



The Criteria Guide for the Risk Readiness Assessment

DRAFT FOR PUBLIC CONSULTATION

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Disclaimer

This publication, prepared by The Copper Mark Company and the Responsible Minerals Initiative (RMI), is intended for general guidance on matters of interest only and does not constitute professional advice. No representation or warranty (express or implied) is given as to the accuracy or completeness of the information contained in this publication, and, to the extent permitted by law, The Copper Mark Company and the RMI, their members (if applicable), employees, partners and agents do not accept or assume any liability, responsibility or duty of care for any consequence of anyone acting, or refraining to act, in reliance on the information contained in this publication or for any decision based on it.

DRAFT

1 INTRODUCTION

3 Background

5 The Criteria are a set of management practices for the responsible production of
6 minerals and metals and a framework for companies to communicate their
7 environmental, social and governance (ESG) performance. The Criteria aim to
8 comprehensively cover significant sustainability topics associated with minerals and
9 metals production, from mine, through processor, and to manufacturer.

11 The Criteria Guide contains 33 criteria covering environmental, social and governance
12 topics of mining, processing, and manufacturing (see Table 1). The Criteria are widely
13 used in the metals value chain having been formally adopted by the Responsible
14 Minerals Initiative (RMI) and the Copper Mark. Companies make many positive
15 contributions to economic, environmental, and social progress; yet their activities can
16 also result in adverse impacts if not well managed. The Criteria are intended to enable
17 companies to achieve responsible and more sustainable operations, supply chains,
18 and business relationships.

20 The Criteria are a set of verifiable requirements that can be used as a self-assessment,
21 voluntary reporting framework for companies engaging their customers, suppliers,
22 investors, and other internal and external stakeholders. They are also used as the
23 criteria against which the Copper Mark assures the performance of its participants.

25 The Criteria Guide is a joint publication between the RMI and The Copper Mark.

27 The guide accompanying the Criteria Guide is an opensource resource on detailing
28 how to effectively incorporate the criteria into business processes and how to evaluate
29 performance against its requirements. It was developed to help participating Sites and
30 assessors understand and interpret the requirements of the Criteria and the steps
31 needed to implement it.

33 The Criteria and the core requirements of the Criteria Guide are mandatory for
34 participants of the Copper Mark assurance process.

36 The Copper Mark is a credible assurance framework to demonstrate the copper
37 industry's responsible production practices and industry contribution to the United
38 Nations SDGs. Copper Mark participants can improve the lives of workers and
39 neighbors, strengthen the communities in which they do business, and increase the
40 value they deliver to customers and their consumers.

42 The RMI is a membership organization comprising major electronics and automotive
43 brands and includes a network of stakeholders of the minerals and metals responsible
44 sourcing movement. The RMI's platform is used by upstream companies including

mining, smelting and refining companies. The RMI commits to updating the Criteria every three years against the existing standards.

Criteria Development

The Criteria have been developed through a process including a detailed analysis of the requirements of other relevant voluntary sustainability frameworks; identifying emergent ESG topics that have implications for the mining, metals and manufacturing sectors; engaging practitioner experts and affected stakeholders on the technical aspects of the system; and, through open public consultation.

The Criteria are designed to:

- Facilitate the identification of and, where present, address risk of the adverse impacts linked to business activities, including those affecting workers, human rights, the environment, and corporate governance.
- Enable business policies, procedures, and practices to result in positive outcomes that improve people's lives and protect the natural environment.
- Ensure a systemic approach to risk and operations management that is predictable, reliable, and adaptable.
- Promote pragmatism through accounting for the differences in companies' sizes, capacity and circumstances, and encouraging continual improvement of business practices.
- Engender a forward-looking perspective on matters of corporate accountability, supply chain responsibility, and sustainable development.
- Instill a systemic approach to risk and operations management that is predictable, reliable, and adaptable.
- Be clear and succinct.

73 Table 1: Criteria
74

GOVERNANCE	
TOPIC	CRITERIA
1. Management Systems	Enable efficient environmental, social and governance management through the implementation and reporting on the performance of corporate or site-level management systems that are comprehensive, integrated, proportional to Sites' size and complexity, and in line with internationally recognized frameworks.
2. Impact Assessments	Enable informed environmental, social and governance decision making through the implementation and disclosure of the results of impact assessments that are comprehensive, integrated, iterative, proportional to Sites' size and complexity, and in line with internationally recognized frameworks.
3. Business Integrity	Ensure risks of corruption are minimized through the: <ul style="list-style-type: none"> • identification of risks; • implementation of a system to prohibit, effectively prevent and remedy; and • public disclosure of performance on the mitigation of potential and actual adverse impacts of bribery, money laundering, and anti-competitive behavior.
4. Revenue Transparency	Contribute to greater corporate transparency and accountability through the public disclosure of all material payments to governments of taxes, royalties, signature bonuses, and all other forms of payments or benefits.
5. Legal Compliance	Ensure high standards of business conduct through compliance with all applicable national regulatory requirements and all obligations under international law.
6. Sustainability Reporting	Enable corporate transparency and accountability and promote informed decision-making through the publication of annual reports on environmental, social and governance performance.
7. Grievance Mechanism	Respect the rights of adversely affected stakeholders' access to remedy, through the implementation of an effective grievance mechanism.
8. Stakeholder Engagement	Enable affected stakeholders' early and continued participation in decisions through the:

	<ul style="list-style-type: none"> • identification of the risks of adverse impacts on stakeholders across all operational activities; • implementation of a system to manage stakeholder engagement; and, • public disclosure of adverse impacts from operational activities on stakeholders and the measures taken for their mitigation.
9. Mine Closure & Reclamation	<p>Ensure the long-term environmental, social, and economic stability of mining communities through the:</p> <ul style="list-style-type: none"> • identification of risks and opportunities; • implementation of an integrated, comprehensive, and progressive plan to manage; and, • public disclosure of performance on the mitigation of adverse impacts and benefits from mine closure and reclamation.
10. Responsible Supply Chains	<p>Respect regulatory requirements and promote responsible business conduct in supply chains through the implementation of corporate or site-level, comprehensive, integrated, iterative, and risk-based due diligence.</p>
11. Climate Action	<p>Contribute to the goals of the Paris Agreement to curb global temperature rising to 1.5oC above pre-industrial levels through the implementation of a corporate or site-level, comprehensive, integrated climate change mitigation and adaptation strategy.</p>
SOCIAL	
TOPIC	CRITERIA
12. Child Labor	<p>Respect children's rights through the:</p> <ul style="list-style-type: none"> • identification of risks; • implementation of a system to prohibit, effectively prevent and remedy; and • public disclosure of performance of the mitigation of potential and actual adverse impacts of the employment of children under the age of 15 and the exposure of workers under the age of 18 to hazardous work.
13. Forced Labor	<p>Respect workers' rights to voluntary and freely chosen employment through the:</p> <ul style="list-style-type: none"> • identification of risks; • implementation of a system to prohibit, effectively prevent and remedy; and • public disclosure of performance on the mitigation of potential and actual adverse impacts of any form of forced labor.

14. Freedom of Association and Collective Bargaining	<p>Respect workers' rights to freedom of association and to collective bargaining in good faith, through:</p> <ul style="list-style-type: none"> • identification of risks, • implementation of a system to prohibit, effectively prevent and remedy; and • public disclosure of performance to mitigate any adverse impacts to freedom of association and collective bargaining.
15. Non-Discrimination and Harassment	<p>Respect workers' rights to equality of opportunity and treatment through the:</p> <ul style="list-style-type: none"> • identification of risks, • implementation of a system to prohibit, effectively prevent and remedy; and • public disclosure of performance to mitigate all forms of discrimination and harassment at the workplace.
16. Diversity and Equality and Inclusion	<p>Promote diversity, equality and inclusion in the workplace through the:</p> <ul style="list-style-type: none"> • identification of gaps and assessment of needs; • implementation of a system to manage, monitor, and create a conducive culture for; and, • disclosure of progress to achieve diversity, equality and inclusion in the workplace.
17. Employment Terms	<p>Respect workers' rights to fair and decent employment terms through the:</p> <ul style="list-style-type: none"> • identification of risks; • implementation of a system to manage; and, • public disclosure of performance to maintain and monitor fair working hours, remuneration, social benefits, disciplinary actions, accommodation, and worker contracts.
18. Occupational Health & Safety	<p>Respect workers' rights to the means and conditions for safe and healthy work through the:</p> <ul style="list-style-type: none"> • identification of risks and assessment of needs; • implementation of a system to manage; and, • public disclosure of performance on actions to provide safe and healthy work environments, equipment, materials, and the terms and resources to support workers' wellbeing.
19. Emergency Preparedness	<p>Enable workers and stakeholders to keep themselves and others safe in the event of an emergency through the:</p> <ul style="list-style-type: none"> • identification of potential emergency scenarios; • implementation of a system to manage; and, • disclosure of the performance of emergency response plans.
20. Community Health & Safety	<p>Respect communities' rights to healthy and safe living conditions through the:</p> <ul style="list-style-type: none"> • Identification of risks;

	<ul style="list-style-type: none"> • implementation of a system to prohibit, effectively prevent and remedy; and • public disclosure of performance on the mitigation of potential and actual adverse impacts on community health and safety.
21. Community Development	<p>Contribute to the economic and social development of affected communities through the:</p> <ul style="list-style-type: none"> • identification of; • contribution to meet community needs; and, • public disclosure of progress to promote community development.
22. Artisanal & Small-Scale Mining	<p>Respect the human rights and contribute to the professionalization of artisanal and small-scale mining operations (ASM) that affect or are affected by operational activities through the:</p> <ul style="list-style-type: none"> • identification of risks; • assessment of opportunities; and, • implementation of a system to avoid and manage adverse impacts on and conflict with ASM, and to contribute to improvement of ASM where it is safe, and legally and legitimately possible.
23. Security & Human Rights	<p>Ensure the minimization of security-related impacts on affected stakeholders through the:</p> <ul style="list-style-type: none"> • identification of risks; • implementation of a system to prohibit, effectively prevent and remedy; and • public disclosure of performance to mitigate security-related adverse impacts associated with the actions of private and public security forces.
24. Indigenous Peoples' Rights	<p>Respect Indigenous Peoples' rights, including the right to grant free, prior, and informed consent, through the:</p> <ul style="list-style-type: none"> • identification of risks; • implementation of a system to prohibit, effectively prevent, and remedy; and • public disclosure of performance on mitigation of potential and actual adverse impacts on Indigenous Peoples' livelihoods, territories, resources, and cultural heritage.
25. Land Acquisition & Resettlement	<p>Respect the rights of stakeholders affected by physical and economic displacement through the:</p> <ul style="list-style-type: none"> • identification of risks, • implementation of a system to avoid, minimize and remedy; and • public disclosure of performance on mitigation of potential and actual adverse impacts associated with land acquisition and resettlement.

26. Cultural Heritage	<p>Respect the cultural rights of affected stakeholders through the:</p> <ul style="list-style-type: none"> • identification of risks; • implementation of a system to prohibit, effectively prevent, and remedy; and • public disclosure of performance on mitigation of potential and actual adverse impacts on and associated with the access to cultural heritage.
ENVIRONMENT	
TOPIC	CRITERIA
27. Greenhouse Gas Emissions' Reductions	<p>Avoid, minimize, and compensate for scopes 1, 2, and 3 greenhouse gas (GHG) emissions through the:</p> <ul style="list-style-type: none"> • identification and quantification, • implementation of a system to manage, and, • public disclosure of progress to meet science-based targets for GHG energy use and emissions reductions in line with the goals of the Paris Agreement and internationally recognized frameworks.
28. Water Stewardship	<p>Avoid, minimize, rectify, and compensate for adverse impacts on water balance, flow, quality, and access and needs of other water users and wildlife from operational activities through the:</p> <ul style="list-style-type: none"> • identification of risks, • implementation of a system to manage; and, • public disclosure of performance of improvements to and maintenance of water-use efficiency; water reduction, reuse, and recycling; water quality; and water consumption reduction targets in all operational activities.
29. Waste Management	<p>Avoid, minimize and recover waste through the:</p> <ul style="list-style-type: none"> • identification of waste streams, • implementation of a system to manage, and • public disclosure of progress to meet targets on waste management.
30. Material Stewardship	<p>Promote resource efficiency, collection and recycling of materials at Sites and in the value chain through the:</p> <ul style="list-style-type: none"> • identification of adverse impacts; • implementation of a system to manage; and • public disclosure of progress to meet targets to minimize scrap, and increase the recovery, re-use, and recycling of materials.
31. Tailings Management	<p>Avoid, minimize, rectify, and compensate for adverse impacts from tailings through the:</p> <ul style="list-style-type: none"> • identification of risks; • implementation of a system to manage; and,

	<ul style="list-style-type: none"> public disclosure of performance on the mitigation of the potential and actual adverse impacts from tailings facilities and tailings disposal systems.
32. Biodiversity and Land Management	<p>Avoid, minimize, restore or replace, and compensate for adverse impacts on biodiversity and productive land from operational activities, respect the integrity of protected areas, and commit to a no net loss and consider a net gain of biodiversity through the:</p> <ul style="list-style-type: none"> identification of risks; implementation of a system to manage; and, public disclosure of performance on mitigation of adverse impacts on biodiversity and productive land.
33. Pollution	<p>Avoid, minimize, rectify, and compensate for adverse impacts on human health and the environment from pollution through the:</p> <ul style="list-style-type: none"> identification of risks, implementation of a system to manage; and public disclosure of performance on the mitigation of adverse impacts from the introduction of poisonous and harmful substances to air, land, and water and from noise, light, and visual pollution.

Scope

This Criteria Guide is relevant for any mining, processing and manufacturing Site being assessed as a self-assessment for RMI or via independent third-party assessment for The Copper Mark under the Criteria.

Applicability

Some criteria may be *not applicable* to certain Sites, depending on the nature of their operational activities or position in the value chain. Table 2 below outlines the applicability of the Criteria.

Table 2: Applicability of the Criteria

Criterion	Applicability
1. Management Systems	All Sites
2. Impact Assessments	All Sites
3. Business Integrity	All Sites
4. Revenue Transparency	All Sites
5. Legal Compliance	All Sites
6. Sustainability Reporting	All Sites
7. Grievance Mechanism	All Sites
8. Stakeholder Engagement	All Sites
9. Mine Closure & Reclamation	Mining Only
10. Responsible Supply Chains	All Sites
11. Climate Action	All Sites
12. Child Labor	All Sites
13. Forced Labor	All Sites
14. Freedom of Association and Collective Bargaining	All Sites
15. Non-Discrimination and Harassment	All Sites
16. Diversity and Equality and Inclusion	All Sites
17. Employment Terms	All Sites
18. Occupational Health & Safety	All Sites
19. Emergency Preparedness	All Sites
20. Community Health & Safety	All Sites
21. Community Development	All Sites
22. Artisanal & Small-Scale Mining	All Sites
23. Security & Human Rights	All Sites
24. Indigenous Peoples' Rights	All Sites
25. Land Acquisition & Resettlement	All Sites
26. Cultural Heritage	All Sites
27. Greenhouse Gas Emissions' Reductions	All Sites
28. Water Stewardship	All Sites
29. Waste Management	All Sites
30. Material Stewardship	All Sites
31. Tailings Management	Mining Only
32. Biodiversity and Land Management	All Sites
33. Pollution	All Sites

Applicability of the Criteria to Sites is different to the 'relevance' of criteria for Sites. The 'relevance' of a criteria for Sites refers to the general significance of the underlying topic/issues/aspect of each criterion to the operational activities, location or political

context of mining, processing or refining Sites. The ‘relevance’ of criteria for Sites is briefly described in each criterion chapter.

Criteria Guide Structure

The 33 Criteria are grouped into three categories to cover environmental, social and governance topics of mining, processing, and manufacturing:

I Governance

The Criteria in the Governance category are cross-cutting issues that apply to all other criteria in the environment and social categories and are referenced throughout the Criteria Guide. Good governance enables accountability and predictability and thus gives assurance that the standards that senior management has committed to are being carried out routinely throughout Sites’ organizations.

The criteria in the governance category include requirements for:

- Integrated management system
- Impact assessments
- Business Integrity
- Revenue Transparency
- Legal Compliance
- Sustainability Reporting
- Grievance Mechanism
- Stakeholder Engagement
- Mine Closure and Reclamation
- Responsible Supply Chains
- Climate Action

Sites are not required to adopt a specific third-party management system framework unless specifically stated in the core requirements in the relevant criterion, internationally recognized frameworks are referenced where appropriate. Where specified, Sites have to have “functionally equivalent” management systems.

II Social

The Criteria in Social category enable Sites to prevent and address potential and actual adverse impacts on workers, communities, and other affected stakeholders in line with internationally recognized frameworks and their structure is informed by the UN Guiding Principles on Business and Human Rights – respect, prohibit, effectively prevent and remedy.

The criteria in this section are interlinked with overarching and cross cutting requirements covered in the Governance category. Sites are required to:

- Manage adverse impacts in line with international internationally recognized frameworks;
- Develop their management systems to prohibit, effectively prevent and remedy adverse impacts in line with Criterion 1 on Management Systems;
- Conduct impact assessments in line with Criterion 2 on Impact Assessment;
- Implement an effective grievance mechanism in line with Criterion 7 on Grievance Mechanism
- Engage stakeholders in line with Criterion 8 on Stakeholder Engagement
- Disclose performance in line with Criterion 6 on Sustainability Reporting
- Manage their business partners in line with Criterion 10 on Responsible Supply Chains

III Environmental

The Criteria in the Environmental category enable Sites to prevent and address potential and actual adverse impacts on the environment in line with internationally recognized frameworks and their structure is informed by the mitigation hierarchy– avoid, minimize, repair, restore, rectify, and compensate.

The Criteria in this category are interlinked with overarching and cross cutting requirements covered in the governance category. Sites are required to:

- Manage adverse impacts in line with international internationally recognized frameworks;
- Develop their management systems to avoid, minimize, repair, restore or rectify and compensate for adverse impacts in line within Criterion 1 on Management Systems;
- Conduct impact assessments in line with Criterion 2 on Impact Assessment;
- Implement an effective grievance mechanism in line with Criterion 7 on Grievance Mechanism
- Engage stakeholders in line with Criterion 8 on Stakeholder Engagement
- Disclose performance in line with Criterion 6 on Sustainability Reporting.

Individual Criterion Chapter Structure

Each criterion chapter is presented as follows:

1. The Criterion.
2. Implementation, which is divided into two sections:
 - a. Relevance, which provides explanation with regards to relevance of this criterion to Sites depending on the activity, size, location, or function in the value chain.
 - b. Core Requirements, which provide guidance on the core requirements Sites should follow to be in line with the Criterion
2. Examples of evidence, which provide a non-exhaustive list of examples of the types of documents and other evidence that might be used to demonstrate conformance with the Criterion's core requirements
3. References, which is divided into three sections:
 - a. Internationally Recognized Frameworks, which Sites must follow or must consider following for this Criterion
 - b. International Conventions and Treaties, which Sites should be aware of
 - c. Additional Reading, which lists useful literature for additional context and guidance when implementing the Criterion.

Some issue areas may be *non-applicable* to certain sites or businesses, depending on the nature of the entity along the value chain. For those issue areas, the RRA Platform requires Producers to demonstrate why the risk area is not applicable. The Producer should select 'non-applicable' as the rating and should provide an explanation. Producers are encouraged to upload supporting documents in those cases.

Performance Determination

Performance against the Criteria is determined by assessing the levels of maturity of a Sites' policies, systems, and practices for addressing the environmental, social and governance (ESG) topics described in each of the 33 Criteria.

Assessing performance by maturity levels enables an understanding of Sites' current capacity to identify and manage ESG risks and impacts, while indicating its position on a continuum of continual improvement and providing a path to greater maturity.

Assessment of maturity is guided by indicators for different maturity levels. These markers of progress along the maturity continuum allow determinations to be made with greater objectivity and accountability

I Maturity Levels

Determining maturity levels is guided by using a three-by-three matrix (see Figure 1). The vertical axis of the matrix is organized into three evaluation categories: Management Systems, Impact Assessments, and Implementation Outcome. These three categories are used in assessments to focus data gathering and analysis of the maturity of these three factors determining Sites' performance.

Management systems are widely used to set policies, articulate procedures, allocate people and responsibilities, train workers and monitor progress against set goals. Effective implementation of management systems facilitates organizations to anticipate, respond, and adapt to manage ESG aspects. Mature management systems can assure stakeholders that Sites are managing potential and actual adverse impacts and meeting their legal and stakeholder obligations responsibly.

Impact assessments enable Sites to establish the scope and baseline status of ESG aspects for which they have responsibility. Importantly, they focus Sites on what is important to manage, what to prioritize, and where to allocate resources. The results of impact assessments identify the aspects that should be covered in management systems and their maturity provides assurance that Sites are addressing the right things, in the right order and priority.

Finally, assessing implementation outcome provides the acid test of Sites' systems' effectiveness. The goal of risk assessments and management systems is to drive performance to have a positive impact for its stakeholders. Measuring the maturity of Sites implementation outcomes, alongside that of the other two evaluation categories, provides a rounded picture of their ESG performance.

The horizontal axis of the matrix is divided into three levels of maturity: low, medium, and high. Indicators for each maturity level are provided in the cells corresponding with the three evaluation categories (see Figure 2, which is divided into three separate tables, one for each evaluation category).

Scoring maturity levels for the evaluation categories, how they are aggregated and weighted, and how to apply this to the RMI and Copper Mark systems is being developed and will be made public for consultation when complete.

Figure 1: Overview of the Maturity Levels Matrix

Evaluation Categories	← The Maturity Continuum →		
	Low	Medium	High
Management Systems	Indicators	Indicators	Indicators
Impact Assessments	Indicators	Indicators	Indicators
Implementation Outcome	Indicators	Indicators	Indicators

Figure 2: Maturity Levels Matrix and Indicators

Figure 2.1: Management Systems	
Low Maturity	<ul style="list-style-type: none"> Proportional to the size and scope of Sites, the management system is ill-defined; there are no, or very few relevant policies, procedures, and plans. There is no evidence of the system's ability to confirm compliance with local laws and regulations. There is a lack of clear and documented: <ul style="list-style-type: none"> line responsibilities and accountabilities. allocation of financial and human resources. monitoring protocols and data collection mechanisms; and, training programs. There is little or no management oversight of the management system. There is little or no internal communication about the management system and knowledge of the management system at the Site. There are no external reporting and disclosure requirements related to the management system. The coverage of the management system does not include or is limited to a small proportion of the aspects described in the Criterion's core requirements
Medium Maturity	<ul style="list-style-type: none"> The management system has been structured to be proportional to the size and scope of the operational activities and to manage material risks, but there are missing or incomplete needed policies, procedures, and plans.

	<ul style="list-style-type: none"> • Policies, processes, plans and procedures are driven by compliance with local laws, but lack consideration of relevant international treaties, codes, and standards. • The management system is oriented to risk and impact monitoring, rather than risk and impact reduction. • There are some but insufficient clear and documented: <ul style="list-style-type: none"> - line responsibilities and accountabilities. - allocation of financial and human resources. - monitoring protocols and data collection mechanisms; and, - training programs. • There is some management oversight of the management system, but it is insufficient for the size and scope of the operation. • There is some but insufficient internal communication about the management system and knowledge of the management system at the Site. • Systems are developed but not fully or effectively implemented reviewed and updated. • There are some external reporting and disclosure requirements related to the management system, but these are insufficient to communicate the adequacy of the system relative to the size and scope of the operation. • The coverage of the management system has a moderate proportion of the aspects described in the Criterion's core requirements
High Maturity	<ul style="list-style-type: none"> • The management system has been designed to be proportional to the size and scope of the operation and to effectively implement actions to manage risks and impacts drive continual improvement. • There is a comprehensive set of policies, processes, plans and procedures that appropriately consider local laws and relevant international treaties, codes, and standards. • The management system is oriented to risk and impact elimination and reduction; risk and impact management are part of planning and decision making. • There are sufficient clear, strong, and well documented: <ul style="list-style-type: none"> - line responsibilities and accountabilities. - allocation of financial and human resources. - monitoring protocols and data collection mechanisms; and, - training programs. • There is clear and accountable management oversight of the system appropriate to the size and scope of the operation resulting in decisions being made at the right level and at the right time to drive progress • There is full and appropriate internal communication about the management system and knowledge of the management system at the Site. • There is clear evidence for how the Site implements or plans to implement measures to address identified risk and impacts. • There are comprehensive external reporting and disclosure requirements related to the management system that are appropriate for communicating the system and its effectiveness and for the size and scope of the operation. • The coverage of the management system includes all or most of the aspects described in the Criterion's core requirements.

