

RMI's Risk Readiness Assessment

Voluntary Standard System (VSS) Equivalency Benchmark Results

Updated 18 December 2020

Background and intended use:

- This methodology for conducting this benchmark follows the RMI's Recognition Process for Voluntray Standards Systems (VSS).
- VSS may independently utilize the results of the RRA Equivalence Benchmark in their assurance processes.
- The purpose of this document is to provide succint information on the extent to which VSS meet some or all of the RRA industry norms.
- This document also clearly indicates the results of the equivalency function within the RMI's RRA Online Platform for sites that have independent third-party validation against select VSS.
- For more information about the RRA Equivalence Benchmark, please contact RMI@responsiblebusiness.org.
- For more information on how the RRA Equivalence Benchmark is applied in the Copper Mark Assurance Process, contact info@coppermark.org.

This equivalence benchmark uses the following terminology:

Equivalent: where the scope and intent (and therefore likely outcomes) of the requirements are the same, even if there are minor differences in the details of the requirements and/or the language used.

Not fully equivalent: where the scope and intent (and therefore the likely outcomes) of the requirement are not the same. Similarly, issues that would generally be expected to be considered within the scope of the VSS but which are not addressed in the VSS are not considered as equivalent to the industry norm.

Not applicable: requirements that are beyond the scope of the VSS because the VSS was not designed with those issues in mind, or those issues that are specific to a type of metal or type of production process not included in the scope of the VSS are considered not applicable.

| ISSUE AREA | INDUSTRY NORM | Aluminium Stewardship Initiative (ASI) Performance Standard V.2 (2017) | <u>The Copper Mark</u> Risk Readiness Assessment (2019) | Initiative for Responsible Mining Assurance (IRMA) Standard for Responsible Mining (2018) | International Council for Mining & Metals (ICMM) Performance Expectations (2019) | International Tin Association (ITA) Code of Conduct (2019) | ISO 14001 Environmental Management Systems (2015)* | ISO 45001 Occupational Health and Safety Management Systems (2018) | London Bullion Market Association (LBMA) Responsible Gold Guidance V8 (2018) | Mining Association of Canada Towards Sustainable Mining (TSM) Guiding Principles (2019) ** | World Gold Council Responsible Gold Mining Principles (RGMPs) (2019) | International Finance Corporation (IFC) Performance Standards*** |
|------------------------------|--|---|--|---|---|---|---|--|--|---|--|--|
| 1. Legal Compliance | To implement a management system that ensures compliance with all national legal requirements, including national obligations under international law. | | | | | | | | | | | |
| 2. Business Integrity | To implement a management system that prohibits and effectively prevents bribery (including facilitation payments), corruption and anti- competitive behavior. | | | | | | | | | | | |
| 3. Stakeholder Engagement | To carry out stakeholder mapping, and to implement an engagement plan, and to establish a grievance mechanism. | | | | | | | | | | | |
| 4. Business Relationships | To promote responsible business practices with significant business partners, including suppliers. | | | | | | | | | | | |

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| 5. Child Labor | To implement a management system that prevents the employment of children under the age of 15, prevents the worst forms of child labor, and prevents the exposure of employees under the age of 18 to hazardous work in line with ILO Conventions No. 138 and No. 182. | | | | | |
| 6. Forced labor | To implement a management system that prevents the use of any forms of forced labor and participation in acts of human trafficking in line with ILO Conventions No. 29 and No. 105. | | | | | |
| 7. Freedom of Association and Collective Bargaining | To respect employees' rights to freedom of association and to collective bargaining in line with ILO Conventions No. 87 and No.98, participate in collective bargaining processes in good faith and not obstruct alternative means of association where there are legal restrictions. | | | | | |
| 8. Discrimination | To prevent and address all forms of harassment and discrimination in the workplace in line with ILO Conventions No.100 and No. 111. | | | | | |
| 9. Gender Equality | To continually assess and monitor progress to ensure the implementation of a policy on gender equality in the workplace. | | | | | |
| 10. Working Hours | To keep employees' total regular and overtime working hours to 60 hours per week unless defined otherwise by applicable law or a collective bargaining agreement; and to ensure overtime is voluntary, provide one rest day in seven; and, provide annual leave. | | | | | |
| 11. Remuneration | To pay wages that equal or exceed the national minimum wage, the appropriate industry wage (if higher), or a living wage. | | | | | |
| 12. Occupational Health and Safety | To implement an occupational health and safety management system that is in line with internationally accepted best practice frameworks (e.g. OHSAS 18001 or ISO 45001). | | | | | |
| 13. Employee Grievance Mechanism | To establish and implement a grievance mechanism accessible to all employees. | | | | | |
| 14. Environmental Risk Management | To implement an environmental management system (EMS) functionally equivalent to an internationally recognized EMS standard (e.g. ISO 14001). | | | | | |
| 15. Greenhouse Gas (GHG) Emissions | To quantify, establish reduction targets for and disclose CO2 equivalent emissions in line with established international reporting protocols (e.g. IPCC or GHG Protocol). | | | | | |

