approval by persons within the ***audit firm*** with appropriate authority to do so according to the policies and procedures of the ***audit firm***. The approval is confirmed by the signature of the ***auditor*** or qualified representative of the ***audit firm***.

1.2. Further Information to be Addressed in the Assurance Report

Accuracy and Reliability of the Company's Systems and Controls against Fraud and Error

The ***audit firm*** must evaluate and provide commentary on the company systems to prevent errors and control measures in place to address falsely represented information.

Completeness and Robustness of Data and Information

1.3. ***ITA*** requires the ***audit firm*** to evaluate and provide commentary on how complete and robust the data and information relied upon is. This might include upstream joint initiatives, second or third-party audits conducted on suppliers to the company, compilation of data provided by a supplier or information from a legal authority (for example shipping bills of lading). Second or third-party assessment support the validity of information provided by suppliers to the company and should be used in the risk and materiality assessment. Checklist for Assurance Report Content

ITA has developed a checklist, Annex 3, to support company review of the ***assurance report*** to check the above sections are included. As previously stated, it is in the company's interest to ensure as the ***responsible party*** of the ***assurance engagement*** that the work is performed correctly in accordance with ***ISAE 3000***.

Selecting the correct ***audit firm*** will alleviate the risk the audit might not have been performed appropriately and this checklist provides a reference to check the report prior to sending to ***ITA*** or placing in the public domain.

1.4. Providing Evidence

ITA will not be required to check the ***evidence*** itself as it will rely on the professional expertise and experience of the ***audit firm***. Consequently, it is critical a suitably qualified and experienced ***ISAE 3000 audit firm*** is selected. ***ITA*** may ask for ***evidence*** in order to understand that the ***assurance engagement*** has been performed appropriately. The ***audit firm*** is duty-bound to provide the company with the records related to the audit within 60 days of concluding the work to the company ***(responsible party***). We highly recommend all companies retain these records for future reference.

9. Separate Management Report

In addition to the ***assurance report***, the ***auditors*** will need to compile a ***management report*** that the company must provide to the ***ITA***. This will be a confidential report to the company and provided to the ***ITA*** on agreement to participate in the ***ITA assurance system***. The report will describe in greater detail the ***assurance engagement*** findings, sources of ***evidence*** used by the ***auditor***, the ***issues log*** and the work performed by the ***auditors***. The ***management report*** also includes ***opportunities for improvement*** made by the ***auditor*** if applicable.

Issues Log

It is recommended that the ***issues log*** is kept within the ***management report*** as this will prevent further separate documentation being required. The ***issues log*** will include more information on specific findings (if applicable) listed in the ***assurance report*** that will be of a confidential nature. The log of ***issues*** identified by the ***auditor*** during the ***assurance*** process are ones that have an implication to the ***conclusion*** and the company can either seek to address these ***issues*** prior to the final ***assurance conclusion***, or afterwards as part of their ***improvement plan***ning as part of the ***Tin Code*** process.

Opportunities for Improvement

This section can include information that must not affect the ***assurance conclusion*** of the ***assurance report*** and this is for the company being audited to consider. The ***audit firm*** does not mandate that these actions must be addressed. Companies may use these for ***improvement plan***ning as part of the ***Tin Code*** process.

Improvement Planning

The company can use the ***management report*** and the ***assurance report*** to formulate an ***improvement plan*** to record and demonstrate progressive improvements. ***ITA*** may request an ***improvement plan*** on how the company intends to action points included in the ***assurance*** and ***management reports*** as part of the Tin Code process. The ***improvement plan*** is not to be managed or formulated by the ***audit*** or ***assurance firm***.

Annex 1: Checklist for Companies Appointing Auditors

This document is on a separate page for your company to fill out and check against when selecting and appointing ***auditors*** as described in Section 4.

Text shown in grey italic indicates experience that would relate to ***standard 7.3***. The company should consider other experience if ***assurance*** is requested for other ***standards***, for example related to good mining practice.