Figure 2.2: Risk Assessment

Low Maturity	<ul style="list-style-type: none"> • There is no evidence of an impact identification and assessment process completed or underway. • The scope of the impact identification and assessment process does not include relevant stakeholders, such as affected communities, workers, government officials, and civil society organizations. • There is no evidence of relevant stakeholders having been consulted for the risk and impact assessment. • There is no evidence of consideration for the economic, governance, social and environmental context being incorporated into risk and impact identification and assessment. • There is no evidence of consideration in the risk and impact identification and assessment of findings of related and applicable plans, studies or assessments prepared by relevant governmental authorities or other parties. • There is no public disclosure of impact identification and assessment results. • The coverage of the impact assessment does not include or is limited to a small proportion of the aspects described in the Criterion's core requirements.
Medium Maturity	<ul style="list-style-type: none"> • There is evidence that impact identification and assessments are not integrated systemically or applied consistently at the Site. • There is evidence of a basic awareness of ESG impacts at the Site, but this is not commensurate with the associated potential or actual severity. • Consultation with relevant stakeholders for impact identification and assessments is limited to ad hoc engagement, single meetings with no follow up, includes only a few stakeholder groups, is not recorded or documentation is incomplete, and / or views are not appropriately reflected in the assessment. • There is no public disclosure of impact identification and assessment results. • The coverage of the impact assessment process has a moderate proportion of the aspects described in the Criterion's core requirements.
High Maturity	<ul style="list-style-type: none"> • Impact identification and assessments are fully integrated, systemic, and applied consistently at the Site. • There is a sophisticated awareness of ESG impacts at the Site that is not commensurate with the associated potential or actual severity. • The scope of the impact identification and assessment process includes relevant stakeholders, such as affected communities, workers, government officials, and civil society organizations. • There is evidence that all relevant stakeholders have been consulted and their views and recommendations appropriately recorded and incorporated in risk and impacts identification and assessments. • The results of the impacts identification and assessment process is fully and publicly disclosed. • The coverage of the impact assessment process includes all of the aspects described in the Criterion's core requirements

Figure 2.3: Implementation Outcome

Low Maturity	<ul style="list-style-type: none"> • There are many outcomes/incidences at the Site the nature or severity of which have not been covered or anticipated in the impact assessment.
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	<ul style="list-style-type: none"> • There is evidence of multiple and persistent repetition of outcomes/incidences sufficient to conclude system-wide/systemic failure of Sites' management systems. • There are outcomes/incidences attributable to the Site that significantly and adversely impact personnel, the environment, communities and (other) affected stakeholders. • There is evidence of effects attributable to Sites' activities that breach the core requirements of the Criterion.
Medium Maturity	<ul style="list-style-type: none"> • There are some outcomes/incidences at the Site the nature or severity of which have not been covered or anticipated in the impact assessment. • There is evidence of some outcomes/incidences sufficient to conclude Sites' management systems are not functioning fully. • There are (minor) outcomes/incidences attributable to the Site that adversely impact personnel, the environment, communities and (other) affected stakeholders, but these are not significant. • There is evidence of incidences/outcomes attributable to Sites' activities that breach some of the core requirements and impede fulfilling the intended outcome of the Criterion.
High Maturity	<ul style="list-style-type: none"> • Most outcomes/incidences at the Site have been covered or anticipated in the impact assessment. • There is evidence to conclude Sites' management systems are functioning fully. • There is no evidence of outcomes/incidences attributable to the Site that adversely impact personnel, the environment, communities and (other) affected stakeholders. • There is no evidence of incidences/outcomes attributable to Sites' activities that breach any of the core requirements or impede fulfilling the intended outcome of the Criterion.

CRITERION 1: Management Systems

Enable efficient environmental, social and governance management through the implementation and reporting on the performance of corporate or site-level management systems that are comprehensive, integrated, proportional to Sites' size and complexity, and in line with internationally recognized frameworks.

I. Implementation:

a. *Relevance*

Management systems are relevant for all Sites, all operational activities, and for all levels of management, from the C-suite to line management, and to the management of specific environmental, social, and governance activities and projects. The breadth and depth of management systems will vary depending on and should be proportional to Sites' size and complexity, however. Fit-for-purpose management systems at large industrial Sites with multiple operational activities and processes and employing hundreds, such as integrated polymetallic mining and smelting Sites, will be significantly more complicated and require more staff to operate than systems designed for small and medium-sized Sites with few core operational activities, such as specialist processing Sites with a focus on a specific phase in a single metal's value chain. The management systems that govern the mitigation – the avoidance, minimization, reduction, and remediation or compensation – of potential and actual impacts from Sites' operational activities, both direct and indirect, is a core requirement of all Criteria. Management systems should be implemented for each topic in this guidance.

b. *Core Requirements*

Sites are expected to implement and report on the performance of corporate or site-level environmental, social and governance management systems that are comprehensive, integrated, proportional to Sites' size and complexity, and in line with internationally recognized frameworks.

Sites' environmental, social and governance management systems should be:

1. **in line with internationally recognized frameworks**, which means, where applicable to their operational activities, Sites must:

- follow the [OECD Guidelines for Multinational Enterprises](#) for the incorporation and management of responsible environmental, social and governance practices into operational activities;

- follow the [United Nations Guiding Principles on Business and Human Rights \(UNGPs\)](#) for the overall management of human rights impacts;
 - follow [ISO 14000 Family of Standards](#) on environmental management and management systems, or their functional equivalents, for the management of environmental impacts;
 - follow [ISO 4500 Family of Standards](#) on occupational health and safety (OH&S) management and management systems, or their functional equivalents, for the management of OH&S impacts;
 - consider following the International Finance Corporation's (IFC) [Performance Standard 1 Assessment and Management of Environmental and Social Risks and Impacts](#);
 - consider following recognized topic-specific frameworks for management systems for all topics covered in this guidance. Each topic-specific chapter includes lists of frameworks, guidance, and tools on the implementation of management systems where available.
2. **corporate or site-level**, which means management systems may be designed and developed specifically for and by Sites, or Sites may participate in and apply the policies, procedures and practices of corporate management systems governed by a parent company or group;
 3. **comprehensive**, which means to collectively cover all social, environmental and governance aspects associated with operational activities and topics in this guidance and address all the potential and actual impacts identified in Sites' impact assessments. Sites may implement several stand-alone topic-specific management systems or combine several topics into one or a few management systems;
 4. **integrated**, which means to include all operational activities, and all management and operating functions and levels. An integrated approach embeds topic-specialist and subject-matter experts in management teams, which enables appropriate oversight of measures to mitigate potential or actual environmental, social, and governance impacts;
 5. **proportional**, which means the level of resources invested in managing potential and actual environmental, social and governance impacts should be commensurate to the impact being addressed and reflect the scale and costs of the mitigation measure to address it. A lower level of resource should be applied to manage less serious and lower priority impacts when compared to more serious and higher priority ones. Fit-for-purpose management systems should be tailored to the size of Sites, their spatial and temporal scopes, the complexity of business processes and management organization, and the potential impact of Sites' operational activities on the environment, people, and on local and national

governing bodies and processes. A proportional approach to assessments ensures that the relevant impacts are addressed and mitigated effectively – but without entailing excessive costs, and are communicated to decision makers clearly and concisely;

6. **reported publicly**, which means to include in Sites', or Sites' parent or group's, sustainability or annual reports all relevant information needed to inform stakeholders clearly of Sites' environmental, social governance management plans, actions, goals and targets, and progress in meeting goals and targets at least annually in line with Criterion 6 on Sustainability Reporting.

Sites' environmental, social, and governance management systems should include, but not be limited to:

- a formal, public commitment by senior management to establish the highest standards of environmental, social and governance management;
- policies that have the following key elements:
 - the principles and values underpinning the policy;
 - a clearly defined scope, meaning the extent of Sites' activities, workforce, or geography to which the policy applies;
 - a statement on which environmental, social, and governance topics the policy addresses;
 - the management objectives Sites aim to achieve;
 - the strategies and concrete actions to achieve the stated objectives of the policy.
- procedures that have the following key elements:
 - a clear purpose and scope;
 - a detailed step-by-step description of a work process for a specific situation;
 - a description of the roles and responsibilities of the relevant management and workers;
 - accompanying documents and forms and references and resources.
- coverage of business partners and suppliers regarding requirements to communicate policies, monitor performance, and provide support to remediation where possible;
- mechanisms for collecting data and information on the environmental, social and governance aspects in scope, and related mitigation measures system, and be informed by Sites' impact assessments;
- mechanisms for keeping records on data and information related to the management system;
- an effective grievance mechanism to collect information on potential or actual adverse impacts from the management systems and the operational activities, as reported by private individuals or public bodies;

- allocation of the financial and human resources needed to implement the system, and a commitment to ensuring these resources are available;
- clearly defined roles and responsibilities of relevant management and workers;
- training programs targeting relevant management and workers implementing the system as well as, where relevant, the entire workforce;
- monitoring protocols for collecting and analyzing data and information to evaluate the performance of the full scope of the system and its objectives. Protocols should be compatible with those established for gathering data during impact assessments;
- reviews and performance evaluations that generate continuous improvement plans conducted at least annually and subjected to management review and approval.

II. Examples of Evidence:

The following are examples of documents that may be used to demonstrate conformance with the Criterion. Please note that the list is not exhaustive, and the Sites are not expected to have all the documents listed below:

Policies & procedures

- Policies requiring Sites to participate in corporate level management systems.
- Site-level policies covering the Site's governance, social and environmental management, and practices.
- Management systems procedures covering environmental, social, and governance topics.

Records

- Organizational charts or other documentation of the management structure for managing environmental, social and governance topics.
- Evidence of training of managers and workers managing environmental, social, and governance topics.
- Site-level internal audit reports of implementation of the management systems from group or corporate assessors.
- Evidence of management reviewing and updating management systems at least annually.
- Qualifications and job descriptions of management with responsibility for overseeing the implementation of management systems.
- Documentation of communication of policies to workers and other stakeholders.
- Contracts with suppliers and business partners requiring responsible management of environmental, social, and governance topics.

Reporting

- Public reports, such as sustainability or annual reports, covering environmental, social, and governance management performance.
- Public disclosure on Sites', or parent companies' or group's, websites for example, of relevant policies, supplier codes of conduct, grievance mechanisms, etc.
- Internal communication of operating procedures on internal websites and document sharing systems related to environmental, social, and governance management, such as business code of conducts, employee handbooks, grievance mechanisms, etc.

External assurance & inspection

- Third-party certificates or validation documents of the management systems' performance and conformance with international frameworks.
- Corporate or Site-level assurance claims of membership in initiatives relevant to Sites' environmental, social, and governance topics.

The following are examples of other evidence, collected through interviews and/or observation during the Sites' assessment, that can demonstrate conformance with the Criterion:

- *Management can:*
 - demonstrate an understanding of the Sites' management systems, and the corporate management system of a parent company or group, including the policies and procedures covering its governance, social and environmental practices;
 - describe the human and financial resource allocation strategy for environmental, social and governance management systems;
 - describe the lines of accountability and responsibility for the oversight and implementation of management systems;
 - provide evidence of their and workers' participation in training programs to raise awareness and communication of management systems;
 - demonstrate how data and analysis from risk assessments are integrated into management systems.
- *Workers can:*
 - demonstrate a basic understanding of Sites' management systems, including Sites' policies and procedures for the environmental, social and governance topics in scope;
 - demonstrate an understanding of their own roles and responsibilities related to implementing management systems;
 - describe where to find Sites' policies and procedures;
 - demonstrate participation in training on Sites' management systems.

III. Key References:

Internationally Recognized Frameworks on Management Systems

- [OECD Guidelines for Multinational Enterprises](#)
- [United Nations Guiding Principles on Business and Human Rights \(UNGPs\)](#)
- [ISO 14000 Family of Standards](#)
- [ISO 4500 Family of Standards](#)
- [Performance Standard 1 Assessment and Management of Environmental and Social Risks and Impacts](#)

Additional Reading

The following international guidance may be useful for guidance purposes when implementing this Criterion:

- [The UN Global Compact](#)
- [OECD Due Diligence Guidance for Responsible Business Conduct](#)

CRITERION 2: Impact Assessments

Enable informed environmental, social and governance decision making through the implementation and disclosure of the results of impact assessments that are comprehensive, integrated, iterative, proportional to Sites' size and complexity, and in line with internationally recognized frameworks.

I. Implementation:

a. *Relevance*

Impact assessments are relevant for all Sites, all operational activities, and for all levels of decision-making, from corporate policies to specific environmental, social, and governance topics. The breadth and depth of impact assessments will vary and should be proportional to Sites' size and complexity, however. Large mining Sites occupying hundreds of acres, recovering minerals in hydrologically sensitive areas, and located near traditional communities remote from administrative centers, for example, will require impact assessments of far greater sophistication than mineral processing Sites in semi-urban settings where regulatory frameworks and oversight are clear and enforced. The identification of potential and actual impacts from Sites' operational activities, both direct and indirect, is a core requirement of all Criteria. Impact assessments should be implemented for each topic in this guidance.

b. *Core Requirements*

Sites are expected to implement and disclose the results of environmental, social and governance impact assessments that are comprehensive, integrated, iterative, proportional to Sites' size and complexity, and in line with internationally recognized frameworks.

Environmental, social and governance impact assessments should be:

1. **comprehensive**, which means that impact assessments collectively cover all social, environmental and governance aspects associated with operational activities and topics in this guidance. Sites may implement several stand-alone topic-specific impact assessments or combine several topics into one or a few impact assessments;

2. **integrated**, which means to include all operational activities, and all management and operating functions and levels. An integrated approach embeds topic-specialist and subject-matter experts in design teams, which enables appropriate incorporation of initial data and analysis on environmental, social, and governance aspects into Sites' designs and management systems;
3. **iterative**, which means impact assessments are conducted at key points during the design, construction, and commissioning of Sites to match the amendments and refinements made throughout Sites' operating lives. Where gaps in knowledge are found, or conclusions from analyses are challenged, impact assessments should be updated by collecting and analyzing fresh data and information and drawing new or adjusting and re-affirming existing conclusions;
4. **proportional**, which means the level of resources invested in gathering and analyzing data on the impacts should be commensurate to the problem it is addressing and reflect the scale and costs of the mitigation measure to address it. A lower level of resource should be applied to data gathering and analysis for smaller measures when compared to larger ones. Fit-for-purpose impact assessments should be tailored to the size of Sites, their spatial and temporal scopes, the complexity of business processes and management organization, and the potential impact of Sites' operational activities on the environment, people, and on local and national governing bodies and processes. A proportional approach to assessments ensures that the relevant impacts are assessed and, where practicable, they are mitigated effectively – but without entailing excessive costs – and are communicated to decision makers clearly and concisely;
5. **in line with internationally recognized frameworks**, which means, where applicable to their operational activities, Sites must:
 - follow Principles 18 and 19 of the [United Nations Guiding Principles on Business and Human Rights \(UNGPs\)](#) for conducting human rights impact assessments;
 - consider following the [International Finance Corporation's \(IFC\) Performance Standard 1 Assessment and Management of Environmental and Social Risks and Impacts](#);
 - consider following recognized topic-specific frameworks for impact assessments for all topics covered in this guidance. Each topic-specific chapter includes lists of frameworks, guidance, and tools on the implementation of management systems where available;
6. **disclosed publicly**, which means to make the results of assessments easily accessible to external stakeholders, including but not limited to rights holders,

affected communities, local authorities, government departments and agencies, local businesses, civil society, and international organizations.

Sites' environmental, social, and governance impact assessments should:

- Determine the Scope of the assessment, which means to identify features, aspects, and operational activities that fall within the responsibility of Sites to manage, including but not limited to:
 - the actual and potential environmental, social and governance impacts from and relevant to Sites' operational activities;
 - the stakeholders and aspects affected by these impacts, including rights holders, neighboring communities, local businesses, government agencies and local authorities, and the environment, as well as Sites' operations and workers;
 - the risk of these impacts being caused by Sites' operational activities.

Further guidance on the appropriate assessment scope for specific topics is provided in the topic-specific chapters of this guidance.

- Establish a Baseline, which means to generate, gather, and analyze relevant data and information on the status of the aspects in scope that should include but not be limited to:
 - environmental aspects, such as air quality, species richness and biodiversity, populations of fauna and flora species, water quality, water levels, soil quality;
 - social aspects, such as community cohesion, gender equality and inclusion in local businesses, location of cultural and sacred sites, rule of law for the human rights of people and Indigenous Peoples groups;
 - economic aspects, such as business types, business viability, employment levels, wage levels, tax revenues, property rights, transport routes, citizens access to credit.

Further guidance on the data and information to be gathered for specific topics is provided in the topic-specific chapters of this guidance.

- Determine the Scale of the impact, which means to use recognized methodologies to rate the seriousness and extent of the potential and actual impacts associated with operational activities on affected stakeholders in scope using the baseline data and information to assess the extent of biophysical, social and governance or policy changes that will result from operational activities, and the effect of that change.

- Engage Stakeholders, which means to consult relevant stakeholders, including but not limited to rights holders, neighboring communities, government agencies and local authorities, local businesses, and Sites' workers and

incorporate their perspectives and concerns into impact assessments. Stakeholder engagement in impact assessments should:

- focus on the topics that affect or can be affected by stakeholders, which means that different stakeholders have different interests in and concerns about Sites' operational activities and consultations should focus on such interests and concerns;
- start early, which means stakeholder engagement should be included in the design and scoping stages of impact assessments, including the selection of professionals and experts implementing impact assessments;
- be continual, which means that stakeholder engagement should persist throughout Sites' operating lives and follow the iterations of impact assessments through to decommissioning, closure, and reclamation;
- be in line with Criterion 8 on Stakeholder Engagement.

- Establish an effective grievance mechanism, which means to provide and maintain a system to collect information on potential or actual adverse impacts from the impact assessment or the proposed or actual operational activities, as reported by private individuals or public bodies.

- Execute with qualified assessors, which means to employ or contract individuals or firms to conduct impact assessments with the relevant knowledge and skills to gather and analyze data and information on the topics and stakeholders in scope. Such assessors might include community members or members of Indigenous Peoples groups, for example, that have specific local or thematic knowledge particular to Sites' locations or operational activities.

- Incorporate information from other assessments, which means to consider the findings and conclusions of related and applicable plans, studies, reports, assessments, or evaluations prepared by government authorities or other credible parties that are directly relevant to Sites.

- Provide information for management systems, which means to make recommendations for how identified potential and actual impacts can be mitigated and for mitigation measures to be incorporated into Sites' business policies, procedures, and processes, and for Sites' management to ensure that all such recommendations are included in management systems in line with Criterion 1 on Management Systems.

II. Examples of Evidence:

The following are examples of documents that can demonstrate conformance with the

Criterion. Please note this list is not exhaustive and Sites are not expected to have all the documents listed below:

Policies & Procedures

- Procedures for conducting impact assessments.

Records

- Evidence of identification of potential and actual impacts and plans for the implementation of mitigation measures.
- Documentation of the stakeholder engagement process during impact assessments.
- Terms of reference for employing qualified assessors.

External Assurance & Inspections

- Plans, studies, or assessments prepared by relevant government authorities or other parties that are directly relevant to Sites.
- Third-party assessment or audit reports or certifications of the management systems covering environmental, social, and/or human rights risks.

The following are examples of other evidence, collected through interviews and/or observation during Sites' assessments that can demonstrate conformance with the Criterion.

- *Management can:*
 - demonstrate how Sites' conduct impact assessments;
 - describe how the results of impact assessments are covered and addressed in Sites' management systems;
 - describe how Sites' document plans to implement mitigation measures for instances of identified impacts;
 - describe how Sites identify relevant stakeholder groups and engages rights holders, affected communities, and other relevant stakeholders;
 - demonstrate clear lines of accountability and responsibility within Sites' organizations for the oversight and implementation of the stakeholder engagement process during iterative impact assessment processes.
- *Stakeholders can:*
 - confirm a basic understanding of Sites' stakeholder engagement process during impact assessments;
 - confirm receipt of information relating to impact assessments prior to their conclusion and copies of final versions;
 - describe how to lodge grievances should they have concerns about the Sites' impact assessment processes.

III. Key References:

Internationally Recognized Frameworks on and Including Impact Assessment

- [International Finance Corporation, Performance Standards, Guidance Note 1 on Performance Standard 1: Assessment and Management of Environmental and Social Risks and Impacts](#)
- [The ISO](#), various standards on topic-specific impact assessments
- [United Nations Guiding Principles on Business and Human Rights \(UNGPs\)](#)
- **International Conventions and Treaties:** the requirement for impact assessments is recognized by some international laws, for example:
 - [Convention on Environmental Impact Assessment in a Transboundary Context](#) (Espoo convention 1991)
 - [Protocol on Strategic Environmental Assessment](#) (Kiev, 2003)
 - [Ramsar convention on wetland conservation](#)
 - [UN Convention on the Law of the Seas](#) (Montego Bay, 1982)

Additional Reading

The following international guidance on impact assessments may be useful for guidance purposes when implementing this Criterion:

- [The Danish Institute for Human Rights Guidance and Practical Tools for Conducting, Commissioning, Reviewing and Monitoring Human Rights Impact Assessments](#)
- [The International Association of Impact Assessment](#), various guidance on topic-specific impact assessments
- [The International Council on Mining & Metals, Good Practice Guidance on Health Impact Assessment](#)
- [The International Council on Mining & Metals, Integrating human rights due diligence into corporate risk management processes](#)
- [OECD Guidance on Sustainability Impact Assessments.](#)
- [OECD Guidelines for Multinational Enterprises](#)
- [OECD Due Diligence Guidance for Responsible Business Conduct](#)

CRITERION 3: BUSINESS INTEGRITY

Ensure risks of corruption are minimized through the:

- identification of risks;
- implementation of a system to prohibit, effectively prevent and remedy; and
- public disclosure of performance on the mitigation of potential and actual adverse impacts of bribery, money laundering, and anti-competitive behavior.

I. Implementation:

a. Relevance

Bribery, money laundering, and anti-competitive behavior are serious issues that can occur in all operational activities, irrespective of size, location, function in the value chain. While corruption may occur at any operational activity, mining is particularly vulnerable to this issue. In fact, corruption may occur at various stages in the decision-making chain, from the allocation of licenses and contracts for exploration and production, to the allocation of revenues and social and economic spending.

b. Core Requirements

Sites are expected to ensure risks of corruption are minimized and address adverse impacts with which they are involved.

1. To manage impacts of any form of corruption in line with internationally recognized frameworks, which means, as well as following the frameworks required in Criteria 1 and 2 and where applicable to operational activities, Sites must:

- Consider following [Transparency International, Business Principles for Countering Bribery](#)
- Consider following [ISO 37001:2016](#).

2. To identify bribery, money laundering and anti-competitive behavior, which means to conduct assessments of potential and actual cases of bribery, money laundering and anti-competitive behavior in line with Criterion 2 on Impact Assessments. As well as the requirements in Criterion 2, the assessment should:

- Determine the Scope of the assessment, which means to identify Sites' features, aspects, and operational activities that fall within the responsibility of Sites to manage, including:

- identify those parts of the business and/or positions that are exposed to a higher risk of bribery, money laundering and anti-competitive behavior including workers directly and indirectly employed by Sites and business partners and suppliers in line with Criterion 10 on Responsible Supply Chains.

3. To prohibit bribery, money laundering and anti-competitive behavior, which means to have, and to communicate to workers, staff, suppliers, customers, and business partners a clear policy in line with Criterion 1 on Management Systems, signaling that the Sites do not tolerate any form of bribery, money laundering and anti-competitive behavior.

4. To effectively prevent bribery, money laundering and anti-competitive behavior, which means to implement a management system to manage the risk of corruption in line with Criterion 1 on Management Systems. As well the requirements in Criterion 1, the management system should ensure that Sites take the necessary measures, in accordance with relevant local, national, and international laws and regulations, to:

- implement and communicate zero tolerance of bribery, money laundering and anti-competitive behavior, including facilitation payments and other corrupt practices.
- implement clauses in Sites' partners' contracts that make clear that the Sites expect:
 - all operational activities implemented on the Sites' behalf to be compliant with their policies with regards to bribery, money laundering and anti-competitive behavior
 - its business partners to avoid dealing with workers and suppliers known or reasonably suspected to be involved in bribery, money laundering and anti-competitive behavior.
- maintain books and records, financial statement disclosures and accounting and auditing standards in accordance with the UN Convention against Corruption.
- establish clear criteria and procedures for the approval of gifts offered and received, taking into account thresholds that are acceptable, given the local context of customary exchanges.
- establish clear criteria and procedure for the approval of charitable donations and political contributions.
- train workers on the anti-corruption, money laundering and anti-competition policies and procedures.
- implement periodic reviews of internal relevant legal and administrative instruments and measures to ensure they are in line with laws and regulations to prevent bribery, money laundering and anti-competitive behavior.

- implement a grievance mechanism / whistle blower mechanism to alert management to the risk of or incidence of bribery, money laundering and anti-competitive behavior in line with Criterion 7 on Grievance Mechanisms.

5. To Remediate bribery, money laundering and anti-competitive behavior, which means to develop and implement a plan to address instances where any such activity is detected. Such plans should include:

- sites' reporting obligations on cases of bribery and money laundering to law enforcement authorities;
- termination of the event that led to the act inconsistent with the Sites' policies;
- implementation procedures to remediate the offending event;
- compliance with judiciary decisions ruled where bribery and money laundering events were found.

6. To disclose performance on mitigation, which means to report at least annually all relevant information needed clearly to inform stakeholders of the Sites' bribery and money laundering labor-related risks and impacts, plans, actions, and performance in line with Criterion 6 on Sustainability Reporting.

II. Examples of Evidence:

The following are examples of documents that can demonstrate conformance with the Criterion. Please note that the list is not exhaustive, and Sites are not expected to have all the documents listed below:

Policies & Procedures

- Policy that commits Sites to implementing a management system to prevent bribery, money laundering or anti-competitive behavior.
- Documentation of the management system to prevent bribery, money laundering and anti-competitive behavior.
- Sites' grievance and whistleblower mechanism.
- Procedures for internal reporting and management of instances of suspected bribery, money laundering and anti-competitive behavior.

Records

- Evidence of training of relevant personnel of the policy and process to report events inconsistent with the Sites' policies (implementing procedure).
- Corruption and bribery risk identification records.
- Gift register.
- Records showing engagement with business partners.
- Legal records of proceedings against Sites.

Contracts & Agreements

- Job description(s) of management staff with compliance responsibilities.