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| 16. Energy Consumption | To implement and quantify energy efficiency improvements and increased use of renewable energy to reduce total energy consumption and/or energy intensity. | | | | | | |
| 17. Freshwater Management and Conservation | To conduct a comprehensive assessment of water-use impacts and risks in collaboration with relevant stakeholders and to implement measures to ensure that water consumption does not restrict availability/access for other water users or reduce the range and populations of fauna and flora in the catchment area of the site / facility. | | | | | | |
| 18. Waste Management | To implement a risk-based waste management system that includes a commitment to the 'waste hierarchy' and is applicable to all waste types (hazardous, non-hazardous and inert). | | | | | | |
| 19. Tailings Management | To design, operate, monitor and close tailings impoundments while minimizing adverse impacts to the human health and the environment in line with internationally recognized standards. | | | | | | |
| 20. Pollution | To implement the mitigation hierarchy to avoid, minimize, reduce and compensate for the adverse impacts of pollution on human health and the environment. | | | | | | |
| 21. Biodiversity and Protected Areas | To implement the mitigation hierarchy to avoid, minimize, reduce and compensate for adverse impacts on biodiversity; to avoid adverse impacts to Critical Habitats or Endangered Species; and to prevent operational activities in World Heritage sites or in designated protected areas unless specifically and legally permitted. | | | | | | |
| 22. Mine Closure and Reclamation | To have a documented plan with stakeholder inputs that addresses environmental and social aspects and makes financial provisions for closure and reclamation of the site / facility. | | | | | | |
| 23. Community Health and Safety | To implement a management system to monitor, avoid, minimize, reduce and compensate for adverse impacts on community health and safety. | | | | | | |
| 24. Community Development | To identify community needs in consultation with affected communities, develop a plan, and commit resources to support community development. | | | | | | |
| 25. Artisanal and Small Scale Mining | To engage artisanal and small-scale miners (ASM) and facilitate their formalization and improvement of their environmental and social practices, where there are known to be legitimate ASM in the sphere of influence of the site / facility. | | | | | | |
| 26. Human Rights | To implement the UN Guiding Principles on Business and Human Rights including human rights due diligence. | | | | | | |

| 27. Security and Human Rights | To implement the Voluntary Principles on Security and Human Rights (VP on SHR) when engaging with private or public security forces. | | | | | | |
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| 28. Indigenous Peoples' Rights | To implement a management system to respect the rights of Indigenous Peoples, including FPIC; avoid adverse impacts on Indigenous Peoples' lands, livelihoods, resources, and cultural heritage; and develop and implement an Indigenous Peoples' engagement plan. | | | | | | |
| 29. Land Acquisition and Resettlement | Where land acquisition or resettlement is necessary: to implement a policy to explore all viable alternative project designs to avoid and/or minimize land acquisition and physical or economic displacement and to implement a resettlement action plan to fairly address and compensate for residual adverse impacts. | | | | | | |
| 30. Cultural Heritage | To identify cultural heritage sites and to establish a process based on consultation with stakeholders to avoid, minimize, reduce and compensate for adverse impacts on cultural heritage. | | | | | | |
| 31. Due Diligence in Mineral Supply Chains | To implement the OECD Due Diligence Guidance on Conflict- Affected and High-Risk Areas. | | | | | | |
| 32. Transparency and Disclosure | Report annually on environmental, social and governance performance in line with internationally recognized standards (e.g. GRI) and to publicly support the implementation of EITI, and report where appropriate. | | | | | | |

Notes:

* ISO14001: With the exception of Criterion 14, equivalency is dependent on the company having included the issue area in their policy commitment and disclosure practices of the ISO certified management system. ** TSM: Areas that are rated "not fully equivalent" can be considered "fully equivalent" if a company fully implements the TSM Responsible Sourcing Alignment Supplement.

***IFC Performance Standards: Equivalency is dependent on the company having been independently assessed by a qualified assessor against the requirements.

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