No	Evidence Required	Mandatory Pre-requisites	Yes
1	Registration	The auditor and audit firm is listed in the ITA List of Registered Auditors.	☐
2	Impartiality	They are not a connected person to your business or others in the supply chain.	☐
3	Experience and competency	(a) The auditor and audit firm has experience in conducting ISAE 3000 (Revised) engagements	☐
		(b) Experience of conducting of due diligence or assessment of due diligence systems	☐
		(c) Understanding of conditions of mineral supply chains including the local context; economic, social, cultural and political in relation to mineral sourcing of the company the assurance engagement is to be agreed with	☐
		(d) Understanding and experience in the application of OECD Due Diligence Guidance for Responsible Supply Chain of Minerals from Conflict-Affected and High-Risk Areas	☐
4	Ethical standards being met	The auditor and firm can demonstrate independent evidence of compliance with Parts A and B of the *Code of Ethics for Professional Accountants* issued by the International Ethics Standards Board for Accountants (IESBA).	☐
5	Internal controls	(a) The auditor is a member of a firm that is subject to International Standard on Quality Control (ISQC1); "Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements"; **and** (b) The audit firm must have systems to monitor the performance of auditors which are reviewed regularly.	☐
6	Management of personnel records	The audit firm must maintain personnel records that demonstrate that all staff are competent for the functions they perform.	☐
7	Planned engagement	The audit firm can demonstrate after obtaining sufficient information and conducting a risk and materiality assessment that the audit is appropriately planned.	☐
8	Engagement letter	The audit firm has provided an engagement letter or contract that clearly states the terms of the engagement, responsibilities of both parties, subject matter, audit criteria, what further information is required, site visits, persons to interview, timelines for completion of the engagement, liabilities and management of subsequent events that may transpire after the engagement should the assurance report require amending.	☐

Annex 2: Example Risk and Materiality Assessment

These tables are very simple examples for a company to consider when reviewing the ***audit firms*** approach to the risk and materiality assessment as described in Section 6. These tables are illustrative only and not to be used as template in lieu of the ***audit firm*** not applying their own methodology.

Table A: An example of issues identified

	Categorisation	
	Quantitative	**Qualitative**
Major / Material	Misstatement or error > X%	Deliberate or complete absence of adhering to a specific criterion multiple times, or failing to adhere to fundamental criteria (e.g. there are not persons responsible for due diligence)
Continued Consideration	Misstatement or error > X% but less and X%	Repeated failing of due process combined with the other elements may result in being a major failing and material
Minor / Singularly Not Material	Misstatement or error < X%	Relatively isolated failing of due process

Table B: Risk and materiality planning

Area of Audit	Risk	Materiality	Assurance procedure to be applied	Sampling	Outcome
Internal sampling by the company and frequency of internal sampling	Absence of the internal sampling of the company to assess the validity of data	Medium	Review of due processes: ▪ Process A ▪ Process B ▪ Process C	▪ Assessment of due processes A – C. ▪ X % of data that has been internally re-checked by the company as part of due processes	To be determined (if the company is checking their own data as defined by their processes or written procedures. Secondly, is the company correctly checking the shipping and supply chain information received.
Mineral receipt records	Absence of records of mineral receipt	High	Review of period(s) of mineral receipts against known suppliers and monthly production inputs	▪ Assessment of months (to be determined) ▪ X% of receipts to be checked	To be determined

Annex 3: Checklist for Companies Checking the Assurance Engagement Report

This document is on a separate page for your company to fill out when checking the ***assurance engagement*** report as described in Section 8.

No	Requirement	Yes
1	Title showing the level of assurance, for example 'Independent Limited Assurance Engagement Report'	☐
2	Assurance conclusion	☐
3	Date of the assurance report, company name and registered address of the addressee, name of the site covered by the assurance engagement, level of assurance engagement, period covered by the assessment	☐
4	Author of the assurance report (includes name and address of the auditor and audit firm authoring the report, qualifications, experience and independence of the assurance firm and auditor)	☐
5	Assurance firm responsibilities	☐
6	Company responsibilities	☐
7	The subject matter	☐
8	The assessment criteria	☐
9	Summary of the work performed	☐
10	Summary of findings	☐
11	Company report (attached as an annex)	☐
12	Limitations (if appropriate)	☐
13	Restrictions on the use of the report (if appropriate)	☐
14	Statement on the accuracy of information	☐
15	Additional measures (optional)	☐
16	Audit firm signature	☐

Annex 4: Effective Date & Revision History

This revision of the document is in effect as of the date identified on the cover page as the "Effective Date." This revision of the document will replace all previous versions of the ITA Assurance Manual.

Rev 18 November 2024 (version 3) – Revisions to update and align section 8.1.1 'Content of Assurance Reports' and Annex 3 'Checklist for companies checking the assurance engagement'. Update to Glossary to create separate lines for definitions of Issues and Issues Log. Update in Glossary to include reference to members of the ITA E&D Group. Update to add a note on the observation of Tin Code assurance engagements. Update to add reference to use of remote auditing in agreed situations. Update to add reference clarifying registration of lead and support auditors. Related formatting and grammar corrections throughout the document.

Rev 16 March 2023 (version 2) – Minor revisions to correct language and formatting errors and ITA contact details on page 3 of the document. Minor corrections in the glossary to denote 71 instead of 70 standards of the Tin Code. Minor correction to refer to most up to date versions of related documentation. Minor corrections to denote 'Tin Code' instead of 'Code of Conduct'. Other minor content revisions including reference to 'ITA approved auditors' changed to ITA 'registered auditors' to avoid any confusion between ITA and the role of other standard-setters in accrediting ISAE 3000 auditors whilst satisfying OECD Alignment Assessment expectations.