- Clauses in Sites' partners' contracts that make clear that Sites expect all operational activities implemented on the Sites' behalf to be compliant with its policies with regards to bribery, money laundering and anti-competitive behavior.
- Clauses in Sites' partners' contracts that make clear that the Sites' business partners will avoid dealing with workers and suppliers known or reasonably suspected to be involved in bribery, money laundering and anti-competitive behavior.

Reporting

- Site-level assurance report regarding bribery, money laundering and anti-competition on a public website, annual report, or corporate sustainability report.
- Public disclosure that shows a Site's track record free from prosecutions of Sites relating to bribery, money laundering and anti-competitive behavior and in any public registers administered by governmental institutions and the judiciary.
- Publicly disclosed any payments made to governments and significant Sites' partners and operations where feasible.

External Assurance & Inspections

- Acceptable third-party certificate or validation document of a management system governing behavior to manage bribery, money laundering and anti-competitive behavior.
- Government inspection reports.

The following are examples of other evidence, collected through interviews and/or observation during the Sites' assessment, that can demonstrate conformance with the Criterion. In addition to the examples listed below, the examples listed for Criterion 1 on Management Systems and Criterion 2 on Impact Assessments should be taken into account:

- *Management can:*
 - Demonstrate effective oversight mechanisms and checks and balances are in place to manage bribery, money laundering and anti-competitive behavior;
 - present accurate books and records that properly and fairly document the Sites' financial transactions;
 - explain what they need to do as part of their job responsibilities to prevent and remedy cases of bribery, money laundering and anti-competitive behavior.
- *Workers can:*
 - explain what type of training they received to understand how to deal with bribery, money laundering and anti-competitive behavior;

- describe where and how to file an allegation relating to bribery, money laundering and anti-competitive behavior.

III. Key References

Internationally Recognized Frameworks

The following international frameworks must be considered for the implementation of this Criterion where applicable to Sites operational activities:

- [Transparency International, Business Principles for Countering Bribery](#)
- [ISO 37001: 2016](#)

International Conventions and Treaties

- [UN Convention Against Corruption](#)
- [OECD Convention on the Bribery of Foreign Public Officials in International Business Transactions \(OECD Convention\)](#)

Additional Reading

The following international guidance for businesses on bribery may be useful for guidance purposes when implementing this Criterion:

- [OECD recommendation for Further Combating Bribery of Foreign Public Officials in International Business Transactions, including Annex II Good Practice Guidance on Internal Controls, Ethics and Compliance](#)
- [UN Global Compact, Transparency International, Reporting Guidance on the 10th Principle Against Corruption](#)
- [Transparency International, Anti-Corruption Toolkits for Business](#)
- [International Chamber of Commerce, Rules on Combating Corruption](#)

888 CRITERION 4: Revenue Transparency

Contribute to greater corporate transparency and accountability through the public disclosure of all material payments to governments of taxes, royalties, signature bonuses, and all other forms of payments or benefits.

889

890

891 I. Implementation:

892

893 a. *Relevance*

894

895 Criterion 4 on Revenue Transparency is relevant to all Sites' operational activities,
896 irrespective of size, location, or function in the value chain. Sites operating in the
897 Extractive Industries Transparency Initiative (EITI) implementing country should report
898 in accordance with the EITI. Sites operating in non-EITI implementing countries should
899 also disclose all material payments made to governments where contract
900 confidentiality provisions allow such disclosure, and support the implementation of the
901 EITI principles.

902

903 b. *Core Requirements*

904

905 Sites are expected publicly to disclose all material payments to governments,
906 including: taxes, royalties, signature bonuses and all other forms of payment of
907 benefits.

908

909 **1. To publicly disclose payments in line with internationally recognized**
910 **frameworks**, which means, as well as following the frameworks required in Criteria
911 1 and 2 and where applicable to operational activities, Sites must:

- 912 • follow [The Extractive Industries Transparency Initiative](#) if they operate in EITI
913 implementing country.

914

915 Sites operating in non-EITI implementing countries are required to implement all
916 other elements of this Criterion.

917

918 **2. To implement a system to manage public disclosure of material payments,**
919 which means to establish a management system in line with Criterion 1 on
920 Management Systems.

921

922 As well as the requirements in Criterion 1, the management system should:

- ensure that Sites publicly disclose, every year, material payments, including taxes, made to governments as defined by legal requirements applicable to Sites.
- Payments are material if their omission or misstatement could significantly affect the comprehensiveness of the disclosures, affecting the judgement of an informed stakeholder;
- make payment disclosure accessible to the public and compiled in a way that is easily understandable to stakeholders;
- make a public statement of support for EITI principles.

II. Examples of Evidence:

The following are examples of documents that may be used to demonstrate conformance with the Criterion. Please note that the list is not exhaustive and the Sites are not expected to have all the documents listed below:

Policies & Procedures

- A policy supporting the EITI and committing to report in accordance with the EITI (if applicable).
- Materiality assessment.
- Public statement of support for EITI principles (if applicable).

Records

- Documentation of participation in country-level EITI activities.
- Record of audits of payments to governments.

Reporting

- Yearly disclosure of material payments made to governments.
- Publication of EITI report (if applicable).

External Assurance & Inspections

- Independently verified financial accounts covering all material payments made to participating governments in the form of taxes, royalties, signature bonuses and other forms of payments or benefits.

The following are examples of other evidence, collected through interviews and/or observation during the Sites' assessment, that can demonstrate conformance with the Criterion. In addition to the examples listed below, the examples listed for Criterion 1 on Management Systems and Criterion 2 on Impact Assessments, and Criterion 6 on Sustainability Reporting should be taken into account:

- *Management can:*
 - demonstrate knowledge of the payments made to government by Sites;

- explain how information is collected, reported, and disseminated to key stakeholders.
- *Stakeholders can:*
 - confirm that Sites have publicly disclosed information on payments to government in an understandable and accessible way.

III. Key References

The following international frameworks must be followed for the implementation of this Criterion where applicable to Sites' operational activities:

- [The Extractive Industries Transparency Initiative for Sites in EITI implementing countries](#)

Additional Reading

The following international guidance for businesses on revenue transparency may be useful for guidance purposes when implementing this Criterion:

- [International Monetary Fund, Guide on Resource Revenue Transparency, 2007 Revised Edition](#)
- [The Extractive Sector Transparency Measures Act \(ESTMA\)](#)
- [EU Accounting Directive](#)

CRITERION 5: Legal Compliance

Ensure high standards of business conduct through compliance with all applicable national regulatory requirements and all obligations under international law.

I. Implementation:

a. Relevance

Criterion 5 on Legal Compliance is applicable to all operational activities, irrespective of size, location, or function in the value chain. This Criterion should be implemented for each topic in this guidance. This means that All Sites are expected to demonstrate compliance with applicable national regulatory requirements and obligations under international law across all criteria. If discrepancies or inconsistent requirements exist between national and international legal and regulatory requirements, Sites should follow the stricter requirements. In case of contradiction between the domestic law of the country and international legal and regulatory requirements, Sites should follow requirements that provide the highest protection to workers and the environment, as long as doing so does not create a breach of national regulatory requirements.

b. Core Requirements

Sites are expected to comply with all applicable national and international laws, standards, and regulatory requirements.

1. To identify all applicable national and international laws, standards and regulatory requirements in line with Criterion 2 on Impact Assessments, which means:

- develop and maintain a legal register;
- monitor continuously for legal and regulatory developments on national and international levels and remain up to date;
- identify emerging areas where a legal risk exists and their potential impacts on the Sites' operational activities;

2. To comply with all applicable national and international laws, standards and regulatory requirements, which means to implement a management system to manage the risk of legal non-compliance in line with Criterion 1 on Management

Systems. As well as the requirements in Criterion 1, the management system should:

- include periodical training on all applicable legal and regulatory requirements to workers, depending on the Sites' internal responsibilities and the relevant and applicable laws to that department or workers;
- require workers and suppliers to implement policies that ensure legal compliance in line with this Criterion;
- conduct a comparative analysis of national and international regulatory requirements. In case of contradiction between the domestic law of the country and international legal and regulatory requirements, follow requirements that provide the highest protection to workers and the environment if this does not make them breach national laws and regulations;
- obtain guidance from the relevant national, international or regulatory authority or consult with a legal professional to provide their professional interpretation and opinion of the law and requirement in question, where there is doubt interpreting the legal or regulatory requirement if applicable;
- maintain detailed records of all required permits and licenses that it required for operational activities;
- maintain a record for the re-application and expiration timeline for each permit and license;
- maintain financial accounts related to fair and transparent business transactions under the applicable laws and in accordance with national and/or international accounting standards. All financial accounts should be verified by an independent qualified auditor who is not under any undue influence or bias;
- maintain detailed records of all instances where the business has identified instances of non-compliance with laws or regulations, including details of corrective measures the business implemented to mitigate or correct non-compliance;
- establish internal control systems which aim to prevent and detect legal offences; and,
- implement a grievance mechanism to alert management to the risk of or incidence of legal non-compliance in line with Criterion 7 on Grievance Mechanisms.

II. Examples of Evidence:

The following are examples of documents that may be used to demonstrate conformance with the Criterion. Please note that the list is not exhaustive, and the Sites are not expected to have all the documents listed below:

Policies & Procedures

- Policies and procedures committing to practices which adhere to the relevant national and international laws.
- Procedures describing the roles of the individuals and process by which legal and regulatory requirements are reviewed.
- Grievance mechanism.

Records

- Regularly updated and reviewed databases and registers for internal use to keep documentation of all relevant information under this Criterion, including:
 - a legal register of all applicable standards, laws and regulations including comparative assessments of national and international laws and regulations;
 - a register of licenses, permits and certifications and a timeline of expiration and review.
- Financial accounts.
- Job descriptions of personnel in charge of maintaining conformance to legal and compliance matters.
- Grievance records and allegations related to legal compliance.
- Records related to monitoring the legal compliance of subcontractors, suppliers, and vendors.
- Training records on compliance and how to raise legal compliance grievances.

Contracts & Agreements

- Contracts, working agreements or retainers demonstrating that the company has sought or has an ongoing relationship with a legal representative or a compliance specialist.
- Contractual clauses in commercial and procurement agreements with Business Partners or Suppliers on adherence to legal compliance.

External Assurance & Inspections

- Audited financial accounts.
- Government inspection reports.

The following are examples of other evidence, collected through interviews and/or observation during a Sites' assessment that can demonstrate conformance to the Criterion. In addition to the examples listed below, the examples listed for Criterion 1 on Management Systems and Criterion 2 on Impact Assessments should be taken into account:

- **Management can:**
 - explain Sites' compliance procedures and processes;
 - describe where to find the relevant legal and compliance registers, and license and permits registers, how to keep track of legal updates;

- 1106 ○ clarify the applicability of standards, laws and regulations to Sites’
1107 operational activities;
- 1108 ○ describe legal compliance training they have received and provided to
1109 workers.
- 1110 • *Workers can:*
 - 1111 ○ describe where to find the relevant legal and compliance registers, and
1112 license and permits registers;
 - 1113 ○ explain the applicability of the law or regulation to their relevant
1114 department;
 - 1115 ○ describe legal compliance training they have received and where and how
1116 to raise grievances related to legal compliance.
- 1117 • *Assessors observe:*
 - 1118 ○ that the applicable laws and regulations are posted clearly through
1119 different mediums at Sites including internal online intranets, booklets and
1120 pamphlets, worker handbooks, and bulletin boards as relevant.

1121

1122 III. Key References:

1123 Additional Reading

1124 The following databases may be useful for guidance when implementing this Criterion:

1125

- 1126 • [ILO, NATLEX database](#)
- 1127 • [ILO, LEGOSH database](#)
- 1128 • [ILO, TRAVAIL database](#)

1129

CRITERION 6: Sustainability Reporting

Enable corporate transparency and accountability and promote informed decision-making through the publication of annual reports on environmental, social and governance performance.

I. Implementation:

a. *Relevance*

Transparency and accountability lie at the basis of the trust relationship between companies and stakeholders. Sustainability reporting represents the key means to meet stakeholders' expectations on transparency. Sites are indeed increasingly requested by stakeholders to provide public disclosure of the effects of their operations and actions on the economy, the environment and the community, ultimately showing their contribution towards sustainable development.

For this reason, Criterion 6 on Sustainability Reporting is relevant to all Sites, irrespective of size, business or organizational type, value chain function, country of operation and reporting experience. However, Sites subject to sustainability disclosure based on specific countries' regulatory requirements should be aware of such requirements and ensure in line with applicable regulatory frameworks and the standards they invoke.

b. *Core Requirements*

Sites are expected to enable corporate transparency and accountability and promote informed decision-making through the publication of annual reports on environmental, social and governance performance.

1. To report on the Sites' governance, environmental and social performance in line with internationally recognized reporting standards, which means, as well as following frameworks required in Criteria 1 and 2 and where applicable to operational activities, Sites must follow one of the following:

- the Global Reporting Initiative (GRI) Standard, including its Sector Standards where applicable;
- the Sustainable Accounting Standards Board (SASB) Standard;
- International Integrated Reporting Council (IIRC) Integrated Reporting Framework;
- and, where applicable, consider following subject matter standards such as:

- the Carbon Disclosure Project (CDP);
- the Task-Force on Climate-related Financial Disclosures (TCFD);
- the Extractive Industries Transparency Initiative (EITI) Standard.

2. To enable transparency and accountability, which means that Sites must:

- conduct a materiality assessment to identify and report on material topics based on:
 - an understanding of the Sites' operational activities and business relationships, the sustainability context in which these occur, and an overview of its stakeholders;
 - the potential and actual impacts – both positive and negative – of the Sites on the economy, environment, and people, in line with Criterion 2 on Risk and Impact Assessments; and
 - the concerns of its stakeholders;
- prioritize the material topics identified, to determine the list of material topics Sites must report on together with their relevance based on the priority attributed to them.
- collect, measure, analyze and communicate information that is:
 - accurate: collected and analyzed through robust methodologies;
 - balanced: fairly reflects both the positive and Sites' adverse impacts;
 - clear: available in a manner that is understandable and accessible to stakeholders;
 - comparable: presented in a way that allows for an assessment of the Sites' performance over time as well as in relation to its peers.

Sustainability reporting may be through stand-alone dedicated sustainability reports or be integrated as part of Sites' financial reports. Reporting may be designed and developed specifically for and by Sites, or Sites' data may be incorporated into corporate-level reports in aggregated form. Where Sites incorporate site-level reporting into corporate-level reporting and where corporate level reports aggregate site-level information, Sites are expected to generate, analyze data, and document results for all the requisite aspects of all Criteria in this guidance.

II. Examples of Evidence:

The following are examples of documents that may be used to demonstrate conformance with the Criterion. Please note that the list is not exhaustive and Sites are not expected to have all the documents listed below:

Policies and Procedures

- Sustainability reporting procedure.

Records

- Materiality assessment;
- Stakeholder mapping.

- Data collection files for site-level reporting and data aggregation files for corporate-level reporting.

Plans

- Plans to take actions with respect to material topics, including, for example, Sites' own operations or through involvement in community or industry initiatives.

Reporting & Communication

- Annual sustainability report or equivalent, publicly disclosed on the website and other external communication channels.

External Assurance & Inspections

- Third-party validation of Sites' annual sustainability report or equivalent.

The following are examples of other evidence, collected through interviews and/or observation during the Sites' assessment, that can demonstrate conformance with the Criterion. In addition to the examples listed below, the examples listed for Criterion 1 on Management Systems and Criterion 2 on Impact Assessments should be considered:

- *Management can:*
 - describe Sites' sustainability reporting process;
 - describe Material topics definition process;
 - describe Environmental, Social and Governance data collection and analysis processes;
 - describe how information on Sites' performance is reported and communicated to key stakeholders.
- *Community members and stakeholders can:*
 - confirm that Sites have engaged for the development of its materiality assessment;
 - confirm that they have been adequately involved by reporting Sites throughout the reporting cycle;
 - can access Sites' reporting results.

III. Key References:

Internationally Recognized Frameworks

One of the following international frameworks must be followed for the implementation of this Criterion where applicable to Sites' operational activities:

- [The Global Reporting Initiative \(GRI\) Standard](#), including its Sector Standards where applicable
- [The Sustainable Accounting Standards Board \(SASB\) Standard](#)

- [International Integrated Reporting Council \(IIRC\) Integrated Reporting Framework](#)

The following international frameworks must be considered for the implementation of this Criterion where applicable to Sites' operational activities:

- [The Carbon Disclosure Project \(CDP\)](#)
- [The Task-Force on Climate-related Financial Disclosures \(TCFD\)](#)
- [The Extractive Industries Transparency Initiative \(EITI\) Standard](#)

Additional Reading

The following literature may be useful for guidance when implementing this Criterion:

- [OECD Guidelines for Multinational Enterprises](#)
- [UN Global Compact, Communication on Progress](#)
- [UN Guiding Principles Reporting Framework](#)
- [GRI Reporting support tools](#)

1271 CRITERION 7: Grievance Mechanism

Respect the rights of adversely affected stakeholders' access to remedy, through the implementation of an effective grievance mechanism.

1272

1273 I. Implementation:

1274

1275 a. *Relevance*

1276 RRA Criterion 7 on grievance mechanisms is applicable to all Sites' activities,
1277 irrespective of size, location, or function in the value chain.

1278

1279 b. *Core requirements*

1280 Sites are expected to implement an effective grievance mechanism.

1281

1282 Sites can also meet this requirement by means of participation in a multistakeholder
1283 or institutional initiative that provides a grievance mechanism, as long as the
1284 mechanism is in line with Principle 31 of the UN Guiding Principles on Business and
1285 Human Rights.

1286

1287 Sites are expected to implement effective grievance mechanisms in line with Principle
1288 31 of the UN Guiding Principles on Business and Human Rights on non-judicial
1289 grievance mechanisms and in accordance with Criterion 1 on Management Systems;
1290 and remedy any adverse human rights impacts that they have caused, contributed to
1291 or been linked with:

1292

1293 **1. To implement effective grievance mechanisms in line with the UN Guiding**
1294 **Principles**, which means to design, communicate, evaluate and document the
1295 mechanisms (or mechanism) to ensure they meet the following effectiveness
1296 Criteria defined in Principle 31:

- 1297 • Legitimate: the mechanism is applicable to all affected stakeholders. The
1298 mechanism should be designed in consultation with affected stakeholders in
1299 line with Criterion 8 on Stakeholder Management; and Sites should establish
1300 formal management accountability and operational responsibilities for the
1301 mechanism's implementation;
- 1302 • Accessible: the mechanism should be made known to all affected stakeholders
1303 through multiple channels that are adapted to local cultures and languages. The
1304 mechanism should be easy to use and should consider additional measures to
1305 ensure accessibility for any affected stakeholders who may face barriers to
1306 access. The scope of the mechanism should allow grievances to be raised by
1307 workers, community members, Indigenous Peoples, business partners,

suppliers, workers in the supply chain and other stakeholders. This may require establishing different mechanisms for different stakeholders.

- Predictable: the mechanism should provide a clear procedure to ensure affected stakeholders understand the time frame and process for each stage of the procedure and the possible outcomes. Sites should develop procedures for communication, investigation and remediation of grievances.
- Equitable: the mechanism should strive to ensure that all affected stakeholders have easy access to the information and any associated advice or guidance. Sites should facilitate access to independent representation where necessary.
- Transparent: the mechanism should clearly communicate each step of the process and keep affected stakeholders and all affected parties informed of any developments at every stage and any results or outcomes. Sites should publicly report on their grievance mechanisms in line with international standards and in consideration of any need for confidentiality.
- Rights-compatible: the mechanism should ensure that all remedies or corrective actions are compatible with and respect international human rights. The mechanism should protect confidentiality by allowing for anonymous submissions and should ensure non-retaliation through raising awareness about and establishing procedures for identifying and mitigating risks of retaliation to affected stakeholders. The mechanism should not prevent affected stakeholders from accessing other available channels to seek redress.
- A source of continuous learning: the mechanism should solicit regular feedback from users and the outcomes and effectiveness of the mechanism should be periodically evaluated. The results of the feedback and evaluation should contribute to the improvement of the mechanism over time.
- Based on engagement and dialogue: the mechanism should seek to resolve grievances through dialogue and joint problem-solving; and should involve affected stakeholders in evaluating the performance of the mechanism.

Sites' grievance mechanisms should complement, not replace, state-level grievance mechanisms. If the grievance cannot be remedied or solved through the Sites' established grievance mechanism, the Sites should engage through an alternative dispute resolution procedure, such as judicial proceedings, administrative remedies, or arbitration.

2. To remedy any adverse human rights impacts, identified in accordance with Criterion 2 on Impact Assessments, that Sites have caused, contributed to, or been linked with, which means to provide for or support legitimate remedy processes, or contribute to the actions of others providing remedy through judicial, institutional or other mechanisms. Remedies should restore those that have been harmed to the situation they would have been in had the impact not occurred. Remedies can take many forms: an acknowledgement and apology, financial or other compensation

or reimbursements for any losses or injuries, or rehabilitation and support. Remedies should also include measures to cease and prevent the harm from recurring. The remedy process should be based on the severity of the impact and whether the Sites caused, contributed to, or are linked to the adverse impacts:

- Where the Sites caused, or may have caused the adverse impact, the Sites should cease or prevent the action causing the harm and remediate the harm.
- Where the Sites contributed to, or may contribute to the adverse impacts, the Sites should cease or prevent the action contributing to the harm; use leverage to mitigate the risk that any remaining impact continues or recurs; and contribute to the remediation of the harm;
- Where there is a linkage between the adverse impacts and the Sites' actions or operations but no direct cause or contribution, the Sites should use leverage to mitigate the risk of the impact continuing or recurring in accordance with the Sites' level of influence (such as in cases of adverse impacts in the supply chain).

II. Examples of Evidence:

The following are examples of documents that can demonstrate conformance with the Criterion. Please note this list is not exhaustive and Sites are not expected to have all the documents listed below:

Policies & Procedures

- Policies and procedures to inform workers and other stakeholders of available grievance mechanisms.
- Policies and procedures for responding to grievances in a timely manner.
- Procedure for inclusion of stakeholders in the design of the grievance mechanism.
- Procedure for monitoring and evaluating the performance of the grievance mechanism.
- Policies on identifying and remedying human rights impacts.

Records

- Results of impact assessments.
- Databases containing detailed records of grievances, investigation reports, Sites' responses and remedial action.
- Key performance indicators and records of management regularly monitoring and reviewing procedures and any remedies.
- Job description(s) of personnel responsible for communicating the grievance mechanism and investigating, responding, and resolving grievances.
- Evidence of education and training of relevant personnel.
- Stakeholder engagement records.
- Documentation of remedies provided.

- Records from state, judicial or administrative grievance mechanisms or arbitration proceedings that reference the Sites.

Reporting & Communication

- Training and communication material on grievance mechanisms.
- Evidence of communication to external stakeholders in formats that are accessible, culturally appropriate and understandable.
- Evidence of customization of communication material for different types of stakeholders.

External Assurance & Inspections

- Third-party assurance reports of a formal management system to identify and respond to grievances.

The following are examples of other evidence, collected through interviews and/or observation during the Sites' assessment, that can demonstrate conformance with the Criterion. In addition to the examples listed below, the examples listed for Criterion 1 on Management Systems, Criterion 2 on Impact Assessments, and Criterion 8 on Stakeholder Engagement should be taken into account:

- Management can:**
 - demonstrate an understanding of existing grievance mechanisms, and policies and procedures;
 - demonstrate an understanding of the clear lines of responsibility and accountability on Sites with regards to implementing the grievance mechanism;
 - explain how the grievance mechanism is developed and implemented in line with Principle 31 of the UN Guiding Principles on Business and Human Rights;
 - demonstrate an understanding of the investigation procedure and the responsibilities of the Sites to implement the grievance mechanism;
 - demonstrate the ability to uncover the root causes of certain grievances;
 - describe how stakeholders are involved in designing and providing feedback on the performance of the mechanism;
 - describe how the effectiveness of the grievance mechanism is evaluated;
 - explain how stakeholders are protected from retaliation;
 - describe how adverse human rights impacts are remedied.
- Workers can:**
 - describe the channels available to lodge a complaint, and policies and procedures related to grievance mechanisms;
 - identify personnel responsible for receiving, investigating, responding to and resolving complaints;

- explain how they are involved in designing and providing feedback on the performance of the mechanism;
- confirm that they trust the grievance mechanism, have the ability to file complaints anonymously and do not fear retaliation for using the mechanism;
- describe how grievances have been resolved through the mechanism, if applicable, and how the investigation and resolution processes were communicated;
- describe remedies that have been provided in cases of adverse impacts, if applicable.
- *Stakeholders can:*
 - describe the channels available to lodge a complaint;
 - confirm ease of access to information about the grievance mechanism in culturally appropriate formats;
 - explain how they are involved in designing and providing feedback on the performance of the mechanism;
 - confirm that they trust the grievance mechanism, have the ability to file complaints anonymously and do not fear retaliation;
 - describe how grievances have been resolved through the mechanism, if applicable, and how the investigation and resolution processes were communicated;
 - describe remedies that have been provided in cases of adverse impacts, if applicable.
- *Assessors observe:*
 - communication materials, posters, suggestion boxes or other information about the grievance mechanisms posted around the Sites and nearby communities.

III. Key References:

Internationally Recognized Frameworks

The following international frameworks must be followed for the implementation of this Criterion where applicable to Sites operational activities:

- [The UN Guiding Principles on Business and Human Rights](#)

Additional Reading

The following literature may be useful for guidance when implementing this Criterion:

- 1473 • [BSR, Access to Remedy](#)
- 1474 • [Compliance Advisor Ombudsman Grievance Mechanism Toolkit](#)
- 1475 • [Global Perspectives Project, Doing Business with Respect for Human Rights:](#)
- 1476 [Chapter 3.8 Remediation and Grievance Mechanisms](#)
- 1477 • [International Council on Mining & Metals, Community Development Toolkit:](#)
- 1478 [Tool 5 Grievance Mechanism](#)
- 1479 • [International Council on Mining & Metals, Handling and Resolving Local-level](#)
- 1480 [Concerns and Grievances: Human rights in the mining and metals sector](#)
- 1481 • [IFC, Addressing Grievances from Project-Affected Communities](#)
- 1482 • [IFC Performance Standards on Environmental and Social Sustainability](#)
- 1483 [Guidance Notes](#)
- 1484 • [Harvard Kennedy School of Government's Corporate Social Responsibility](#)
- 1485 [Initiative, Embedding Rights Compatible Grievance Processes for External](#)
- 1486 [Stakeholders Within Business Culture](#)
- 1487 • [Harvard Kennedy School of Government's Corporate Social Responsibility](#)
- 1488 [Initiative, Rights Compatible Grievance Mechanisms: A guidance tool for](#)
- 1489 [companies and their stakeholders](#)
- 1490 • [Shift, Remediation, Grievance Mechanisms and the Corporate Responsibility](#)
- 1491 [to Respect Human Rights](#)
- 1492 • [Transparency International, Internal Whistleblowing Mechanisms – Topic](#)
- 1493 [Guide](#)
- 1494 • [UN Office of the High Commissioner for Human Rights, The Corporate](#)
- 1495 [Responsibility to Respect Human Rights: An Interpretive Guide](#)

1496

CRITERION 8: Stakeholder Engagement

Enable affected stakeholders' early and continued participation in decisions through the:

- **identification of the risks of adverse impacts on stakeholders across all operational activities;**
- **implementation of a system to manage stakeholder engagement; and,**
- **public disclosure of adverse impacts from operational activities on stakeholders and the measures taken for their mitigation.**

I. Implementation:

The following shall be considered when implementing this Criterion:

a. Relevance

Criterion 8 on stakeholder engagement is relevant to all operational activities, irrespective of size, location, or its function in the value chain.

b. Core Requirements

Inclusive and effective stakeholder engagement is a cross-cutting expectation across all ESG issues and applies to all other Criteria. This Criterion defines how stakeholder engagement needs to be conducted in all areas where it is required.

Sites are expected to enable affected stakeholders' early and continued participation through the: identification of the risks of adverse impacts on stakeholders across all operational activities; implementation of an inclusive and effective engagement process; and public disclosure of identified impacts on stakeholders and the measures taken for their mitigation.

1. To manage stakeholder engagement in line with internationally recognized frameworks, which means, as well as the frameworks required in Criteria 1 and 2, and where applicable to operational activities, Sites must:

- follow the [United Nations Guiding Principles on Business and Human Rights \(UNGPs\)](#);
- consider following the [AccountAbility Stakeholder Engagement Standard](#).

- 1529 **2. To enable affected stakeholders' early and continued participation** in
1530 decisions that affect their health, well-being, safety, livelihoods, communities, and
1531 environment, which means to:
- 1532 • Identify and map **stakeholders** that are directly and indirectly affected by the
1533 operational activities through a systematic approach and ensure it is regularly
1534 updated.
 - 1535 • Priority stakeholder groups should include rights-holders such as **Indigenous**
1536 **Peoples**, ethnic minorities, migrants, women and girls; stakeholders who will
1537 be directly or adversely affected by potential **environmental and social**
1538 **impacts** within the Sites' **operational activities** and the most vulnerable
1539 among the potentially impacted.
 - 1540 • Provide information as early as possible with enough time for stakeholders to
1541 fully understand how decisions may affect them and to consider how they may
1542 respond or engage in the decision-making process.
 - 1543 • Conduct ongoing engagement that enables stakeholders' continued
1544 participation throughout the lifecycle of the operational activities.
 - 1545 • Enable stakeholders to inform and influence decision-making on aspects of the
1546 operational activities that may affect them, such as where to locate a waste site
1547 or the routing of a new access road; and community development program
1548 design, implementation and monitoring and evaluation, in line with Criterion 24
1549 on Community Development.
 - 1550 • Ensure effective stakeholder engagement and consultation that is proactive,
1551 accessible, inclusive, equitable, culturally appropriate, gender-sensitive, rights-
1552 compatible, accountable and transparent.
- 1553
- 1554 **3. To identify risks of adverse impacts on stakeholders across all operational**
1555 **activities**, which means to include in the scope of risk and impact assessment the
1556 possibility of impacts on stakeholders caused or contributed to by the Sites'
1557 operational activities in line with Criterion 2 on Impact Assessments. Adverse
1558 impacts may include impacts on health, well-being, safety, livelihoods,
1559 environment, and human and cultural rights.
- 1560
- 1561 **4. To implement a system to ensure inclusive and effective engagement**
1562 **processes**, which means to:
- 1563 • Involve affected stakeholders in identifying, understanding and responding to
1564 project-related decisions and concerns.
 - 1565 • Identify and engage honestly, frequently and collaboratively with all affected
1566 stakeholders through a good faith consultation process that is fair;
1567 representative; free of intimidation, manipulation, interference or coercion; and
1568 non-discriminatory.

- Provide information in advance of consultation activities and decision-making in a format and language that is readily understandable, accessible and tailored to the needs of the target stakeholder(s).
- Provide information in formats and locations that make it easy and comfortable for stakeholders to access it.
- Ensure respect for local traditions, languages, timeframes, and decision-making processes.
- Ensure two-way dialogue that gives all parties the opportunity to exchange views and information, to listen, to have their concerns heard and addressed.
- Promote inclusiveness in representation of views, including women, vulnerable and/or minority groups.
- Hold a separate engagement process for Indigenous Peoples where relevant, respecting their right to FPIC, in line with Criterion 28 on Indigenous Peoples' Rights which requires Sites to implement an Indigenous Peoples' engagement plan.
- Incorporate feedback into project or program design and reporting back to stakeholders.
- Ensure the implementation of an accessible and robust grievance mechanism in line with Criterion 7 on Grievance Mechanisms.
- Where stakeholder engagement is the responsibility of the government, Sites should collaborate with the responsible government agency and will play an active role during the planning, implementation, and monitoring of the stakeholder engagement process and, where needed, conduct a complementary process, and identify additional actions.

5. To publicly disclose identified impacts on stakeholders and the measures taken for their mitigation, which means to:

- Disclose the results of impact assessments, including information on the social, environmental, human rights and cultural risks and impacts, and where feasible the disclosure of any additional data needs identified, to affected stakeholders in their local language(s) and in a reasonably accessible format throughout the life of the Site.
- Periodically report on the results of engagement processes, including how stakeholders and impacts are identified; what issues came up; which stakeholders may be affected; the severity, scale and duration of the impacts; and plans to prevent, mitigate, remediate and/or compensate for negative impacts.

II. Examples of Evidence:

The following are examples of documents that can demonstrate conformance with the Criterion. Please note that the list is not exhaustive, and Sites are not expected to have all the documents listed below:

Policies & Procedures

- Corporate or Site-level stakeholder engagement policy, management plan and procedures.
- Procedures for stakeholder mapping.
- Procedures for involving stakeholders in impact assessments, decision-making, and community development design, implementation, monitoring and evaluation.
- Grievance mechanism policies and procedures.

Records

- Results of a stakeholder mapping exercise and records of identified stakeholders.
- Results of social impact assessments.
- Records of engagement and consultation activities spanning period from implementation of stakeholder engagement plan to current date.
- Job description(s) of personnel responsible for stakeholder engagement.
- Evidence of education and training of relevant personnel.
- Records of grievances/complaints.
- Records of Sites' responses to grievances received over period from implementation of grievance mechanism to current date.
- Register or other documentation of direct and indirect impact of stakeholders on key decisions and Sites' operational activities.
- Stakeholder committee reports and minutes.

Plans

- Stakeholder engagement plan, including implementation schedule and register of completed stakeholder engagement activities.

Reporting & Communication

- Stakeholder engagement reports.
- Public reporting and disclosure of the results of impact assessments, stakeholder identification and engagement processes, and mitigation measures for any adverse impacts.
- Local governance reports or NGO reports.

External Assurance & Inspections

- Audit reports (external or internal) or certifications, such as AA1000SE.
- Assurance claims on public website, annual report, or corporate sustainability report.

The following are examples of other evidence, collected through interviews and/or observation during the Sites' assessment, that can demonstrate conformance with the Criterion. In addition to the examples listed below, the examples listed for Criterion 1 on Management Systems, Criterion 2 on Impact Assessments, Criterion 7 on Grievance Mechanisms, Criterion 24 on Community Development and Criterion 28 on Indigenous Peoples should be taken into account:

- **Management can:**

- demonstrate an understanding of the Sites' policy and procedures on stakeholder engagement;
- explain how stakeholders are identified and mapped and how potential impacts on stakeholders are identified and mitigated;
- describe the stakeholder engagement plan and can demonstrate understanding of how the plan will be implemented, including ensuring a two-way process of information sharing and decision-making that aims to simultaneously address stakeholder issues and priorities;
- describe how they identify and engage with vulnerable groups;
- demonstrate how stakeholders inform and influence decision-making;
- describe how designated workers are trained on the stakeholder engagement process.;
- explain how they communicate the stakeholder engagement process to relevant stakeholders.

- **Workers can:**

- demonstrate understanding of the Sites' stakeholder engagement plan and its implementation process;
- describe how they have participated in engagement processes and their knowledge of a grievance/complaints mechanism and how to use it;
- describe any training they have received on stakeholder engagement, where relevant.

- **Stakeholders can:**

- demonstrate understanding of the Sites' stakeholder engagement plan and its implementation process;
- describe how they have participated in engagement processes and their knowledge of a grievance/complaints mechanism and how to use it;
- explain how stakeholder engagement processes are early, continued, inclusive and culturally-appropriate;
- describe the communication mechanisms used by the Sites to inform and engage them;
- confirm that they have the opportunity to inform and influence decision-making;

- confirm they are aware of and have access to the results of impact assessments, stakeholder identification and engagement processes, and mitigation measures for any adverse impacts.
- *Assessors observe:*
 - community meetings or other stakeholder engagement processes, where possible.

III. Key References:

International Operating Frameworks

The following international frameworks must be followed for the implementation of this Criterion where applicable to Sites' operational activities:

[The UN Guiding Principles on Business and Human Rights](#)

The following international frameworks must be considered for the implementation of this Criterion where applicable to Sites' operational activities:

- [AccountAbility Stakeholder Engagement Standard](#)

International Conventions and Treaties

- UN Human Rights Treaties and their Protocols, including:
 - [International Covenant on Civil and Political Rights](#)
 - International Covenant on Economic, Social and Cultural Rights
- [Universal Declaration of Human Rights](#)

Additional Reading

The following literature may be useful for guidance when implementing this Criterion:

- [BSR, Five-Step Approach to Stakeholder Engagement Toolkit](#)
- [Global Perspectives Project, Doing Business with Respect for Human Rights: Chapter 3.7 Stakeholder Engagement](#)
- [International Finance Corporation, Stakeholder Engagement: A Good Practice Handbook for Companies Doing Business in Emerging Markets](#)
- [International Institute for Environment and Development, Meaningful Community Engagement in the Extractive Industries](#)
- [International Council on Mining & Metals, Community Development Toolkit](#)
- [International Council on Mining & Metals, Stakeholder Research Toolkit](#)

- 1730 • [ISO 26000 Guidance on Social Responsibility](#)
- 1731 • [OECD, Due Diligence Guidance for Meaningful Stakeholder Engagement in](#)
- 1732 [the Extractive Sector](#)
- 1733 • [Network for Business Sustainability, Community Engagement: A Getting](#)
- 1734 [Started Toolkit for Exploration and Development Companies](#)
- 1735 • [Next Generation, How Stakeholder Engagement Improves Community](#)
- 1736 [Development Projects and Programmes](#)
- 1737 • [PDAC, Community Engagement Guide](#)
- 1738 • [UN Global Compact, Community Engagement and Investment to Advance](#)
- 1739 [Human Rights in Supply Chains](#)
- 1740 • [World Resources Institute, Breaking Ground: Engaging Communities in](#)
- 1741 [Extractive and Infrastructure Projects](#)
- 1742
- 1743

DRAFT

CRITERION 9: Mine Closure and Reclamation

Ensure the long-term environmental, social, and economic stability of mining communities through the:

- **identification of risks and opportunities;**
- **implementation of an integrated, comprehensive, and progressive plan to manage; and,**
- **public disclosure of performance on the mitigation of adverse impacts and benefits from mine closure and reclamation.**

I. Implementation:

a. Relevance

This Criterion only applies to mining Sites.

While the relevance of mine closure and reclamation becomes more accentuated towards the final phases of Sites' operational lives, planning for closure is a continual exercise throughout all phases. Therefore, this Criterion is relevant for mining at every phase of mining.

Mine closure includes the social and governance as well as environmental aspects of Sites operations. It has implications for the cultural and economic legacy left in communities and households directly and indirectly affected by operational activities. Large, long-life, integrated mining and processing operations, located near urban centers, linked with businesses and communities outside of mines' fences, and using transport routes extending across regional and national boundaries, will have to manage greater complexity at decommissioning than smaller, simpler, remote, and shorter-lived operations. Nevertheless, mining, although temporary, is a necessarily disruptive activity and even the smallest most isolated operation can leave a permanent reminder of its existence on the Earth's surface and with communities. This Criterion's application should be proportional to the size, complexity, location, and strength of the economic linkages of its situation, but it is relevant across all types and locations of mining Sites.

b. Core Requirements

Sites are expected to ensure the long-term environmental, social, and economic stability of mining communities, which means:

1. To manage mine closure and reclamation in line with internationally recognized frameworks, which means, as well as the frameworks required in Criteria 1 and 2 and where applicable to operational activities, Sites must:

- follow [The ICMM Integrated Mine Closure, Good Practice Guide, 2nd Edition](#).

2. To identify risks and opportunities from mine closure and reclamation, which means to implement impact assessments for mine closure and reclamation in line with Criterion 2 on Impact Assessments.

As well as the requirements in Criterion 2, where applicable to their operational activities, Sites should:

- Determine the Scope of impact assessments for mine closure and reclamation, which means to identify physical features, environmental and social aspects, operational activities, and stakeholders potentially and actually affected by mine closure and reclamation that fall within the responsibility of Sites to manage including but not limited to:
 - land controlled and facilities managed by Sites.
 - rivers, streams, lakes, other water bodies, and coast lines affected by operational activities;
 - surface and sub-surface water sources managed or affected by operational activities;
 - workers, communities, households, and individuals affected by operational activities, including transport routes, warehousing and dock facilities, and auxiliary industries, and service providers;
 - local authorities and government agencies receiving revenues from or holding formal agreements with Sites;
 - equipment, machinery, and installed infrastructure that might remain at Sites post closure;
 - all potential and actual direct and indirect adverse impacts across all environmental, social, and governance aspects;
 - opportunities for where closure can create benefits for affected stakeholders. Such benefits might include creation and restoration of degraded habitats, protection of littoral forests and of fresh water sources, continued access to healthcare, diversification of local economies through building of transferable skills and establishment of businesses with businesses models suitable in a post-mining economy;
 - all legal and regulatory requirements and potential liabilities related to mine closure;
 - reputation risks, including the social and legal license to continue operating at the Site and at other Sites in the future.

- Establish a Baseline, which means to generate, gather, and analyze relevant data and information on the status of Sites' features, aspects, operational activities, and stakeholders in scope including but not limited to:
 - emissions and discharges to air, soil, water, and ecosystems and especially those that might continue post closure;
 - the physical and psychological health of neighboring communities and other affected stakeholders;
 - the traditions and cultural heritage of neighboring communities and other affected stakeholders;
 - the business viability and economic linkages of outsourced auxiliary services to Sites;
 - the level of tax revenue and other economic rent received from authorities from Sites.

3. To implement a plan to manage mine closure and reclamation, which means to develop and document a forward-looking program detailing goals and measurable targets for success and corresponding activities and a timeline to mitigate the negative and capture the positive impacts of closing mine Sites, and to implement the plan within a management system in line with Criterion 1 on Management Systems.

As well as the requirements in Criterion 1, where applicable to their operational activities,

Sites' mine closure and reclamation plans should be:

- integrated, which means to incorporate all mine closure-related activities across all operational activities, and all management and operating functions and levels. An integrated approach embeds topic-specialist and subject-matter experts in management teams, which enables appropriate oversight of measures to mitigate potential or actual environmental, social, and governance impacts;
- comprehensive, which means the plan should cover all social, environmental and governance aspects associated with the Sites' closure and reclamation activities and its legacy post-closure. Sites may implement several stand-alone plans or combine several plans into one comprehensive plan;
- progressive, which means the implementation of closure and reclamation activities should take place throughout the operational life of Sites, from the earliest stages of mining exploration, construction, commissioning, and during mines' operations, rather than only at the final stages.

Sites' plans should include, but not be limited to:

- a vision for post-closure that is supported by affected stakeholders, which means to articulate what the Sites and its stakeholders agree to achieve after

- 1857 decommissioning and the legacy it will leave behind. This vision should serve
1858 as an overarching guide for the decisions and their implications throughout the
1859 Site's life;
- 1860 • the continual involvement of stakeholders potentially affected by the activities
1861 and legacy of the closure plan in the development and implementation of the
1862 plan in line with Criterion 8 on Stakeholder Engagement;
 - 1863 • continually updated details on mitigation measures to avoid, reduce, restore,
1864 and compensate for impacts on the environment and to respect and remediate
1865 rights of people affected by Sites' closure and by Sites' closure and reclamation
1866 activities. These mitigation measures should address but not be limited to
1867 potential and actual impacts associated with:
 - 1868 ○ physical and economic displacement from land acquisition and divestment
1869 and resettlement, in line with Criterion 25 on Land Acquisition and
1870 Resettlement;
 - 1871 ○ water use and quality in line with Criterion 28 on Water Stewardship;
 - 1872 ○ hazardous and non-hazardous waste disposal in line with Criterion 29 on
1873 Responsible Waste Disposal;
 - 1874 ○ biodiversity and high value conservation and protected areas in line with
1875 Criterion 32 on Biodiversity and Land Management.
 - 1876 • opportunities to contribute to the creation of benefits for post-mining
1877 communities;
 - 1878 • procedures to ensure compliance with all relevant legal and regulatory
1879 obligations related to mine closure and reclamation in line with Criterion 5 on
1880 Legal Compliance;
 - 1881 • continued monitoring of the performance of the closure and reclamation plan,
1882 which means to establish a system of controls and the implementation of
1883 indicators and protocols for collecting and analyzing information to evaluate the
1884 performance of the plan in achieving its objectives;
 - 1885 • make financial provision for closure and reclamation, which means to estimate
1886 and regularly review the costs associated with the closure and reclamation plan
1887 and provide adequate financial, human, and other resources to meet these
1888 costs. To assure financial provision, the Sites should segregate funds sufficient
1889 to cover the reclamation and closure costs that have been identified in an
1890 appropriate financial vehicle that is independently guaranteed, reliable, and
1891 readily liquid. The size of the financial provision and how funds are segregated
1892 and secured should comply with all legal and regulatory requirements identified
1893 in impact assessments and in line with Criterion 5 on Legal Compliance;
 - 1894 • annual reviews and, where necessary, continual amends and updates to adapt
1895 to changes in mine plans and to the social and economic circumstances of
1896 affected stakeholders.
- 1897

- 4. To disclose performance against implementation of the mine closure and reclamation plan,** which means to disclose at least annually all relevant information needed to clearly inform stakeholders of the Sites' related impacts, and benefits from mine closure and reclamation in line with Criterion 6 on Sustainability Reporting.

II. Examples of Evidence:

The following are examples of documents that may be used to demonstrate conformance with the Criterion. Please note that the list is not exhaustive, and the Sites are not expected to have all the documents listed below:

Policies & Procedures

- Policies that state Sites' commitment to conform with laws and regulations and implement best practices for the closure and reclamation of the mine's operations.
- Procedures on the goals and the targets, success criteria, indicators and monitoring protocols for the mine closure and reclamation process.

Records

- Register of the legal obligations and references on industry best practices applicable to the mine and relevant for closure and reclamation.
- Documented comprehensive plan and detailed procedures for different aspects of mine reclamation and closure covering social, labor, and environmental aspects of closure.
- Comprehensive analysis and estimation of the costs of closure and reclamation considering progressive reclamation, and both direct and indirect costs.
- Copy of the Sites' accounts and balance sheet showing ring-fenced financial entry designated for closure and reclamation costs.
- Assessment of and a post-closure strategy to mitigate the residual risks associated with access to water by local stakeholders and for water quality management, including acid rock drainage.
- Log of consultations with employees, local authorities, business partners and suppliers, community leaders, and Indigenous Peoples' groups demonstrating their involvement in decisions regarding measures taken to rehabilitate or any closure activity when in or near their territory or community.

Contracts & Agreements

- Legal documentation or agreement from government agencies acknowledging the adequacy of financial assurance (such as a bond, formal guarantee, or the ownership papers of an asset) set aside as financial provision for rehabilitation and closure.

Reporting

- Disclosure of the vision for the Sites' closure and reclamation.

- Public summary of the full mine closure and reclamation plan.

1941

1942 *The following are examples of other evidence, collected through interviews and/or*
 1943 *observation during the Sites' assessment, that can demonstrate conformance with the*
 1944 *Criterion. In addition to the examples listed below, the examples listed for Criterion 1*
 1945 *on Management Systems and Criterion 2 on Impact Assessments should be*
 1946 *considered:*

1947

- **Management can:**

- demonstrate an understanding of the Sites' strategies for mine closure and reclamation, including the vision for the area's post closure and activities to contribute to the transition of former mine workers and business with strong ties with the mine operation in the post-closure economy;

- provide examples of how land disturbed by the operation is being progressively reclaimed and how the Site has allocated resources to such efforts;

- describe the measures and criteria for success of the mine closure process;

- explain the concerns of local stakeholders regarding mine closure and reclamation;

- provide cost estimate for the mine closure and reclamation process.

- explain the procedures to manage water quality and acid rock drainage post closure;

- demonstrate their knowledge of industry best practices for mine closure and reclamation;

- explain the procedures for consulting with employees, organized labor groups, local authorities, and other external stakeholders.

- **Workers can:**

- demonstrate a basic understanding of the Sites' policies on mine closure and reclamation;

- describe their expectations in terms of preparing to transition to a post-closure economy if they are employed at the time of closure of the mine.

- name with whom they can discuss matters related to mine closure and the process for worker engagement by the Sites' management;

- **Stakeholders can:**

- confirm the frequency, content, and nature of consultation meetings with the Sites' personnel as part of the assessment of impacts and opportunities for the mine and surrounding area and economy post closure;

- confirm whether the closure plans related to operations in a protected area are implemented in accordance with the plans and goal of the relevant government agency or department, if applicable;

- confirm whether there will be a lasting residual impact from closure, such as from limited access to water or management of water quality;

- 1982 ○ confirm whether there will be any economic or social impacts from the Sites’
1983 activities during the rehabilitation or closure process, or post closure.
1984

1985 **III. Key References:**

1986

1987 **Internationally Recognized Frameworks**

1988

1989 The following international frameworks must be followed for the implementation of this
1990 Criterion where applicable to Sites’ operational activities:

- 1991
- 1992 • [The ICMM Integrated Mine Closure: Good Practice Guide, 2nd Edition](#)

1993

1994 **Additional Reading**

- 1995
- 1996 • [Australian Government, Department of Industry, Tourism and Resources:
1997 *Mine Closure and Completion, Leading Practice Sustainable Development
1998 Program for the Mining Industry*](#)
 - 1999 • [Initiative for Responsible Mining Assurance Standard for Responsible Mining
2000 – Guidance Document, Version 1.0, Criteria 2.6.2](#)
 - 2001 • [International Council on Mining & Metals Integrated Mine Closure: Good
2002 Practice Guide, 2nd Edition](#)
- 2003
- 2004

2005 **CRITERION 10: Responsible Supply Chains**

Respect regulatory requirements and promote responsible business conduct in supply chains through the implementation of corporate or site-level, comprehensive, integrated, iterative, and risk-based due diligence.

2006

2007 **I. Implementation:**

2008

2009 *a. Relevance:*

2010

2011 Businesses can play an important role in contributing to economic, environmental, and
 2012 social progress. However, businesses are increasingly held accountable for potential
 2013 and actual adverse impacts along their supply chains, and in some jurisdictions it is a
 2014 legal requirement for businesses to demonstrate they have identified, understood, and
 2015 acted to address adverse impacts associated with other businesses in their supply
 2016 chains, with direct and indirect commercial relationships. For this reason, this Criterion
 2017 is relevant to all Sites, irrespective of size, location, or function in the value chain.

2018

2019 This Criterion's requirements on regulatory due diligence are especially relevant for
 2020 Sites that mine, transport, trade and process regulated mineral and metal supply
 2021 chains, such as tin, tantalum, tungsten, and gold, and/or that operate in highly
 2022 regulated jurisdictions, such as the Australia, Canada, the European Union,
 2023 Switzerland, and the United States, which have introduced, or are introducing,
 2024 legislation on supply chain due diligence. Legislation on supply chain due diligence
 2025 has been increasing and accelerating over the past few years and expanding in scope
 2026 and across jurisdictions. Sites should monitor potential applicable regulatory changes.

2027

2028 This Criterion's requirements on the implementation of risk and impact-based due
 2029 diligence are especially relevant for Sites located in, or sourcing from, Conflict-Affected
 2030 and High-Risk Areas. These are expected to undertake enhanced due diligence to
 2031 confirm the presence of potential and actual adverse impacts of serious human rights
 2032 abuses and conflict financing along their supply chains.

2033

2034 Depending on their stage in the supply chain, whether upstream or downstream, or
 2035 whether they sit at an identified point in the supply chain, specific due diligence
 2036 expectations will differ. The expectation for mine Sites is to ensure that the Site itself
 2037 is not associated potential and actual adverse impacts and to pass down relevant due
 2038 diligence information to downstream customers. Processing Sites are expected to use
 2039 best efforts to identify upstream suppliers, at a minimum, up to the identified point; to
 2040 assess risk of impact by evaluating whether Sites sitting at an identified point
 2041 undertake due diligence; and to promote third-party audit of due diligence systems at

practices at such points. Sites in between are expected to obtain visibility of their entire supply chain, at a minimum, up to the Country of Origin, and for high-risk supply chains, to identify and verify traceability or chain of custody information, and undertake on-the-ground assessments to identify risks of impacts of contributing to conflict or human rights serious abuses.

b. Core Requirements:

Sites are expected to respect regulatory requirements and promote responsible business conduct in supply chains through the implementation of corporate or site-level, comprehensive, integrated, iterative, and risk-based due diligence processes.

1. To implement due diligence processes in line with internationally recognized frameworks, which means, as well as following frameworks required in Criteria 1 and 2 and where applicable to operational activities, Sites must:

- follow the UN Guiding Principles on Business and Human Rights; and
- follow the OECD Guidelines for Multinational Enterprises;
 - as articulated in the OECD Due Diligence Guidance for Responsible Business Conduct, with regards to environmental, social and governance due diligence;
- follow the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas and its Supplements, as articulated in metal-specific OECD-aligned assessed standards, such as the Joint Due Diligence Standard for Copper, Lead, Nickel, and Zinc.

2. To respect regulatory requirements, which means to ensure compliance with due diligence laws and regulations, as applicable based on Sites' jurisdictions. Examples of due diligence laws and regulations include, but are not limited to:

- regulatory frameworks specific to mineral supply chains due diligence, such as the Dodd–Frank Wall Street Reform and Consumer Protection Act in the United States and the Conflict Minerals Regulation (Regulation (EU) 2017/821) in the European Union, which are today limited to tin, tantalum, tungsten, and gold;
- regulatory frameworks covering specific environmental, social, and/or governance aspects, such as the Modern Slavery Act in the United Kingdom, the Modern Slavery Bill in Australia, the Child Labour Due Diligence Law in the Netherlands, the Uyghur Forced Labor Prevention Act in the United States, and so on;
- regulatory frameworks covering broader environmental, social, and/or governance due diligence requirements for businesses across industries, such as the Duty of Vigilance Act in France, the German Supply Chain Due Diligence Act in Germany, the due diligence legislation introduced in the Swiss Code of Obligations in Switzerland, and the upcoming Corporate Sustainability Due Diligence Directive in the European Union;

- additional local, national, or regional laws and regulations may introduce due diligence obligations on a wider scope of Sites around the world.

3. To promote responsible business conduct, which means to use Sites' management mandate and influence to implement its own operational activities in line with applicable laws and internationally recognized standards, identify and act on opportunities to make positive contributions to sustainable development and inclusive growth, and to avoid and address adverse impacts in supply chains and other business relationships through the implementation of a due diligence.

4. To implement due diligence, which means to implement the following steps, based on the OECD Due Diligence Guidance for Responsible Business Conduct as a baseline, in addition to due diligence requirements which may apply to specific mineral supply chains:

- Establish processes to identify, assess, cease, prevent, mitigate, and account for potential and actual adverse impact, that must be:
 - comprehensive, which means to cover all social, environmental and governance aspects associated with operational activities and topics in this guidance, including but not limited to human rights (Criteria 23-24), labor rights (Criteria 12-17), environmental protection (Criteria 27-31), and business integrity (Criterion 3), as well as all types of business relationships, including suppliers, franchisees, licensees, joint ventures, investors, clients, workers, customers, consultants, financial, legal and other advisers, and any other non-State or State entities linked to their operational activities, products or services;
 - integrated, which means to include all operational activities, and all management and operating functions and levels. An integrated approach embeds topic-specialist and subject-matter experts in management teams, which enables appropriate oversight of measures to mitigate potential or actual environmental, social, and governance impacts;
 - iterative, which means that the due diligence process is ongoing and implemented by companies proactively and in reaction to changes of circumstances and to risks of adverse impacts and actual adverse impacts as they emerge in the supply chain;
 - risk-based, which means to be guided by Sites' own risk and impacts assessments and implement due diligence in a way that is commensurate to the severity and likelihood of the adverse impact. When the likelihood and severity of an adverse impact is high, then due diligence should be more extensive; and is adapted to the nature of the adverse impact. This involves tailoring approaches for specific risks of impacts and considering how these risks affect different groups.
- Embed responsible business conduct into policies and management systems, including, but not limited to:

- 2128 ○ the development, adoption and communication of policies articulating the

2129 Sites' ESG commitments and plans for due diligence implementation;

2130 ○ the setup of internal management structures for oversight, implementation,

2131 and training; and,

2132 ○ the incorporation of expectations and policies into engagement with

2133 business partners and suppliers including upon entering into, and

2134 throughout, the business relationship, and clearly communicating to all

2135 business partners and suppliers the consequences of non-compliance.
- 2136 • Ensure that all business partners are legitimate and conduct business in

2137 compliance with the law, through carrying out Know Your Counterparty (KYC)

2138 checks.
- 2139 • Identify and assess potential and actual adverse impacts in operations, supply

2140 chains and business relationships, including through: on-going monitoring of

2141 business partners' and suppliers' conformance with Sites' ESG commitments

2142 and expectations; a scoping and, if necessary, risk-based prioritization of

2143 significant areas of risks of impact such as sectoral, geographic, product, and

2144 Sites' risk factors; increasingly in-depth assessments of prioritized areas of risks

2145 of impacts in order to identify and assess specific potential and actual adverse

2146 impacts; and assessing whether the Sites caused, or contributed to, or are

2147 directly linked to, the identified potential or actual adverse impacts.
- 2148 • In particular, in line with the OECD Due Diligence Guidance for Responsible

2149 Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, identify,

2150 assess, and manage risks of impacts associated with operating in, and sourcing

2151 from, Conflict-Affected and High-Risk Areas (CAHRA), including at a minimum:

2152 serious human rights abuses, direct and indirect support to non-state armed

2153 groups, risks of impacts associated with the contracting of public or private

2154 security forces, bribery and the fraudulent misrepresentation of the origin of

2155 minerals; money laundering; and non-payment of taxes, fees, and royalties due

2156 to governments. To do so, Sites shall maintain a documented procedure for

2157 CAHRA determination, identify red flags in line with the definitions of red flags

2158 in the Supplements, and undertake appropriate enhanced due diligence and

2159 risk management measures where risks of impacts are identified.
- 2160 • Cease, prevent or mitigate adverse impacts through stopping operational

2161 activities that are causing or contributing to adverse impacts and developing

2162 and implementing plans to prevent and mitigate actual and potential adverse

2163 impacts identified. These plans are required to detail the actions that Sites will

2164 take, as well as expectations of their business partners and suppliers. Sites

2165 should refer to the OECD Due Diligence Guidance for Responsible Business

2166 Conduct for further guidance on appropriate actions to take when potential or

2167 actual adverse impacts are identified.
- 2168 • Track implementation and effectiveness of the due diligence system through

2169 continuous monitoring and evaluation.

- Publicly communicate relevant information on the due diligence system and how adverse impacts, where identified, are addressed.
- When appropriate, provide for remediation or cooperate with legitimate remediation mechanisms through which affected stakeholders can raise complaints and seek to have them addressed by the Sites. Remediation may include seeking to restore the affected stakeholders to the situation they would be in had the adverse impact not occurred (where possible) and enable remediation that is proportionate to the significance and scale of the adverse impact, as appropriate depending on the nature and extent of the adverse impact, and may include apologies, restitution, or rehabilitation, financial or non-financial compensation, punitive sanctions, and taking measures to prevent future adverse impacts.

II. Examples of Evidence:

The following are examples of documents that can demonstrate conformance with the Criterion. Please note that the list is not exhaustive, and Sites are not expected to have all the documents listed below:

Policies & Procedures

- Responsible Supply Chains Policy, including with respect to sourcing from CAHRAs, or equivalent (publicly available).
- Code of Conduct for Business Partners or equivalent.
- KYC procedures.
- Due diligence procedures.
- Monitoring and evaluation procedures for onboarding and tracking of business partners' performance against the Sites' ESG commitments and expectations.
- Red flags identification and CAHRA determination procedures.
- Active grievance mechanism that is culturally appropriate (in language and format) and accessible for all stakeholders.

Records

- KYC records.
- CAHRA determination results.
- Red flag review results.
- Evidence of communication with or engagement of business partners to promote responsible business conduct.
- Records of supply chain mapping and information collected through the system of control and transparency.
- Evidence of training to relevant personnel on supply chain due diligence.
- Evidence of business partners' engagement and capacity building on supply chain due diligence.

- 2211 • Desk research to identify potential adverse impacts in the Sites' operations,
- 2212 supply chains and business relationships, including 'red flags' as defined in the
- 2213 OECD Due Diligence Guidance.
- 2214 • In-depth desk research to assess the presence of adverse impacts in the Sites'
- 2215 operations, supply chains and business relationships, including the adverse
- 2216 impacts described in Annex II of the OECD Due Diligence Guidance.
- 2217 • Records of on-the-ground assessments.
- 2218 • Documentation of partnerships or programs to mitigate and, where necessary,
- 2219 remediate, adverse impacts.
- 2220 • Records of grievances received, and action taken.
- 2221 • Due diligence report (publicly available).

2222 *Contracts & Agreements*

- 2223 • Signed contracts or agreements with suppliers and other business partners
- 2224 including the Sites' ESG commitments and expectations for conformance.

2225 *Plans*

- 2226 • Suppliers' or Business Partners' engagement plan.
- 2227 • Stakeholders', including affected stakeholders', engagement plan.
- 2228 • Risk management plans.
- 2229 • Documentation of any grievances and mitigation plans.

2230 *Reporting & Communication*

- 2231 • Due diligence report.

2232 *External Assurance & Inspections*

- 2233 • Documentation of on-the-ground assessments.
- 2234 • Documentation of third-party assessments at identified points in the supply
- 2235 chain.

2236

2237 *The following are examples of other evidence, collected through interviews and/or*

2238 *observation during the Sites' assessment, that can demonstrate conformance with the*

2239 *Criterion. In addition to the examples listed below, the examples listed for Criterion 1*

2240 *on Management Systems and Criterion 2 on Impact Assessments should be taken*

2241 *into account:*

2242

- 2243 • *Management can:*

- 2244 ○ demonstrate an understanding of or describe the policies and
- 2245 procedures on the selection and evaluation of business partners,
- 2246 including workers and suppliers, as it pertains to ESG criteria;
- 2247 ○ describe the KYC and due diligence procedures;
- 2248 ○ demonstrate how influence is used to promote responsible business
- 2249 conduct along the supply chains and across its business relationships;
- 2250 ○ describe how potential and actual adverse impacts attributed to business
- 2251 partners and suppliers are identified and assessed, and how these are

monitored and engaged, including with the purpose to build due diligence capacity along the supply chain;

- demonstrate an understanding of the supply chain management policies, including with respect to sourcing from CAHRAs;
- describe the due diligence system and clear lines of accountability and responsibility for the oversight and implementation of due diligence;
- demonstrate an understanding of the adverse impacts identified over the course of due diligence, and the action taken to prevent, mitigate and, where appropriate, remediate such impacts;
- describe how affected stakeholders and other relevant stakeholders, as appropriate, are engaged to address adverse impacts identified over the course of due diligence.

- *Workers can:*

- confirm that they have been communicated the ESG commitments and expectations regarding responsible business conducts;
- provide information on the training received for the purpose of due diligence implementation;
- provide information on the system of control and transparency adopted at the Sites;
- describe how to submit grievances and whistle-blowing reports related to the adverse impacts covered by the Sites' ESG commitments and responsible business conduct policies.

- *Business partners and suppliers:*

- are able to confirm that they have been communicated the ESG commitments and expectations regarding responsible business conduct and describe how they have been engaged for the purpose of due diligence implementation.

- *Assessor observes:*

- the material flows and internal control systems to manage the inventory of materials and assess the processes in place (such as for allocating lot numbers to incoming material or for recording weights and lot numbers for outgoing product shipments) are implemented.

III. Key References

Internationally Recognized Frameworks

The following international frameworks must be followed for the implementation of this Criterion where applicable to Sites' operational activities:

- [OECD Due Diligence Guidance for Responsible Business Conduct](#)

- 2294 • [OECD Due Diligence Guidance for Responsible Supply Chains of Minerals](#)
- 2295 [from Conflict-Affected and High-Risk Areas](#)
- 2296 • [UN Guiding Principles on Business and Human Rights](#)
- 2297 • [OECD Guidelines for Multinational Enterprises \(2011\)](#)
- 2298 • [Joint Due Diligence Standard for Copper, Lead, Nickel, and Zinc \(2021\)](#)
- 2299

2300 International Conventions and Treaties

- 2301 • [ILO Tripartite Declaration of Principles concerning Multinational Enterprises](#)
- 2302 [and Social Policy \(2017\)](#)
- 2303

2304 Additional Reading

2305

2306 The following literature may be useful for guidance when implementing this Criterion:

2307

- 2308 • [EPRM Due Diligence Hub](#)
- 2309 • [OECD resources](#)
- 2310 • [RMI resources and training material](#)
- 2311 • [RMI Practical Guidance to Minerals Due Diligence Implementation](#)
- 2312

2313 CRITERION 11: Climate Action

Contribute to the goals of the Paris Agreement to curb global temperature rising to 1.5°C above pre-industrial levels through the implementation of a corporate or site-level, comprehensive, integrated climate change mitigation and adaptation strategy.

2314

2315 I. Implementation:

2316 a. *Relevance*

2317 Nearly all businesses contribute to climate change because they use energy and
2318 materials in their processes and products that generate and emit greenhouse gases,
2319 or which have adverse impacts on ecosystems and their capacity to store carbon.
2320 Also, the effects of climate change have implications for business. Increased
2321 incidences of flooding, hurricanes, drought, wildfires are all symptoms of climate
2322 change and can cause physical damage to people, property, and transport links.
2323 These physical events can cause people to migrate to safer or more economically
2324 viable areas, which also has a knock-on effect for businesses when locating and
2325 designing their facilities. The response of businesses to mitigate their contribution to
2326 climate change, by reducing their greenhouse gas emissions for example, and the
2327 need to adapt to physical climate change effects, by modelling scenarios when
2328 building infrastructure to account for rising river and sea levels for example, varies
2329 between sectors and operational activities.

2330 Generally, in the minerals and metals supply chain, mining and minerals processing
2331 require the greatest amount of energy to extract, crush, recover, and transform
2332 minerals to metals. The extent to which these phases of the minerals supply chain are
2333 linked to greenhouse gas emissions, however, can differ significantly depending on
2334 their size, business process complexity, and, especially, the sources of energy. For
2335 example, Sites that rely on off-grid energy generation from hydrocarbon-based fuels
2336 will likely have far greater emissions than Sites drawing power from a grid supplied by
2337 renewable energy.

2338 Sites that are in areas that could be significantly affected by climate change, such as
2339 water-stressed zones, floodplains, or regions associated with severe weather events,
2340 will need to pay particular attention to climate adaptation strategies. The relevance of
2341 this Criterion, therefore, is related to Sites carbon intensity of its business processes
2342 and to the physical effects of climate change where they are located. For that reason,
2343 this Criterion requires Sites to develop and implement a climate action strategy that is
2344 comprehensive, proportional to their size and complexity, and incorporates both
2345 mitigation and adaptation measures.

2346 *b. Core Requirements*

2347 Sites are expected to implement a comprehensive integrated climate change
2348 mitigation and adaption strategy and plan.

2349 Sites' strategies and plans should be:

2350 1. **in line with internationally recognized frameworks**, which means, as well as
2351 the frameworks required in Criteria 1 and 2 and where applicable to operational
2352 activities, Sites must consider following:

- 2353 • [CPD Climate Change Disclosure](#)
- 2354 • [GHG Protocol Corporate Accounting and Reporting Standard](#) and [Calculation](#)
2355 [Tools](#)
- 2356 • [ISO 14064-1: 2018 Greenhouse gases – Part 1: Specification with guidance at](#)
2357 [the organisation level for quantification and reporting of greenhouse gas](#)
2358 [emissions and removals](#)
- 2359 • [SASB / Value Reporting Foundation Metals and Mining Standard](#)
- 2360 • [Science Based Targets Initiative](#)
- 2361 • [Task Force on Climate-Related Financial Disclosures \(TCFD\)](#)

2362 2. **corporate or site-level**, which means strategies and plans may be designed and
2363 developed specifically for and by Sites, or Sites may participate in and apply the
2364 policies, procedures and practices of corporate strategies and plans governed by
2365 a parent company or group;

2366 3. **comprehensive**, which means collectively to cover all social, environmental and
2367 governance aspects associated with climate change and the relevant topics in this
2368 guidance and address all the potential and actual climate-related impacts identified
2369 in Sites' impact assessments. Sites may implement several stand-alone climate-
2370 related plans or combine all climate-related topics into one plan covering all topics;
2371

2372 4. **integrated**, which means to include all operational activities, and all management
2373 and operating functions and levels. An integrated approach embeds topic-
2374 specialist and subject-matter experts in management teams, which enables
2375 appropriate oversight of measures to mitigate and adapt to all potential or actual
2376 climate-related impacts;
2377

2378 5. **disclosed publicly**, which means to include in Sites', or Sites' parent or group's,
2379 sustainability or annual reports all relevant information needed clearly to inform
2380 stakeholders of Sites' climate change-related plans, actions, goals and targets, and
2381 progress in meeting goals and targets at least annually in line with Criterion 6 on
2382 Sustainability Reporting.
2383

2384 Sites' climate action strategies and plans should:

2385 **1. Recognize Sites' responsibilities for taking climate action**, which means to
2386 develop policies and make commitments to avoid and reduce greenhouse gas
2387 emissions linked to Sites' operational activities at a pace and scale consistent with
2388 mitigation pathways that meet the goals of the Paris Agreement to curb global
2389 temperature rise to 1.5°C above pre-industrial levels, and to design facilities and
2390 guide workers' behavior to protect them from the adverse impacts of climate
2391 change.

2392 **2. Identify and assess all causes and effects of climate linked with the Sites' operational activities**, which means to include in the scope of the Sites' impact
2393 assessments the direct and indirect causes and effects of climate change in line
2394 with Criterion 2 on Impact Assessments. Because Sites are expected to go beyond
2395 emissions accounting and reduction in their climate action strategies, it is important
2396 that all climate-related risks are considered and covered in impact assessments
2397 and that the impact assessments are continually updated. Sites should document
2398 and centralize a full inventory of identified climate-related impacts.

2400 **3. Enable efficient implementation and senior management oversight of the strategy**, which means to establish a management system for the strategy in line
2401 with Criterion 1 on Management Systems and to appoint a senior manager to be
2402 accountable for its implementation. The senior manager should report on the
2403 strategy's performance to the Sites' highest governing body. Sites should ensure
2404 that all climate-related impacts are included, and measures taken to address them
2405 are covered in their management systems.

2407 **4. Include and require execution of a Site-wide plan to mitigate and adapt to the adverse biogeophysical and social impacts of climate change**, which means
2408 to prioritize and implement actions for appropriately addressing Sites' direct and
2409 indirect causes and to design Sites to manage the effects of climate change across
2410 all functions, policies, processes, operations, and business and stakeholder
2411 relationships, and in business decisions, at all levels of the organization.

2413 The plan should include:

2414 • mitigation measures, including but not limited to the:

- 2415 ○ reduction of greenhouse gas emissions and use of carbon offsets in line
2416 with Criterion 27 on Greenhouse Gas Emissions Reductions;

Carbon offsets are an acceptable mitigation measure when compensating for significant residual greenhouse gas emissions that cannot be avoided. The decision to use offsets to mitigate greenhouse gas emissions should be considered only when all other possible pathways to avoid or reduce emissions directly have been exhausted. The mitigation hierarchy should always be applied, which means Sites should avoid producing emissions at the source from the outset of activities and reduce the intensity of emissions that cannot be completely avoided before planning to make offsets. Where Sites are left with no other plausible option to mitigate for residual greenhouse gas emissions other than to offset, selecting the appropriate intervention should be considered carefully and with reference to international best-practice standards. Where possible, such offsets should prioritize interventions that help preserve and enhance existing terrestrial carbon stocks, including through the protection of biodiversity in line with Criterion 33 on Biodiversity Management.

- 2417 ○ reduction and management of waste and recycling of natural resources and
2418 materials in line with Criterion 30 on Material Stewardship;
2419 ○ protection of biodiversity in line with Criterion 32 on Biodiversity
2420 Management;
2421 ○ incorporation of expectations for greenhouse gas emission reductions into
2422 supplier agreements in line with Criterion 10 on Responsible Supply Chains;
2423 • adaptation measures, including but not limited to the:
2424 ○ consideration of the impacts of climate change in the location and design of
2425 Sites and operational activities in line with Criteria 28 on Water Stewardship,
2426 31 on Tailings Management, 32 on Biodiversity Management, and 33 on
2427 Land Management;
2428 ○ consideration of the impacts of climate change in mine closure and
2429 reclamation plans in line with Criterion 9 on Mine closure and Reclamation.

2430

- 2431 **5. Set goals and quantitative targets for climate action in line with the Science-**
2432 **Based Targets Initiative (SBTI) against which to measure and account for**
2433 **Sites' performance**, which means to incorporate into Sites' impact assessments;
2434 policies; design; and commissioning, operating and closure and reclamation plans,
2435 explicit reference, and measures to achieve climate change-related goals and
2436 targets following the appropriate methodologies of the SBTi.

- 2437 **6. Enable affected stakeholders' early and continued participation in the**
2438 **strategy's formulation and implementation**, which means to engage

2439 stakeholders whose traditions, livelihoods, rights, and knowledge will be, or risk
2440 being adversely or positively impacted by climate change and Sites' strategies in
2441 line with Criterion 8 on Stakeholder Engagement.

2442

2443 II. Examples of Evidence:

2444 *The following are examples of documents that can demonstrate conformance with the*
2445 *Criterion. Please note this list is not exhaustive and the Sites are not expected to have*
2446 *all the documents listed below:*

2447 Policies & Procedures

- 2448 • A publicly available statement or letter indicating a commitment to take climate
2449 action endorsed or signed at the highest level in the management structure
2450 (CEO and/or board level).
- 2451 • A publicly available document or section in a document providing the policy or
2452 policies related to climate change or climate action.
- 2453 • A document or collection of documents that provides an overview of the Sites'
2454 climate action strategy, including its key climate-related risks and impacts and
2455 prioritized actions to address those risks. A summary of this document should
2456 be publicly available.
- 2457 • Procedures for engaging stakeholders in relations to the climate action strategy.
- 2458 • Procedures and/or contract templates indicating the expectations of the Site
2459 related to suppliers' and business partners' commitment to climate action,
2460 including policies to reduce greenhouse gas emissions.

2461 Records

- 2462 • Results of climate-related risk, vulnerability and impact assessments, and
2463 associated methodologies.
- 2464 • Documented detailed reports on specific climate-related risks and impacts, and
2465 recommendations for action.
- 2466 • Stakeholder engagement on climate change, such as climate change-related
2467 workshop meeting agenda items, presentations, attendance register, and
2468 outputs.
- 2469 • Qualifications of internal staff or external support in undertaking climate-related
2470 risk and impact assessments.
- 2471 • A document or collection of documents, report tables or databases indicating
2472 climate goals, targets, and actions.
- 2473 • Qualifications of internal staff or external support in developing climate actions.
- 2474 • Stakeholder engagement workshop meeting minutes, agendas, workshops,
2475 and outputs.

- 2476 • A document or collection of documents associated with a management system
- 2477 indicating responsibilities for actions identified in the strategy.
- 2478 • Budgets or committee or sub-committee meeting minutes relevant to the
- 2479 respective climate-related actions.
- 2480 • Current staff performance indicators to reflect relevant climate-related
- 2481 responsibilities.

2482 *Reporting*

- 2483 • Greenhouse gas inventory and associated methodology.
- 2484 • Greenhouse gas-related data and database for scope 1, 2 and 3 emissions.
- 2485 • Qualifications of internal staff or external support in developing emissions
- 2486 inventory and calculations.

2487 *External Assurance & Inspections*

- 2488 • Letters of acknowledgement of voluntary target-setting organizations.
- 2489 • Technical reviews of targets and goals from in-house and/or independent
- 2490 experts or target setting organizations.

2491 *The following are examples of other evidence, collected through interviews and/or*

2492 *observation during the Sites' assessment, that can demonstrate conformance with the*

2493 *Criterion. In addition to the examples listed below, the examples listed for Criterion 1*

2494 *on Management Systems and Criterion 2 on Impact Assessments should be*

2495 *considered:*

- 2496 • *Management can:*
 - 2497 ○ demonstrate knowledge of the climate action strategy, its key goals, and
 - 2498 targets;
 - 2499 ○ name key climate-related risks and impacts linked to Sites' operational
 - 2500 activities;
 - 2501 ○ demonstrate their knowledge of stakeholders' key concerns related to
 - 2502 climate change directly or indirectly related to the Sites' activities;
 - 2503 ○ show management team and board meeting minutes indicating decisions
 - 2504 made in relation to climate change, including capacity building and training.
- 2505 • *Stakeholders can:*
 - 2506 ○ demonstrate an understanding of Sites' climate action strategy and climate-
 - 2507 related policies and procedures;
 - 2508 ○ confirm involvement in the process to develop and implement the climate
 - 2509 action strategy.
- 2510 • *Workers can:*
 - 2511 ○ demonstrate an understanding of Sites' climate-related policies and
 - 2512 procedures;
 - 2513 ○ demonstrate knowledge on where to find written or formal electronic copies
 - 2514 of the climate action strategy and plan and relevant and grievance or
 - 2515 complaints mechanism;

- 2516 ○ demonstrate they have received training on the procedures to implement
2517 the climate action strategy.

2518

2519 III. Key References

2520 Internationally Recognized Frameworks

2521 The following international frameworks must be considered for the implementation of
2522 this Criterion where applicable to Sites' operational activities.

- 2523 • [CPD Climate Change Disclosure](#)
- 2524 • [GHG Protocol Corporate Accounting and Reporting Standard](#) and [Calculation](#)
- 2525 [Tools](#)
- 2526 • [ISO 14064-1: 2018 Greenhouse gases – Part 1: Specification with guidance at](#)
- 2527 [the organisation level for quantification and reporting of greenhouse gas](#)
- 2528 [emissions and removals](#)
- 2529 • [SASB / Value Reporting Foundation Metals and Mining Standard](#)
- 2530 • [Science Based Targets Initiative](#)
- 2531 • [Task Force on Climate-Related Financial Disclosures \(TCFD\)](#)

2532

2533 International Conventions and Treaties

- 2534 • [United Nations Framework Convention on Climate Change \(UNFCC\)](#)

2535

2536 Additional Reading

2537 The following literature may be useful for guidance when implementing this criterion:

- 2538 • [International Council on Mining and Metals, Adapting to a Changing Climate:](#)
- 2539 [Building resilience in the mining and metals industry](#)
- 2540 • [International Panel on Climate Change \(IPCC\) Assessment Report 6.](#)
- 2541 • [ISO 14091: 2021 Adaptation to climate change – Guidelines on vulnerability,](#)
- 2542 [impacts and risk assessment](#)
- 2543 • [TCFD Knowledge Hub](#)
- 2544 • [UN Sustainable Development Goals \(SDGs\): Goal 13 Climate Action](#)
- 2545 • [UN Global Compact Blueprint for Business Leadership on the SDGs: 13](#)
- 2546 [Climate Action](#)
- 2547 • [World Economic Forum: How to Set Up Effective Climate Governance on](#)
- 2548 [Corporate Boards; Guiding principles and questions](#)

2549

2550 CRITERION 12: Child Labor

Respect children's rights through the:

- identification of risks;
- implementation of a system to prohibit, effectively prevent and remedy; and
- public disclosure of performance of the mitigation of potential and actual adverse impacts of the employment of children under the age of 15 and the exposure of workers under the age of 18 to hazardous work.

I. Implementation:

a. *Relevance*

While child labor is a serious issue that can occur in all businesses, irrespective of size, location, or function in the value chain. The occurrence of child labor varies considerably by mineral and by country and region. For example, cobalt, colored gemstones, and gold in the Democratic Republic of Congo all have a relatively strong association with the presence of child labor.

Child labor is mostly evident in supply chains that rely on unskilled cheap labor. Most minerals and metals are extracted and processed at industrial mining operations and facilities that are increasingly mechanized and depend mostly on highly-skilled labor. However, there is a risk of child labor being present in indirect employment contracts, such as outsourced auxiliary functions of an operation or in supply chains serving industrial mining, processing, and manufacturing facilities. For example, apparel and uniform suppliers, employment agencies, and food vendors are outside the direct control of Sites' employment policies and might not apply similarly high standards. The risk of child labor is also particularly known to be present in artisanal and small-scale mines (ASM). Sites should consider these less obvious parts of their business to ensure they are not associated with child labor and, where there is a risk of association, take measures for its prevention and remediation.

If Sites do not employ workers under the age of 18, the core requirements related to exposure of such workers to hazardous work is not relevant.

b. *Core Requirements:*

Sites are expected to respect children's rights and address adverse impacts with which they are involved.

1. **To manage impacts of child labor in line with internationally recognized frameworks**, which means, as well as following the frameworks required in Criteria 1 and 2 and where applicable to operational activities, Sites must:
 - Follow [the UN Guiding Principles on Business and Human Rights](#)
2. **To identify** child labor means to conduct assessments of potential and actual cases of child labor in line with Criterion 2 on Impact Assessments. As well as the requirements in Criterion 2, the assessment should:
 - Determine the Scope of the assessment, which means to identify Sites' features, aspects, and operational activities that fall within the responsibility of Sites to manage including:
 - workers directly and indirectly employed by Sites; and,
 - business partners and suppliers in line with Criterion 10 on Responsible Supply Chains.
3. **To prohibit** child labor means to have, and to communicate to workers and business partners a clear policy signaling that Sites do not tolerate child labor of any form, in line with Criterion 1 on Management Systems. Included in this policy should be a commitment never to engage nor support child labor, including the prohibition of hazardous work for workers under 18 years of age.
4. **To effectively prevent** child labor means to implement a management system to manage the risk of child labor in line with Criterion 1 on Management Systems. As well as the requirements in Criterion 1, the management system should:
 - include training of relevant managers and personnel in the risk and management of child labor;
 - require workers and suppliers to implement policies that prohibit and prevent child labor in line with this Criterion;
 - verify the age of workers upon hire to ensure children are not being contracted to work on companies' Sites;
 - maintain copies of documentary evidence of workers' ages where legally allowed;
 - identify areas and activities of hazardous work, with reference to the country of operation's list of hazardous activities, its labor laws and regulations;
 - where companies engage contractor workforces providing services on Sites – such as construction, engineering, operating a business process or activity, cleaning, catering and security – ensure that the policies and procedures are applied in full to these workforces;
 - where companies identify the risk of association of child labor with businesses in their supply chain, including but not only related to material received from artisanal and small-scale mines, companies should take enhanced measures to ensure the policy and procedures are applied; and,

- implement a grievance mechanism to alert management to the risk of or incidence of child labor in line with Criterion 7 on Grievance Mechanisms.

5. To remediate child labor means to include in the management system procedures to remediate cases of child labor. As well as the requirements in Criterion 1, the management system should:

- include Sites' reporting obligations on cases of child labor to law enforcement authorities;
- require immediate removal of the child from their work;
- ensure Sites' cooperation with local authorities to protect and support children found working;
- address underlying causes of child labor cases;
- implement procedures that provide the child with support in their transition to legal work and/or schooling; and,
- ensure remediation procedures consider the welfare of the child and the financial situation of the child's family.

6. To disclose performance on mitigation, which means to report at least annually all relevant information needed to inform stakeholders clearly of the Sites' child labor-related risks and impacts, plans, actions, and performance, in line with Criterion 6 on Sustainability Reporting.

II. Examples of Evidence:

The following are examples of documents that can demonstrate conformance with the Criterion. Please note this list is not exhaustive and Sites are not expected to have all the documents listed below:

Policies & Procedures

- Relevant policies and procedures addressing the risk of child labor, including hazardous labor.
- Recruitment policy.
- Age verification procedure for new hires.

Records

- Age verification records.
- Copies of identification documents if legally allowed.
- Grievance records and allegations related to child labor.

Contracts & Agreements

- Contractual clauses in commercial and procurement agreements with business partners or suppliers on adherence to policies prohibiting child labor.

2667 *Plans*

- 2668 • Remediation plan in the case of discovery of child labor.

2669 *Reporting*

- 2670 • Disclosure (website, annual reports, regulatory submissions) of third-party
2671 assurance of adherence to identification, prohibition, prevention and if
2672 applicable, remediation of child labor.
- 2673 • Communication of policy prohibiting child labor to workers, subcontractors,
2674 recruitment agencies and other business partners.

2675 *External Assurance & Inspections*

- 2676 • Third-party assurance reports of a formal management system to ensure
2677 adherence to identification, prohibition, prevention and if applicable,
2678 remediation of child labor.
- 2679 • Government inspection reports.

2680

2681 The following are examples of other evidence, collected through interviews and/or
2682 observation during Sites' assessments, that can demonstrate conformance with the
2683 Criterion. In addition to the examples listed below, the examples listed for Criterion 1
2684 on Management Systems and Criterion 2 on Impact Assessments should be taken
2685 into account:

2686 • *Management can:*

- 2687 ○ demonstrate an understanding of Sites' relevant policies and how they have
2688 to implement those as part of their respective job responsibilities;
- 2689 ○ describe how workers under 18 are prevented from conducting hazardous
2690 work, if applicable;
- 2691 ○ describe a remediation process in the event that children are found working
2692 at the company;
- 2693 ○ describe reporting and investigation procedures and demonstrate clear
2694 lines of accountability and responsibility within the company for oversight of
2695 the risk of child labor.

2696 • *Workers can:*

- 2697 ○ confirm that as per their knowledge there are no children working on Sites;
- 2698 ○ confirm that if there is anyone under the age of 18 employed on Sites, they
2699 are not engaged in hazardous work;
- 2700 ○ confirm they are not under the legally-stipulated age, are not performing
2701 hazardous work if under 18 years of age and did not start working when
2702 they were below the legally stipulated age.

2703 • *Stakeholders can:*

- 2704 ○ demonstrate worker representatives or trade union representatives if they
2705 exist, are able to confirm there to be no child labor on Sites;
- 2706 ○ recruitment agency representatives if applicable, are able to explain how
2707 the ages of hired workers are confirmed.

2708 • *Assessors observe:*

- there are no children working on Sites or workers under the age of 18 engaged in hazardous work.

III. Key References

Internationally Recognized Frameworks

The following international frameworks must be followed for the implementation of this Criterion where applicable to Sites' operational activities:

- [The UN Guiding Principles on Business and Human Rights](#)

International Conventions and Treaties

- [United Nation's Convention on the Rights of the Child](#)
- [ILO Convention C138 on Minimum Age](#)
- [ILO Convention C182 on Worst Forms of Child Labour](#)
- [ILO Declaration on Fundamental Principles and Rights at Work](#)

Additional Reading

The following literature may be useful for guidance when implementing this Criterion:

- [ILO, Checkpoints for Companies – Eliminating and Preventing Child Labour](#)
- [ILO, International Organisation for Employers \(IOE\) – Child Labour Guidance Tool for Business](#)
- [OECD, Practical Actions for Companies to Identify and Address the Worst Forms of Child Labor in Mineral Supply Chains](#)

2739 CRITERION 13: Forced Labor

Respect workers' rights to voluntary and freely chosen employment through the:

- **identification of risks;**
- **implementation of a system to prohibit, effectively prevent and remedy; and**
- **public disclosure of performance on the mitigation of potential and actual adverse impacts of any form of forced labor.**

I. Implementation:

a. *Relevance:*

While forced labor is a serious issue that can occur in all businesses, irrespective of size, location, or function in the value chain, it is mostly evident in supply chains that rely on unskilled labor. Most minerals and metals are extracted and processed at industrial mining operations and facilities that are increasingly mechanized and depend mostly on highly skilled labor.

However, there is a risk of forced labor being present in indirect employment contracts, such as outsourced auxiliary functions of an operation or in supply chains serving industrial mining, processing, and manufacturing facilities. For example, construction workers, apparel and uniform suppliers, employment agencies, and food vendors are outside the direct control of Sites' employment policies and might not apply similarly high standards. Sites should consider these less-obvious parts of their business to ensure they are not associated with forced labor and, where there is a risk of association, take measures for its prevention and remediation.

b. *Core Requirements:*

Sites are expected to respect workers' right to voluntary and freely chosen employment and address adverse impacts with which they are involved.

1. To manage impacts of any form of forced labor in line with internationally recognized frameworks, which means, as well as following the frameworks required in Criteria 1 and 2 and where applicable to operational activities, Sites must:

- Follow [the UN Guiding Principles on Business and Human Rights](#)

2. **To identify** forced labor means to conduct assessments of the potential and actual cases of forced labor in line with Criterion 2 on Impact Assessments. As well as the requirements in Criterion 2, the assessment should:
- Determine the Scope of the assessment, which means to identify Sites' features, aspects, and operational activities that fall within the responsibility of Sites to manage including:
 - workers directly and indirectly employed by Sites;
 - business partners and suppliers in line with Criterion 10 on Responsible Supply Chains.
3. **To prohibit** forced labor means to have, and to communicate to workers and business partners a clear policy signaling that the Sites do not tolerate, or support forced labor in line with Criterion 1 on Management Systems.
4. **To effectively prevent** forced labor means to implement a management system to manage the risk of forced labor in line with Criterion 1 on Management Systems. As well as the requirements in Criterion 1, the management system should:
- include training of relevant managers and personnel on the risk and management of forced labor;
 - require workers and suppliers to implement policies that prohibit and prevent forced labor in line with this Criterion;
 - require implementation of due diligence on counterparties when recruiting workers through agents or subcontractors and only use counterparties with formal business licenses or certification by the relevant authority;
 - not allow the use of physical coercion, abuse, or inhuman treatment practices;
 - not allow the restriction of the freedom of movement of workers in the workplace or in on-site housing;
 - not allow unlawful retention of wages, benefits or illegal deductions, including under so called 'debt bondage' agreements;
 - not allow withholding of original copies of workers' personal documentation, such as identity papers or passports, and valuables;
 - not allow the requiring of any form of deposit, recruitment fee, or equipment advance from workers, either directly or through recruitment agencies;
 - pay wages on time and to each worker directly;
 - allow workers to leave work and freely terminate their employment;
 - implement a grievance mechanism to alert management to the risk of or incidence of forced labor, in line with Criterion 7 on Grievance Mechanisms.
5. **To remediate** the use of any form of forced labor means to include in the management system procedures to remediate cases of forced labor. As well the requirements in Criterion 1, the management system should:

- include Sites' reporting obligations on cases of forced labor to law enforcement authorities;
- require immediately terminating practices that can be considered cases of forced labor;
- ensure Sites' cooperation with local authorities to protect and support victims of forced labor;
- address the underlying causes of the forced labor cases;
- include measures that are comprehensive and proportionate to significance and scale of impact caused;
- define remediation measures in consultation with impacted workers and their representatives and other stakeholders such as civil society organizations that can represent and advocate for the interests of workers;
- ensure workers receive back originals of their personal documentation, such as identification cards and passports;
- ensure workers are paid the amount they agreed to;
- provide for the repayment of excessive recruitment fees or induced debt; and/or,
- enable workers to return to their home countries or regions.

6. To disclose performance on mitigation, which means to report at least annually all relevant information needed to inform stakeholders clearly of the Sites' forced labor-related risks and impacts, plans, actions, and performance, in line with Criterion 6 on Sustainability Reporting.

II. Examples of Evidence:

The following are examples of documents that can demonstrate conformance with the Criterion. Please note this list is not exhaustive and Sites are not expected to have all the documents listed below:

Policies & Procedures

- Relevant policies and procedures addressing the risk of forced labor.
- Recruitment policy.

Records

- Employee records, including contracts demonstrating free choice of voluntary employment.
- Records related to monitoring the compliance of subcontractors, suppliers, and vendors.
- Overtime sheets and records, demonstrating overtime is voluntary.
- Grievance records and allegations related to forced labor and labor terms.

Contracts & Agreements

- Written employment contracts with workers outlining the employment terms.
- Contractual clauses in commercial and procurement agreements with business partners or suppliers on adherence to policies prohibiting forced labor.

Plans

- Remediation plan in the case of discovery of forced labor.
- Reporting & Communication**
- Disclosure (website, annual reports, regulatory submissions) of third-party assurance of adherence to identification, prohibition, prevention and if applicable, remediation of forced labor.
 - Communication of policy prohibiting forced labor to workers, subcontractors, recruitment agencies, and other business partners.

External Assurance & Inspections

- Third-party assurance reports of a formal management system to ensure adherence to identification, prohibition, prevention and if applicable, remediation of forced labor.
- Government inspection reports.
- Public reports for Sites that apply laws regarding modern slavery and their system for informing national agencies.

The following are examples of other evidence, collected through interviews and/or observation during the Sites' assessment, that can demonstrate conformance with the Criterion. In addition to the examples listed below, the examples listed for Criterion 1 on Management Systems and Criterion 2 on Impact Assessments should be considered:

- **Management can:**
 - demonstrate an understanding of Sites' relevant policies and how they must implement those as part of their respective job responsibilities;
 - describe reporting and investigation procedures;
 - explain lines of accountability and responsibility for the overseeing of the forced labor management system.
- **Workers can:**
 - provide information on how they receive payments, and are able to confirm they do not incur costs, fees, or deposits in exchange of securing employment;
 - provide information on the recruitment process, on their contractual status, understanding of the employment terms, on their ability to move freely and to terminate their employment contract freely without fear of retaliation;
 - confirm that their original documents (such as identification papers) are not withheld or that they have access to those at any time.
- **Stakeholders:**
 - worker representatives or trade union representatives, if these exist, are able to provide information on how the Sites ensure that their recruitment process, employment terms and employment termination process is free from forced labor of any form;
 - recruitment agency representatives, if applicable, are able to explain how the workers are recruited, what employment terms are promised to workers and what employment termination conditions are.
- **Assessors observe:**

- 2908 ○ there are not any signs of workers who appear to be working at the
2909 company involuntarily.
2910

2911 III. Key References

2912 Internationally Recognized Frameworks

2913 The following international frameworks must be followed for the implementation of this
2914 Criterion where applicable to Sites' operational activities:

- 2915 • [The UN Guiding Principles on Business and Human Rights](#)

2916 International Conventions and Treaties

- 2917 • [ILO Convention C029 on Forced Labour](#)
- 2918 • [ILO Convention C105 on Abolition of Forced Labour](#)
- 2919 • [United Nation's Protocol to Prevent, Suppress, and Punish Trafficking in](#)
2920 [Persons Especially Women and Children](#)
- 2921 • [United Nation's Protocol against the Smuggling of Migrants by Land, Air and](#)
2922 [Sea](#)
- 2923 • [United Nations Convention against Transnational Organized Crime](#)

2924 Additional Reading

2925 The following literature may be useful for guidance when implementing this Criterion:

- 2926 • [ILO's, Global Business Network on Forced Labour](#)
- 2927 • [ILO's, Employers' Frequently Asked Questions: A Handbook for Employers &](#)
2928 [Business, Special Action Programme to Combat Forced Labour](#)
- 2929 • [Verité, 'Guidance for the Social Auditing of Forced Labor and Human Trafficking](#)
2930 [of Migrant Workers](#)
- 2931 • [The U.S. State Department's Office to Monitor and Combat Trafficking in](#)
2932 [Persons, Verité, Made in a Free World, and the Aspen Institute, The](#)
2933 [Responsible Sourcing Tool](#)
- 2934 • [Addressing Forced Labor and other Modern Slavery Risks: A Toolkit for](#)
2935 [Corporate Suppliers](#)

2944 CRITERION 14: Freedom of Association and Collective Bargaining

Respect workers' rights to freedom of association and to collective bargaining in good faith, through:

- **identification of risks,**
- **implementation of a system to prohibit, effectively prevent and remedy; and**
- **public disclosure of performance to mitigate any adverse impacts to freedom of association and collective bargaining.**

2945 I. Implementation:

2946 a. *Relevance:*

2947 Workers' freedom to join unions or worker organizations and participate in collective
2948 bargaining are foundational building blocks for healthy employment relations. While it
2949 is a fundamental human right relevant for all businesses, irrespective of size, location,
2950 or function in the value chain, it is mostly evident in Sites with a bigger workforce,
2951 industrial mining, processing and manufacturing operations, which more likely will
2952 have multiple trade unions or worker organizations and collective bargaining
2953 negotiations.

2954 Sites, operating in particular countries or sectors where freedom of association and/or
2955 collective bargaining is substantially restricted by law, are expected to respect
2956 and support alternative means for workers to associate. Methods to enable alternative
2957 mechanisms include but are not limited to recognizing worker committees and allowing
2958 workers to choose their own representatives for dialogue and negotiation over terms
2959 and conditions of employment with the employer in a manner that does not contravene
2960 national law.

2961 b. *Core Requirements*

2962 Sites are expected to respect workers' right to freedom of association and collective
2963 bargaining and address adverse impacts with which they are involved.

2964 **1. To manage impacts of violations of freedom of association and collective**
2965 **bargaining rights in line with internationally recognized frameworks, which**
2966 means, as well as following the frameworks required in Criteria 1 and 2 and where
2967 applicable to operational activities, Sites must:

- Follow [the UN Guiding Principles on Business and Human Rights](#)

2. **To identify** violations of freedom of association and collective bargaining rights, which means to conduct assessments of the potential and actual cases of those in line with Criterion 2 on Impact Assessments. As well as the requirements in Criterion 2, the assessment should:
- Determine the Scope of the assessment, which means to identify Sites' features, aspects, and operational activities that fall within the responsibility of Sites to manage including:
 - workers directly and indirectly employed by Sites;
 - business partners and suppliers in line with Criterion 10 on Responsible Supply Chains.
3. **To prohibit** the violation of freedom of association and collective bargaining rights, which means to have, and to communicate to workers and business partners a clear policy signaling that Sites support the right of workers to exercise freedom of association and collective bargaining, and the right of workers freely to elect representatives in line with Criterion 1 on Management Systems. This policy should prohibit:
- the obstruction of workers from participating in the operational activities of unions or other workers' organizations;
 - the interference of Sites in electing workers' representatives; and,
 - any form of retaliation or discrimination of workers who participate (actively or passively) in the election and operational activities of workers' representatives.
4. **To effectively prevent** the violation of freedom of association and collective bargaining rights, which means to manage adverse impacts in line with Criterion 1 on Management Systems. As well as the requirements in Criterion 1, the management system should:
- include training of all workers on freedom of association and collective bargaining;
 - ensure employment contract clauses are never constructed in a manner contrary to a valid collective bargaining agreement;
 - ensure that collective bargaining agreement is applied to all workers;
 - allow workers' representatives to meet with workers;
 - ensure management negotiates with workers and their representatives in good faith;
 - provide equal benefits to workers regardless of their connection to workers' unions and organizations;
 - implement a grievance mechanism to alert management to violations of freedom of association and collective bargaining rights in line with Criterion 7 on Grievance Mechanisms; and,
 - implement non-discrimination practices in line with Criterion 15 on Non-Discrimination and Harassment.

- 5. To remediate** the violation of freedom of association and collective bargaining rights, which means to include in the management system procedures to remediate instances where violation occurs. As well as the requirements in Criterion 1, the management system should:
- include a plan to remediate instances of violation of freedom of association and collective bargaining rights where cases of violation are identified;
 - address underlying causes of Sites' violation of freedom of association and collective bargaining rights; and,
 - consult with workers and their representatives before, during and after any remediation action is taken.
- 6. To disclose performance on mitigation**, which means to report at least annually all relevant information needed clearly to inform stakeholders of the Sites' freedom of association and collective bargaining-related risks and impacts, plans, actions, and performance in line with Criterion 6 on Sustainability Reporting.

II. Examples of Evidence:

The following are examples of documents that can demonstrate conformance with the Criterion. Please note this list is not exhaustive and Sites are not expected to have all the documents listed below:

Policies & Procedures

- Policy and procedures addressing the right of workers to exercise freedom of association and collective bargaining.
- Where legislation restricts freedom of association and collective bargaining rights, policy and procedure addressing the alternative means of worker representation.

Records

- Evidence of the workers' representative elections.
- Documents of meetings that led to a collective bargaining agreement.
- Documents of meetings with worker representatives.
- Grievance records and allegations related to the violation of freedom of association and collective bargaining rights.

Contracts & Agreements

- Collective bargaining agreement.
- Written employment contracts that are in line with valid collective bargaining agreements.

The following are examples of other evidence, collected through interviews and/or observation during Sites' assessments, that can demonstrate conformance with the Criterion. In addition to the examples listed below, the examples listed for Criterion 1 on Management Systems, Criterion 2 on Impact Assessments and Criterion 7 on Grievance Mechanisms should be taken into account:

- *Management can:*
 - describe workers freedom of association and collective bargaining rights;
 - describe how workers are allowed freely to elect representatives, and how negotiations with worker's organizations occur;
 - describe how instances of discrimination against workers who belong to or represent a workers' organization are prevented;
 - describe how they are trained on conducting collective bargaining in good faith.
- *Workers can:*
 - demonstrate their understanding of the freedom of association and collective bargaining rights and know where and how to file a report or allegation relating to obstruction of their freedom of association and collective bargaining rights;
 - confirm they are not discriminated against or subjected to unfair labor practices if they choose to exercise their freedom of association and collective bargaining rights;
 - confirm they are not pressured to join a company-controlled organization in place of an organization created and controlled by workers;
 - confirm they are not pressured to join a workers' union should they decide not to;
 - confirm they do not need previous authorization from Sites to join or establish a workers' organization;
 - confirm they are able to participate in alternative means of association where freedom of association is restricted by law.
- *Union representatives or representatives of worker organizations can:*
 - confirm Sites do not restrict access to or interfere with workers' efforts to organize or bargain collectively;
 - confirm Sites do not interfere in the elections and operational activities of the worker organizations;
 - confirm Sites participate in collective bargaining in good faith.

III. Key References

International Operating Practices Frameworks

The following international frameworks must be followed for the implementation of this Criterion where applicable to Sites' operational activities:

- [The UN Guiding Principles on Business and Human Rights](#)

International Conventions and Treaties

- [Freedom of Association and Protection of the Right to Organise Convention, 1948 \(No. 87\)](#)
- [Right to Organise and Collective Bargaining Convention, 1949 \(No. 98\)](#)
- [Workers' Representatives Convention, 1971 \(No. 135\)](#)

Additional Reading

The following literature may be useful for guidance when implementing this Criterion:

- [Ethical Trading Initiative, Freedom of Association in Company Supply Chains](#)
- [ILO, Q&As on Business and freedom of association](#)
- [Better Work, Guidance Sheet 4: Freedom of Association and Collective Bargaining \(2013\)](#)

3124 CRITERION 15: Non-Discrimination and Harassment

Respect workers' rights to equality of opportunity and treatment through the:

- **identification of risks,**
- **implementation of a system to prohibit, effectively prevent and remedy; and**
- **public disclosure of performance to mitigate all forms of discrimination and harassment at the workplace.**

I. Implementation:

a. Relevance:

Criterion 15 on non-discrimination and harassment is relevant to all operational activities, irrespective of size, location, or its function in the value chain.

b. Core Requirements:

Sites are expected to respect workers' right to equality of opportunity and treatment, and address adverse impacts with which they are involved.

1. To manage impacts of any form of discrimination and harassment at the workplace in line with internationally recognized frameworks, which means, as well as following the frameworks required in Criteria 1 and 2 and where applicable to operational activities, Sites must:

- Follow [the UN Guiding Principles on Business and Human Rights](#)

2. To identify discrimination and harassment, which means to conduct assessments of potential and actual cases of discrimination and harassment in line with Criterion 2 on Impact Assessments. As well as the requirements in Criterion 2, Sites should:

- Determine the Scope of the assessment, which means to identify Sites' features, aspects, and operational activities that fall within the responsibility of Sites to manage, including:
 - workers directly and indirectly employed by Sites;
 - business partners and suppliers in line with Criterion 10 on Responsible Supply Chains.

3. To prohibit discrimination and harassment, which means to have, and to communicate to workers and business partners a clear policy signaling that Sites do not tolerate any form of discrimination or harassment in the workplace, in line

with Criterion 1 on Management Systems. This policy should cover anti-discrimination measures taken by Sites in the hiring, compensation and payment of social benefits, promotion, training and termination of all workers. This policy should cover all forms of harassment, including, but not limited to:

- unwelcomed sexual advances, sexual harassment and sexual assault;
- bullying;
- unpleasant nicknames;
- offensive emails or comments on social media sites;
- offensive emblems or flags;
- physical behavior such as gestures or facial expressions; and,
- gossiping or spreading rumors.

4. To effectively prevent discrimination and harassment, which means to implement a management system to manage the risks of impacts of discrimination and harassment in line with Criterion 1 on Management Systems. As well as the requirements in Criterion 1, the management system should:

- include training of all workers on workplace harassment; and,
- include training of all workers on how to file a complaint in line with Criterion 7 on Grievance Mechanisms.

5. To remediate discrimination and harassment, which means to include in the management system procedures to remediate cases of discrimination and harassment. As well as the requirements in Criterion 1, the management system should:

- include a plan to remediate instances where cases of discrimination and/or harassment are identified;
- address underlying causes of discrimination and harassment; and,
- include clearly documented disciplinary measures to be applied fairly and consistently; and,
- include steps taken to provide victims with the necessary support.

6. To disclose performance on mitigation, which means to report at least annually all relevant information needed clearly to inform stakeholders of the Sites' discrimination and harassment-related risks and impacts, plans, actions, and performance in line with Criterion 6 on Sustainability Reporting.

II. Examples of Evidence:

The following are examples of documents that can demonstrate conformance with the Criterion. Please note this list is not exhaustive and Sites are not expected to have all the documents listed below:

3200

3201 *Policies & Procedures*

- 3202 • Relevant policies and procedures addressing workplace discrimination and harassment.
- 3203
- 3204 • Human resources policies.
- 3205 • Recruitment, promotion and dismissal procedures.
- 3206 • Reporting and investigation procedures.

3207 *Records*

- 3208 • Training logs.
- 3209 • Workforce demographics.
- 3210 • Grievance records and allegations related to discrimination and/or harassment.
- 3211

3212 *Plans*

- 3213 • Remediation plan in the case of discovery of instances of discrimination and/or harassment.
- 3214

3215 *Reporting*

- 3216 • Communication of non-discrimination and anti-harassment policies and procedures to all workers.
- 3217
- 3218 • Disclosure (website, annual reports, regulatory submissions) of third-party assurance of adherence to identification, prohibition, prevention and if applicable, remediation of discrimination and harassment.
- 3219
- 3220

3221 *External Assurance & Inspections*

- 3222 • Third-party assurance reports of a formal management system to ensure adherence to identification, prohibition, prevention and if applicable, remediation of discrimination and harassment.
- 3223
- 3224
- 3225 • Government inspection reports.
- 3226

3227 *The following are examples of other evidence, collected through interviews and/or observation during Sites' assessments, that can demonstrate conformance with the Criterion. In addition to the examples listed below, the examples listed for Criterion 1 on Management Systems, Criterion 2 on Impact Assessments and Criterion 7 on Grievance Mechanism should be taken into account.*

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- 3233 • *Management can:*
 - 3234 ○ describe measures in place to prevent and address discrimination and harassment;
 - 3235
 - 3236 ○ describe procedures to identify and report discriminatory practices;
 - 3237 ○ describe clear lines of accountability and responsibility for the oversight and implementation of the policy;
 - 3238
 - 3239 ○ describe how identified cases of discrimination and harassment are reported and recorded;
 - 3240

- 3241 ○ describe how procedures are reviewed to ensure preventive actions
- 3242 are effectively set;
- 3243 ○ describe how management and workers are trained on the non-
- 3244 discrimination and harassment policy.
- 3245 • *Workers can:*
- 3246 ○ explain if they feel they are treated equally and there are no instances
- 3247 of harassment at the workplace;
- 3248 ○ give examples of measures taken by Sites to prevent and address
- 3249 discrimination and harassment at the workplace;
- 3250 ○ confirm they have received training on these issues;
- 3251 ○ describe how to file a report or allegation in relation to discrimination
- 3252 and harassment.
- 3253 • *Stakeholders can:*
- 3254 ○ demonstrate worker representatives or trade union representatives
- 3255 if in existence, are able to confirm Sites do not tolerate
- 3256 discrimination or harassment.
- 3257 • *Assessors observe:*
- 3258 ○ there are not any visible signs of discrimination or harassment.
- 3259
- 3260

3261 III. Key References

3262 Internationally Recognized Frameworks

3263 The following international frameworks must be followed for the implementation of this

3266 Criterion where applicable to Sites' operational activities:

- 3268 • [The UN Guiding Principles on Business and Human Rights](#)

3269 International Conventions and Treaties

- 3271 • [Universal Declaration of Human Rights](#)
- 3272 • [ILO Convention C100 on Equal Remuneration Convention](#)
- 3273 • [ILO Convention C111 on Discrimination \(Employment and Occupation\)](#)
- 3274 [Convention](#)
- 3275 • [ILO Convention C156 on Workers with Family Responsibilities Convention](#)
- 3276 • [ILO Convention C190 on Violence and Harassment Convention](#)
- 3277 • [UN Human Rights Convention Against Torture and Other Cruel, Inhumane or](#)
- 3278 [Degrading Treatment or Punishment](#)
- 3279

3280 Additional Reading

3281 The following literature may be useful for guidance when implementing this Criterion:

- 3282
- 3283
- 3284
- 3285
- 3286
- [ILO, Helpdesk on Business and discrimination and equality Q&As](#)
 - [IFC, Guidance Note on Performance Standard 2](#)
 - [IFC, Good Practice Note – Non-Discrimination and Equal Opportunity](#)
 - [Better Work, Guidance Sheet – Discrimination](#)
 - [Verité, An Introduction to Grievance Mechanisms](#)

3287

DRAFT

CRITERION 16: Diversity, Equality and Inclusion

Promote diversity, equality and inclusion in the workplace through the:

- **identification of gaps and assessment of needs;**
- **implementation of a system to manage, monitor, and create a conducive culture for; and,**
- **disclosure of progress to achieve diversity, equality and inclusion in the workplace.**

I. Implementation:

a. *Relevance*

The minerals and metals industry, in particular mining, has historically been male-dominated, and underrepresented by minority groups. Today, it is clear that diversity, equity, and inclusion, including but not limited to gender equality, is not only an ethical imperative, but makes business sense. It promotes innovation, knowledge-sharing, and teamwork, among other benefits.

As a major employer, the minerals and metals industry has a role to play to promote diversity, equality, and inclusion. For this reason, Criterion 16 is relevant for all Sites, irrespective of size, location, or function in the value chain.

b. *Core Requirements*

Sites are expected to identify gaps and assess the needs, implement systems to manage, monitor, and create a conducive culture for diversity, equality and inclusion, and disclose on progress to achieve diversity, equality and inclusion in the workplace.

1. To manage diversity, equality and inclusion in line with internationally recognized frameworks, which means, as well as the frameworks required in Criteria 1 and 2 and where applicable to operational activities, Sites must:

- follow [the UN Guiding Principles on Business and Human Rights](#).

2. To identify gaps and needs, which means to conduct assessments of the potential and actual adverse impacts on diversity, equality and inclusion, in line with Criterion 2 on Impact Assessments. As well as the requirements in Criterion 2, the assessment should:

- Determine the Scope of the assessment, which means to identify Sites' features, aspects, stakeholders and operational activities that fall within the responsibility of Sites to manage, including:
 - workers directly and indirectly employed by Sites.

- Establish a Baseline, which means to generate, gather, and analyze relevant data and information on the status of the aspects in scope including through engagement of all levels of the workforce. An assessment of the gaps and needs may be, for example, generated through confidential questionnaires or through conversations. An assessment should be administered to workers across Sites and contain questions that would provide Sites with a better understand of the potential gaps identified during the gap identification step. Such questions may include, but are not limited to:

- whether it is believed that people in the workplace are treated differently according to race, gender, ethnicity, creed, disability, or other, including through hiring, remuneration, benefits, training, and career advancements;
- whether they feel they are provided with facilities and means to promote diversity, equality and inclusivity;
- whether workers believe the workplace to be diverse and inclusive; and/or,
- how workers believe diversity and inclusion in the workplace can be advanced.

3. To implement a system to manage, monitor, and create a conducive culture for diversity, equality and inclusion, which means to implement a management system in line with Criterion 1 on Management Systems. As well as the requirements in Criterion 1, the system should:

- Incorporate into a policy the goal for Sites to create a workplace culture of diversity, equality and inclusion.
- Provide training to all workers, including supervisors, managers and if possible, workers and suppliers on diversity, equality and inclusion in the workplace.
- Establish monitoring procedures and protocols continuously to monitor progress, identify and resolve barriers to the advancement of diversity, equality and inclusion in the workplace.
- Develop targets aimed at addressing potential identified gaps and promote continuous improvement of Sites' diversity, equality, and inclusion programs. Examples of targets include, but are not limited to:
 - the implementation of a plan to promote women empowerment, eliminate gender pay gaps, and reduce female turnover rates;
 - the implementation of new strategies for recruiting and promoting workers into management positions with a view to promote diversity, equality and inclusion;
 - the implementation of gender sensitive facilities, including sanitation facilities such as well-lit shelters for transport waiting, separate lavatories for men and women, water, sanitation, and hygiene (WASH) and menstrual hygiene management (MHM) facilities/latrines, and breastfeeding areas; and,

3366 ○ the implementation of strategies to ensure that everyone receives equal
3367 remuneration, including benefits, and equal treatment in respect of work of
3368 equal value, as well as equality of treatment in the evaluation in the quality
3369 of work.

- 3370 • Implement non-discrimination practices in line with Criterion 15 on Non-
3371 Discrimination and Harassment; and,
- 3372 • Implement a grievance mechanism to alert management to instances of
3373 inequality, and/or discriminatory practices, in line with Criterion 7 on Grievance
3374 Mechanisms.

3375

3376 **4. To disclose progress** on achieving diversity, equality and inclusion in the
3377 workplace, which means to disclose at least annually all relevant information
3378 needed to inform stakeholders of the Sites' impacts, plans, actions, goals and
3379 targets, and performance in line with Criterion 6 on Sustainability Reporting.

3380

3381 **II. Examples of Evidence:**

3382

3383 *The following are examples of documents that may be used to demonstrate*
3384 *conformance with the Criterion. Please note this list is not exhaustive and Sites are*
3385 *not expected to have all the documents listed below:*

3386

3387 *Policies & Procedures*

- 3388 • Relevant policies and procedures addressing workplace diversity, equality and
3389 inclusion.
- 3390 Integration of policies on diversity, equality and inclusion into other relevant
3391 policies such as recruitment and employment terms policies.

3392 *Records*

- 3393 • Data collected pertaining to diversity, equality and inclusion during risk and
3394 impact assessments.
- 3395 • Data collected pertaining to assessments of needs.
- 3396 • Documented targets addressing gaps in diversity equality and inclusion.
- 3397 • Documented initiatives to promote diversity, equality and inclusion.
- 3398 • Training logs of workers on workplace diversity, equality and inclusion.
- 3399 • Records of continuous monitoring of diversity, equality and inclusion.

3400 *Reporting*

- 3401 • Communication of policies addressing workplace diversity, equality and
3402 inclusion.
- 3403 • Disclosure (website, annual reports, regulatory submissions) or third-party
3404 assurance of a workplace culture of diversity, equality and inclusion.
- 3405 • Performance results from monitoring diversity, equality and inclusion initiatives.

3406 *External Assurance & Inspections*

- 3407 • Third-party assurance of diversity, equality and inclusion reports.

The following are examples of other evidence, collected through interviews and/or observation during Sites' assessments, that can demonstrate conformance with the Criterion. In addition to the examples listed below, the examples listed for Criterion 1 on Management Systems and Criterion 2 on Impact Assessments should be taken into account.

- **Management can:**
 - demonstrate an understanding of Sites' relevant policies and how they have to implement those as part of their respective job responsibilities;
 - describe the main gaps that exist in Sites' diversity, equality and inclusion programs;
 - describe steps being taken by Sites to advance workplace diversity, equality and inclusion;
 - describe how workers are trained on Sites' diversity, equality and inclusion policies and procedures;
 - describe assessment needs analysis and subsequent targets.
- **Workers can:**
 - explain Sites' approach to ensuring the diversity, equality and inclusion at the workplace;
 - confirm they have received training on diversity, equality and inclusion;
 - Confirm there is equal opportunity within Sites.
 - describe how to raise concerns related to issues with diversity, equality and inclusion at the workplace.
- **Assessors can:**
 - confirm that no discriminatory practices can be detected during the Sites' walk through.

III. Key References:

Internationally Recognized Frameworks

The following international frameworks must be followed for the implementation of this Criterion where applicable to Sites' operational activities:

- [The UN Guiding Principles on Business and Human Rights](#)

International Conventions and Treaties

- [ILO Convention C100 on Equal Remuneration](#)
- [ILO Convention C183 on Maternity Protection](#)
- [ILO Convention C156 on Workers with Family Responsibilities](#)

- 3449 • [United Nation's Convention on the Elimination of All Forms of Discrimination](#)
3450 Against Women

3451

3452 **Additional Reading**

3453 The following literature may be useful for guidance when implementing this Criterion:

- 3454 • [Australian Aid/ Oxfam Australia, A Guide to Gender Impact Assessment for the](#)
3455 Extractive Industries, 2017
- 3456 • [WCEF International, The Gender Impact Assessment and Monitoring Tool,](#)
3457 2018
- 3458 • [The Sustainable Trade Initiative, New KPIs to Track and Evaluate Gender-](#)
3459 Equality Interventions
- 3460 • [The UN Women Empowerment Principles](#)

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3462 CRITERION 17: Employment Terms

Respect workers' rights to fair and decent employment terms through the:

- **identification of risks;**
- **implementation of a system to manage; and,**
- **public disclosure of performance to maintain and monitor fair working hours, remuneration, social benefits, disciplinary actions, accommodation, and worker contracts.**

3463

3464

3465 I. Implementation

3466

3467 a. Relevance

3468

3469 Criterion 17 on Employment Terms is relevant to all Sites employing workforce,
3470 business activities, irrespective of size, location or its function in the value chain. While
3471 the provision of fair and decent employment terms is what all Sites are expected to
3472 provide, Sites should be aware and follow specific national and international regulatory
3473 requirements on employment terms. In case of absence of national regulatory
3474 requirements or in case of contradiction between the domestic law of the country
3475 and international requirements, Sites should follow international requirements or
3476 requirements that provide the highest protection to workers.

3477 Mining Sites are often in rural remote areas, where workers do not have easy access
3478 to transport routes or do not live nearby, and Sites operate on a fly-in fly-out roster.
3479 For such Sites, exceptions to the regular and overtime working hour limits and weekly
3480 rest standards are allowed if there is a national law allowing such exceptions and a
3481 freely negotiated collective bargaining agreement is in force allowing variances to the
3482 rest periods and working hours.

3483 b. Core Requirements

3484

3485 Sites are expected to respect workers' rights to fair and decent employment terms,
3486 including working hours, remuneration, social benefits, disciplinary actions
3487 accommodation and provisions of worker contracts.

3488

3489 **1. To manage employment terms in line with internationally recognized**
3490 **frameworks**, which means, as well as following the frameworks required in Criteria
3491 1 and 2 and where applicable to operational activities, Sites must:

- 3492 • Follow [the UN Guiding Principles on Business and Human Rights](#)

3493

2. To identify unfair employment terms, which means to conduct assessments of impacts in line with Criterion 2 on Impact Assessments. As well as the requirements in Criterion 2, the assessment should:

- Determine the Scope of the assessment, which means to identify Sites' features, aspects, stakeholders and operational activities that fall within the responsibility of Sites to manage including:
 - Stakeholders:
 - workers directly and indirectly employed by Sites;
 - business partners and suppliers in line with Criterion 10 on Responsible Supply Chains.
- Establish a Baseline, which means to generate, gather, and analyze relevant data and information on the status of employment terms in scope that should include but not be limited to:
 - limits on regular working hours and overtime;
 - established rest periods;
 - remuneration rates that are equal to or exceed the national minimum wage or industry wage;
 - living wage rate calculations;
 - social benefits;
 - disciplinary actions applied;
 - conditions to be included into worker contracts; and,
 - conditions on accommodation provided if relevant.

3. To prohibit unfair employment terms, which means, to have and to communicate to workers and business partners clear policies signaling Sites approach to working hours, rest periods, remuneration, social benefits, disciplinary actions provision of accommodation and worker contracts in line with Criterion 1 on Management Systems.

4. To effectively prevent unfair employment terms means to implement a system in line with Criterion 1 on Management Systems. As well the requirements in Criterion 1, the management system should:

- Sites should follow national and international laws and regulations for the employment terms. In case of absence of national regulatory requirements or in case of contradiction between the domestic law of the country; and international requirements, Sites should follow international requirements or requirements that provide the highest protection to workers;
- explain and train workers on their employment terms in a language they understand and how to file a complaint in the instance they feel they have been subjected to unfair employment terms;
- set limits on regular working hours and overtime;

- ensure that workers' total regular working hours not exceed 48 hours per week and overtime not exceed 12 hours per week;
- if existing national laws and collective bargaining agreements differ from the limits described above, Sites should follow whichever provides the highest protection to workers, meaning:
 - if country law sets a weekly limit above 48 hours, companies should follow the limits described above; and,
 - If it sets a limit below 48 hours, companies should comply with local law/collective bargaining agreements;
- ensure that special arrangements on working hours are provided to certain workers, such as workers under 18 years of age or pregnant workers;
- ensure that overtime is voluntary;
- provide rest periods during working hours;
 - Sites should provide at least one rest day in seven;
- pay wages that are equal to or exceed the national minimum wage or industry wage, including for part-time workers, in which case the wage should be calculated based on what would be earned if working full-time. Minimum wage is the lowest amount of remuneration that an employer can legally pay a worker, and it cannot be reduced by collective agreement or an individual contract. Furthermore, Sites should:
 - be aware of and abide by regulations pertaining to overtime, as in many countries, overtime must be paid at a premium;
 - determine the living wage in their country of operation using common living wages calculation methods such as MIT Living wage calculator or Anker Methodology used by the Global Living Wage Coalition in cooperation with stakeholders, and will develop, and where possible, implement a plan on payment of the living wage to all workers over time;
 - pay wages in a timely manner; regularly and fully in legal tender
 - include a requirement on payment of social benefits; and,
 - apply only legally allowed wage deductions;
- provide social benefits, such as annual, maternity, paternity, sick and other leave;
- guarantee fair disciplinary actions;
 - establish a series of escalating steps for disciplinary practices, so as to ensure that disciplinary practices are administered consistently;
 - ensure that disciplinary practices are only ever carried out by the designated party or parties – anyone else should be strictly prohibited from disciplining workers;
 - train management on the appropriate administration of disciplinary actions;
 - prohibit security personnel, whether public or private, from disciplining workers;

- ensure that disciplinary practices are never used to punish, humiliate or intimidate workers;
 - ensure that disciplinary measures never include:
 - deduction to wages;
 - compulsory labor as punishment;
 - alteration of schedules or denial of vacation as means of punishment; or,
 - any type of physical or sexual abuse.
 - ensure that workers understand why they are being disciplined by:
 - providing written details of the allegations;
 - providing an opportunity for the worker(s) to defend themselves, and to appeal any disciplinary decisions; and,
 - allowing workers the opportunity to consult with or be represented by a trade union or legal counsel;
- provide accommodation of a reasonable standard of safety, repair and hygiene at adequate rates if applicable, including but not limited to provision of:
 - a separate bed for each worker;
 - gender separate accommodation;
 - adequate natural light during the daytime and adequate artificial light;
 - adequate ventilation to ensure sufficient movement of air in all conditions of weather and climate;
 - heating where appropriate;
 - adequate supply of safe potable water;
 - adequate drainage;
 - adequate furniture for each worker to secure his or her belongings, such as a ventilated clothes locker which can be locked by the occupant to ensure privacy;
 - a clean and safe place to cook, store and eat food;
 - appropriately situated and furnished laundry facilities;
 - fully operational fire safety equipment;
 - an appropriate number of easily identifiable, unlocked emergency exits;
 - if security guards are stationed at exits, they should have special training to ensure workers can leave without restrictions during an emergency;
 - first aid supplies;
 - emergency lighting in case of loss of power;
 - electrical safety;
 - building integrity;
 - sanitary toilet and bathing facilities commensurate with the number and gender of workers;
 - laundry facilities;
 - reasonable access to telephone or Internet, with any charges for the use of these services being reasonable in amount; and

3619 ○ rest and recreation rooms and health facilities, where not otherwise
3620 available in the community;

3621 Workers are free to choose any accommodation if the Sites location allows
3622 that.

- 3623 • provide written employment contracts to all workers that:
 - 3624 ○ clearly defines the conditions of employment (including wages, working
 - 3625 hours, overtime, benefits and other relevant clauses);
 - 3626 ○ are communicated to all workers in a language they understand before
 - 3627 employment starts.

3628

3629 **5. To disclose performance on provision of employment**, which means, to report
3630 at least annually all relevant information needed to clearly inform stakeholders of
3631 the Sites' plans, actions, and performance in line with Criterion 6 on Sustainability
3632 Reporting.

3633

3634 **II. Examples of Evidence:**

3635

3636 *The following are examples of documents that can demonstrate conformance with the*
3637 *Criterion. Please note this list is not exhaustive and the site is not expected to have all*
3638 *the documents listed below:*

3639

3640 *Policies & procedures*

- 3641 • Policy committing to fair and decent employment terms;
- 3642 • Documented voluntary overtime procedure.
- 3643 • Procedures on disciplinary measures.
- 3644 • Procedure on Grievance mechanism.
- 3645 • Human resources procedure.
- 3646 • Promotion and dismissal procedures.

3647 *Records*

- 3648 • Worker handbook.
- 3649 • Training materials and records on employment terms.
- 3650 • Working hour schedule.
- 3651 • Worker leave records, including annual, maternity, paternity, sick and other
- 3652 leave.
- 3653 • Salary scales/wage rates.
- 3654 • Payroll and time records (with due respect for confidentiality).
- 3655 • Analyses of industry wages in the area of operation.
- 3656 • Living wage calculation study and comparative analysis with current worker
- 3657 wages.
- 3658 • Grievance records on employment terms.

- 3659 • Inventory of facilities, including safety measures, provided in the
- 3660 accommodation areas.
- 3661 • Assessments or inspections of the conditions of the housing.
- 3662 • Records of repairs and maintenance of worker housing.

3663 *Contracts & Agreements*

- 3664 • Written employment contracts with workers outlining the employment terms.
- 3665 • Contractual clauses in commercial and procurement agreements with for
- 3666 Business Partners or Suppliers on adherence to fair and decent
- 3667 employment terms.
- 3668 • Collective bargaining agreement.

3669 *External Assurance & Inspections*

- 3670 • Third-party assurance of a formal management system to ensure adherence to
- 3671 fair and decent employment terms.
- 3672 • External inspection records of building integrity, food safety and hygiene, and
- 3673 any other requirements as applicable.
- 3674 • Government inspection reports.

3675

3676 *The following are examples of other evidence, collected through interviews and/or*

3677 *observation during the site assessment, that can demonstrate conformance with the*

3678 *Criterion. In addition to the examples listed below, the examples listed for Criterion 1*

3679 *on Management Systems and Criterion 2 on Impact Assessments should be taken*

3680 *into account.*

3681

- 3682 • *Management can:*
 - 3683 ○ Explain Sites policies and procedures on employment terms, set working
 - 3684 hour limits, disciplinary actions taken, wage determination system, worker
 - 3685 contracts, benefits and accommodation.
 - 3686 ○ Describe Sites system for recording working hours that enables accurate
 - 3687 calculation of pay, and which highlights to management when workers
 - 3688 exceed contracted hours and how much overtime is worked, and how
 - 3689 overtime is controlled to ensure that workers receive rest days.
 - 3690 ○ Explain the payroll procedure and how it ensures that all payments are
 - 3691 made on time and directly to the worker and not to another party or
 - 3692 intermediary.
 - 3693 ○ Describe living wage calculations.
 - 3694 ○ Describe the accommodation conditions provided to workers if applicable.
- 3695 • *Workers can:*
 - 3696 ○ Explain their employment terms and conditions in the contracts.
 - 3697 ○ Describe what rights they have with regards to limits of working hours,
 - 3698 benefits, remuneration, social benefits, disciplinary actions, housing.

- 3699 ○ Confirm that all working hours are recorded and wages are paid on time and
- 3700 that they receive a clear written or formal electronic record of payment made
- 3701 to them.
- 3702 ○ Confirm that they receive leave, including annual, maternity, paternity, sick
- 3703 and other leave.
- 3704 ○ Describe the training they received on employment terms and how to raise
- 3705 grievance if relevant.
- 3706 ○ Confirm that conditions at the accommodation are healthy and safe and they
- 3707 can choose their own housing if applicable.
- 3708 • **Assessors observe:**
- 3709 ○ All workers appear to work under fair and decent employment terms.
- 3710 ○ Employment terms are posted at the common areas at the workplace.
- 3711 ○ There are not any visible signs of unacceptable disciplinary measures
- 3712 applied at the company.
- 3713 ○ Accommodation provided is of reasonable standard of safety, repair and
- 3714 hygiene if applicable
- 3715

3716 III. Key References

3717

3718 The following international frameworks must be followed for the implementation of this

3719 Criterion where applicable to Sites operational activities:

- 3720
- 3721 • [The UN Guiding Principles on Business and Human Rights](#)
- 3722

3723 International Conventions and Treaties

- 3724
- 3725 • [ILO Convention C029 on Forced Labour](#)
- 3726 • ILO Convention C105 on Abolition of Forced Labour
- 3727 • [ILO Declaration on Fundamental Principles and Rights at Work](#)
- 3728 • [ILO Convention C001 on Hours of Work \(Industry\)](#)
- 3729 • [ILO Convention C014 on Weekly Rest \(Industry\)](#)
- 3730 • [ILO Convention C100 on Equal Remuneration](#)
- 3731 • [ILO Convention C132 on Holidays and Pay](#)
- 3732 • [ILO Convention C183 on Maternity Protection](#)
- 3733 • [ILO Recommendation R115 on Workers' Housing](#)
- 3734

3735 Additional Reading

3736 The following literature may be useful for guidance when implementing this criterion:

- 3737 • [ILO Governance and Tripartism Department](#)

- 3738 • [Social Accountability International, Guidance Document for Social](#)
3739 [Accountability 800 \(SA8000®:2014\)](#)
3740 • [IFC Guidance Note 2 on Performance Standard 2 Labour and Working](#)
3741 [Conditions](#)
3742 • [Massachusetts Institute of Technology \(MIT\), Living Wage Calculator](#)
3743 • [Global Living Wage Coalition, What is a Living Wage?](#)
3744 • [IFC, EBRD, Workers' accommodation: processes and standards](#)
3745 • [ILO, Helpdesk Factsheet No.6: Workers' housing](#)
3746

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Criterion 18: Occupational Health and Safety

Respect workers' rights to the means and conditions for safe and healthy work through the:

- **identification of risks and assessment of needs;**
- **implementation of a system to manage; and,**
- **public disclosure of performance on actions to provide safe and healthy work environments, equipment, materials, and the terms and resources to support workers' wellbeing.**

I. Implementation:

a. *Relevance*

While accidents, diseases, and psychosocial hazards are a significant concern of labor rights' groups, governments, and corporate managers in every sector and the reason why all Sites should ensure the good health and the safety of all affected stakeholders, the operational activities of some industries generally are a higher risk to workers', visitors' and affected communities' physical and mental health and wellbeing. Mining activities can include the use of heavy equipment and explosives, working underground or near open pits and openings, exposure to extreme heat or cold, and, sometimes, over long shifts. The potential for workplace hazards at mining Sites is greater than at processing and manufacturing Sites, where the possibility to construct and control working environments with fewer hazards is greater. For mining Sites, therefore, this Criterion is especially relevant and particular attention should be paid to implement rigorous impact assessments, and robust systemic management, monitoring, reporting and continual improvements to keep people safe and healthy.

b. *Core Requirements:*

Sites are expected to provide all workers with a safe and healthy working environment.

1. To manage occupational health and safety in line with internationally recognized frameworks, which means, as well as following frameworks required in Criteria 1 and 2 and where applicable to operational activities, Sites must:

- follow [ISO 45001 on Occupational Health and Safety](#).

2. To identify risks of adverse impacts in the workplace and assess needs for safe and healthy work, which means to implement impact assessments for the potential and actual occupational, health and safety impacts and needs in line

with Criterion 2 on Impact Assessments. As well as the requirements in Criterion 2, and where applicable to operational activities, Sites should:

- Determine the Scope of the assessment, which means to identify features, aspects, stakeholders, and operational activities that fall within the responsibility of Sites to manage including but not limited to:
 - operational activities that have the potential or actual occupational health and safety impacts including on:
 - workers;
 - visitors;
 - affected stakeholders in neighboring communities in line with Criterion 20 on Community Health and Safety.
 - all aspects of human health and safety including:
 - physical health;
 - mental health; and,
 - wellbeing.
 - all health and safety hazards and operational activities and practices that have the potential to negatively impacts peoples' physical and mental health and wellbeing at work, including:
 - physical hazards, such as exposure to equipment and machinery generating consistent loud noises, heavy parts, and sharp edges; walking surfaces and walkways that are or can cause falls or slips; and hazards related to ergonomics and desk-based work;
 - hazards related to working at heights;
 - structural hazards, such as mining pits, shafts, buildings, structures, walkways;
 - electrical hazards, such as exposure to burns, electrocution, shock, arc flash and blast, and fire;
 - fire hazards, such as the potential for actions, the presence of materials, or conditions that might start or increase the size or severity of a fire, such as fuel that is easy to ignite, a heat source, such as a defective appliance, or accidental spills leading to liquid reacting with electrical equipment;
 - biological hazards, such as exposure to viruses, bacteria, and toxins in the workplace or from other workers;
 - chemical hazards, such as from exposure to chemicals used for processing minerals and metals and from cleaning agents;
 - hazards from explosives used and stored at mining Sites, such as from exposure to noise and harm to hearing;
 - building and workplace environmental hazards, such as low lighting, poor ventilation, harmful low or high temperatures, and no or inadequate barriers to dangerous areas and openings;

- restricted access to emergency routes or equipment, such as poor lighting and signage for emergency exits, fire extinguishers placed behind barriers or out of reach, and concealed locations for fire alarm systems;
 - employment terms and practices negatively affecting human wellbeing, such as long work hours, poor work-life balance, and short-term contracts.
- Establish a Baseline, which means to generate, gather, and analyze relevant data and information on the status of occupational health and safety features, aspects, stakeholders, and operational activities in scope that should include but not be limited to:
 - identification of potential and quantification of actual incidences linked to the hazards, operational activities, and practices in scope of the assessment;
 - identification and quantification of worker health and wellbeing issues not directly linked to the workplace, such as long-term substance abuse, infectious diseases, such as HIV/AIDS, tuberculosis and malaria, and sexual and reproductive health where legal to do so;
 - assessment of workers' wellbeing against indicators including job security, financial security, physical and mental health, institutional support, protection, and work/life balance;
 - status of readiness of the emergency response system in line with Criterion 19 on Emergency Preparedness;
 - status of the system to manage community health and safety in line with Criterion 20 on Community Health and Safety.
- 3. To implement a system**, which means to establish a management system for occupational health and safety in line with Criterion 1 on Management Systems.

As well as the requirements in Criterion 1, the system should:

 - document a policy on occupational, health and safety and make it available to workers, visitors and affected community stakeholders;
 - establish a health and safety committee comprising appropriate representation from management, workers, and other affected stakeholders with the mandate to review and update the policy and procedures at least annually;
 - incorporate the concerns and perspectives of workers and affected stakeholders gathered from consultation processes on the design of the system;

- develop and enable the following procedures for continual consultation with workers and workers' representatives to ensure they are informed about their rights and other information relevant to their health and safety at work;
- require workers, visitors and affected community stakeholders to follow the Health and Safety Controls Hierarchy;
- develop detailed plans to ensure installation in workplaces of controls to manage potential and actual health and safety impacts in scope including but not limited to:
 - sufficient, clearly marked, unlocked, and unblocked emergency exits;
 - sufficient lighting;
 - installed alarms;
 - adequate ventilation and air quality;
 - safe noise levels;
 - safe indoor temperatures, meaning sufficient indoor heating and cooling;
 - adequate signage for evacuation;
 - emergency wash stations;
 - free, safe drinking water;
 - sanitary facilities for food storage;
 - clean gender-separated restrooms;
 - emergency lighting; and,
 - fire-proof and self-contained chambers.
- provide personal protective equipment (PPE) in good condition and free of charge.
- provide safe and functioning equipment, machinery, vehicles, tools to enable workers to implement tasks.
- provide access to mental health and wellbeing professionals.
- deliver and continually update and refresh health and safety training for workers, visitors and affected community stakeholders to ensure they recognize and understand all health and safety hazards prevalent in the workplace, including but not limited to:
 - procedures on Sites' occupational health and safety policies and procedures;
 - when and how properly to wear, use, and maintain PPE;
 - protocols for following emergency and evacuation procedures, including where emergency exits are located in line with Criterion 19 on Emergency Preparedness;
 - how to use a first-aid kit and where these are kept;
 - sites' mechanisms for consulting workers to raise and discuss health and safety issues;
 - relevant building codes and regulations that must be always adhered to; and,
 - the process for filing a health and safety incident report;

- where Sites provide worker accommodation, ensure such accommodation provides access to sanitation, sanitary canteens or cooking areas, and living and working areas;
- document procedures to detect, prevent, and combat the start and spread of fires and explosions;
- establish protocols to prevent the spreading of contagious diseases, including periodic medical examinations for workers to ensure early detection and treatment of health issues related to work;
- set goals and targets and monitoring indicators for the continual improvement of occupational health and safety practices and results;
- generate and maintain a repository of relevant occupational health and safety data, information, and analyses and supporting documentation; and,
- ensure compliance with all applicable national regulatory requirements and all obligations under international law for occupational health and safety in line with Criterion 5 on Legal Compliance.

4. To publicly disclose performance on actions to provide safe and healthy work, which means to disclose at least annually all relevant information needed clearly to inform stakeholders of the Sites' occupational health and safety related risks and impacts, plans, actions, goals and targets, and performance in line with Criterion 6 on Sustainability Reporting.

II. Examples of Evidence:

The following are examples of documents that may be used to demonstrate conformance with the Criterion. Please note that the list is not exhaustive, and the Sites are not expected to have all the documents listed below:

Policies & Procedures

- Policy and procedures on and commitment to identify, address and control workplace risks and hazards.
- A documented assessment of the presence of potential and actual occupational health and safety adverse impacts.
- Specific procedures governing practices for identified hazards, operational activities, and practices in scope including for example on chemical safety, emergencies, adequate workplace lighting, identifying, and reducing noise levels, and ensuring sanitary facilities.
- A procedure to conduct effective consultation and participation with workers relating to occupational health and safety matters, including risk identification and management.

Records

- 3947 • Audit and performance evaluation reports of conformance to health and safety
- 3948 standards.
- 3949 • Results and underlying data of occupational health and safety impact
- 3950 assessments.
- 3951 • An inventory, issue records for, and records of inspection and testing of PPE.
- 3952 • Records of consultation and participation with workers relating to occupational
- 3953 health and safety matters.
- 3954 • Records of temperature control monitoring.
- 3955 • Records of workplace air quality monitoring.
- 3956 • Records of noise monitoring.
- 3957 • An inventory of monitoring systems for emissions and accumulations of
- 3958 potentially dangerous gases.
- 3959 • Safety data sheets.
- 3960 • An inventory of chemicals used at Sites.
- 3961 • Safety inspection checklists, registers, and other records of conducted
- 3962 inspections.
- 3963 • Evacuation drill records.
- 3964 • Accident investigation reports/records.
- 3965 • Health and safety committee meeting minutes.
- 3966 • Workers' training records.
- 3967 • First aid kit inspection records.
- 3968 • Area- and task-specific hazard risk assessments.

3969

3970 *Plans*

- 3971 • Health and safety training plan.
- 3972 • A risk management plan to eliminate and control hazards associated with the
- 3973 operational activities.

3974

3975 *Reporting*

- 3976 • Public reports on accident frequency, annual rate of health and safety training
- 3977 on publicly available websites, annual reports, or sustainability reports at least
- 3978 annually.

3979

3980 *External Assurance & Inspections*

- 3981 • Government inspection reports.
- 3982 • Certifications or audit reports for occupational health and safety standards.

3983

3984 *The following are examples of other evidence, collected through interviews and/or*

3985 *observation during the Sites' assessment, that can demonstrate conformance with*

3986 *the Criterion. In addition to the examples listed below, the examples listed for*

Criterion 1 on Management Systems and Criterion 2 on Impact Assessments should be considered.

- Management can:
 - describe Sites' health and safety management system including the relevant policies and procedures;
 - demonstrate their knowledge of their roles and responsibilities related to health and safety in the workplace;
 - describe the procedures covering occupational health and safety;
 - describe the process for conducting regular health and safety risk and impact assessments;
 - describe the identified risks at Sites' workplaces and action plans to mitigate such risks;
 - describe the process for training workers on equipment, chemicals, use of PPE and other relevant topics;
 - describe the key health and safety controls;
 - describe the protocols for maintaining records of accidents and health and safety incidents;
 - demonstrate the presence of clear lines of accountability and responsibility at Sites for oversight of health and safety procedures.
- Workers can:
 - describe how they are consulted about health and safety risks;
 - describe Sites' procedures for their formal training on equipment, chemical use, PPE and other topics;
 - confirm they have access to PPE free of charge;
 - confirm they are trained on accident and emergency procedures and basic hygiene practices;
 - confirm that training occurred before work commenced and reoccurs periodically throughout employment;
 - demonstrate their knowledge and awareness of their health and safety roles and rules, regulations, and emergency procedures, including first aid;
 - describe how to report health and safety accidents and incidents;
 - confirm they have access to mental health and wellbeing professionals;
 - confirm they are provided with free drinking water and access to hygienic facilities.
- Assessors' observations can:
 - confirm a safe working environment, with workers utilizing their PPE, safe machinery, emergency preparedness measures including first aid;
 - confirm health and safety information and signage is displayed prominently on production sites in ways that are easily comprehensible to all workers;
 - confirm access to emergency exists are not obstructed;
 - confirm hazards, such as spills or hot surfaces, are identified and workers alerted in a timely fashion;
 - confirm signage and information for workers are installed on all machinery including mobile equipment;

- 4035 ○ confirm they are obliged to complete occupational health and safety
4036 training when and before entering Sites.
4037

4038 **III. Key References:**

4039

4040 **Internationally Recognized Frameworks**

4041

4042 The following international frameworks must be followed for the implementation of
4043 this Criterion where applicable to Sites' operational activities:

4044

- 4045 • [ISO 45001 on Occupational Health and Safety](#)

4046

4047 **International Conventions and Treaties**

4048

- 4049 • [ILO Convention C155 on Occupational Safety and Health](#)
4050 • [ILO Convention C161 on Occupational Health Services](#)
4051 • [ILO Convention C148 on Working Environment](#)
4052 • [ILO Convention C176 on Safety and Health in Mines](#)

4053

4054 **Additional Reading**

4055

4056 The following literature may be useful for guidance when implementing this Criterion:

4057

- 4058 • [ICMM, Good Practice Guide: Health and Safety Critical Control Management](#)
4059 • [ICMM, The Setting and Use of Occupational Exposure Limits](#)
4060 • [ICMM, Good Practice Guidance on Occupational Health Risk Assessment](#)
4061 • [ICMM, Fatality Prevention: Eight Lessons Learned](#)

4062

4063 CRITERION 19: Emergency Preparedness

Enable workers and stakeholders to keep themselves and others safe in the event of an emergency through the:

- **identification of potential emergency scenarios;**
- **implementation of a system to manage; and,**
- **disclosure of the performance of emergency response plans.**

4064 1. Implementation:

4065 a. *Relevance:*

4066 All Sites are expected to keep workers safe and therefore should be prepared for and
4067 prepare stakeholders to respond to emergencies. The potential adverse impacts from
4068 an emergency in some industries can be at a relatively far greater scale and severity
4069 than others. Emergencies at mining Sites have included tailings facility failures, rock
4070 falls, underground pit collapses, methane leaks, or high volumes of toxic substances
4071 entering water courses. For mining Sites therefore, and any large scale industrial
4072 infrastructure projects, this Criterion is especially relevant and particular attention
4073 should be paid to implement rigorous emergency scenario assessments, and robust
4074 systemic management, monitoring, testing and continual improvements to keep
4075 people safe in the event of emergencies.

4080 b. *Core Requirements:*

4081 Sites are expected to enable workers and stakeholders to keep themselves and others
4082 safe in the event of an emergency.

4083 **1. To prepare for and manage emergency response in line with internationally**
4084 **recognized frameworks**, which means to follow frameworks required in Criteria 1
4085 and 2.

4086 **2. To identify potential emergency scenarios**, which means to conduct
4087 assessments of Site-specific emergencies in line with Criterion 2 on Impact
4088 Assessments.

4093 As well as the requirements in Criterion 2, assessments should:

- Determine the Scope of the assessment, which means to identify Sites' features, aspects, stakeholders, and operational activities that fall within the responsibility of Sites to manage including but not limited to:

- stakeholders that have the potential to be adversely impacted in an emergency including:
 - workers;
 - visitors;
 - emergency responders and other relevant public and private services including fire departments, police, emergency health services, hospitals and public health authorities, humanitarian relief services, civil society organizations, and environmental organizations; and,
 - stakeholders in neighboring communities in line with the assessment scope in Criterion 20 on Community Health and Safety; and,
- all aspects of human safety including:
 - physical safety;
 - psychosocial health; and,
 - economic security; and,
- all hazards and events that have the potential to cause emergencies and have adverse impacts, including:
 - hazards associated with operational activities, such as physical, structural, electrical, fire and biological hazards in line with the impact assessment scope of Criterion 18 on Occupational Health and Safety;
 - hazards associated with significant serious pollution events, such as spillages or leaks in line with the impact assessment scope of Criterion 33 on Pollution;
 - failure of tailings facilities and disposal systems at mining Sites in line with the impact assessment scope in Criterion 31 on Tailings Management;
 - non-standard events such as power outages and extreme weather;
 - natural disasters, such as seismic events, fire, and flood, associated with Sites' locations; and,
 - political instability that could lead to armed conflict.

3. To implement a system to manage emergency response plans, which means to implement a management system to prepare for and respond to emergencies in line with Criterion 1 on Management Systems.

As well as the requirements in Criterion 1, the management system should:

- establish policies, procedures and processes that are designed for, tested, and approved by management for detecting and responding to all identified emergency scenarios, and to prevent and mitigate adverse impacts;
- document procedures to avoid and minimize loss of life, injuries and damage to property, health and social well-being of workers, local communities, and the environment, in the event of emergencies;

- establish and test emergency communication systems;
- train workers in emergency response plans, which means to train all workers on:
 - evacuation drills, including their right to immediately evacuate from an emergency event;
 - the use of personal protective and emergency equipment;
 - procedures that workers are expected to follow to prevent and respond to emergencies; and,
 - procedures related to first-aid treatment, medical treatment, and the transportation and evacuation of injured persons;
- ensure consideration for responding to and mitigating adverse impacts from emergencies is incorporated into infrastructure planning and development, such as by implementing:
 - early warning systems, including installed alarms;
 - sufficient emergency exits;
 - sufficient lighting and ventilation and emergency exit signage;
 - emergency wash stations;
 - fire-proof and self-contained chambers;
 - emergency lighting;
 - back-up energy systems; and,
 - bunkers.
- involve workers and other stakeholder in scope throughout all stages of the development, implementation, and testing of emergency response plans;
- ensure all workers have access to personal protective equipment, such as protective clothing;
- ensure all necessary emergency response equipment, such as fire suppression equipment and first aid kits, are available, accessible, maintained and periodically checked for proper functionality.
- establish procedures for periodic testing, reviewing and updating of emergency response plans;
- provide stakeholders with information about hazards and risks, and measures taken to reduce these;
- raise local community awareness of the risk of emergency events and the required responses; and,
- integrate emergency response plans with local industry, authorities, and communities, into an overall plan for the community's adequate emergency response.

4. To disclose the performance of emergency response plans, which means to disclose at least annually all relevant information needed to clearly inform stakeholders of Sites' emergency scenarios, emergency response plans, and

actual emergencies and related adverse impacts and Sites' responses in line with Criterion 6 on Sustainability Reporting

II. Examples of Evidence:

The following are examples of documents that can demonstrate conformance with the Criterion. Please note this list is not exhaustive and Sites are not expected to have all the documents listed below:

Policies & procedures

- Relevant policies and procedures committing to emergency preparedness.
- Emergency preparedness training policy and procedures for workers.

Records

- Evidence of training of workers in emergency response procedures.
- Documented assessments of Sites, operations, and the infrastructure for emergency response needs.
- Documented arrangements with local emergency responders.
- Documented infrastructural changes adapted to incorporate emergency response.

Contracts & Agreements

- Contractual clauses in commercial and procurement agreements with business partners or suppliers indicative of Sites' emergency response measures.

Plans

- Emergency response plans.
- Stakeholder engagement plans.

Reporting & Communication

- Disclosure (website, annual reports, regulatory submissions) of third-party assurance of adherence to appropriate emergency preparedness procedures.

External assurance & Inspections

- Third-party assurance reports of a formal management system to ensure adherence to appropriate emergency preparedness procedures.
- Government inspection reports.

The following are examples of other evidence, collected through interviews and/or observation during the site assessment, that can demonstrate conformance with the Criterion. In addition to the examples listed below, the examples listed for Criterion 1 on Management Systems and Criterion 2 on Impact Assessments should be taken into account.

- *Management can:*

- confirm Sites have identified potential hazards and can describe how emergency events are prepared for;
- confirm awareness of emergency response plans and steps involved with developing, implementing, and testing these plans;

- confirm that workers are provided with personal protective and emergency response equipment;
- confirm that workers are trained on emergency response plans;
- demonstrate clear lines of accountability and responsibility for oversight of emergency response plans and emergency preparedness systems; and,
- describe procedures for engaging and collaborating with workers and potentially affected stakeholders on emergency response plans.
- *Workers can:*
 - demonstrate knowledge and awareness of emergency response plans and procedures;
 - confirm they are trained in emergency response;
 - confirm that emergency response plans are tested;
 - confirm they have access to personal protective and emergency response equipment;
 - confirm they understand that they have a right to immediately evacuate from an emergency event;
 - confirm they have access to local emergency authorities such as fire responders, hospitals and doctors; and,
 - confirm that the Site has infrastructure adapted to emergency preparedness such as an early warning system, installed alarms, sufficient lighting and ventilation, emergency exits, emergency lighting, back-up energy systems, and bunkers.
- *Stakeholders can:*
 - demonstrate local communities, fire departments, police, emergency health services, hospitals and public health authorities, humanitarian relief services, civil society organizations, and environmental organizations are able to confirm Sites have involved them in the development of emergency response plans.
- *Assessors observe:*
 - sufficient emergency response measures in place, such as adequate lighting, sufficient ventilation, visible signage and availability of personal protective and emergency equipment.

III. Key References

International Conventions and Treaties

- [ILO Convention C155 on Safety and Health](#)
- [ILO Convention C176 on Safety and Health in Mines](#)

Additional Reading

4267

4268 The following literature may be useful when implementing this Criterion:

4269

4270

- [ILO, Recommendation 183 on Safety and Health in Mines](#)
- [UNEP, Awareness and Preparedness for Emergencies at Local Level \(APELL\)](#)
- [UNEP, Good Practice in Emergency Preparedness and Response](#)

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4275 CRITERION 20: Community Health and Safety

Respect communities' rights to healthy and safe living conditions through the:

- **identification of risks;**
- **implementation of a system to prohibit, effectively prevent and remedy; and**
- **public disclosure of performance on the mitigation of potential and actual adverse impacts on community health and safety.**

4276

4277

4278 I. Implementation:

4279

4280 a. *Relevance*

4281 All Sites irrespective of size, location, or function in the value chain should ensure that
4282 the health and safety of populations affected by their operational activities are not
4283 adversely impacted. This criterion is especially relevant to Sites with operational
4284 activities in, near, or directly involving communities. Also highly relevant are Sites with
4285 operational activities that generally have a greater potential to be hazardous to human
4286 health and safety, such as Sites that use chemicals, toxic substances or generate
4287 large volumes of waste. For example, mining Sites moving or transporting material
4288 using heavy equipment and vehicles through towns and villages or blasting rock faces
4289 in pits and quarries near houses and working areas, can potentially generate dust,
4290 noise, spills and accidents and cause harm to people's physical and mental health.
4291 Equally, processing and manufacturing Sites in urban areas generate emissions to
4292 land, air and water and can create visual, light and noise pollution that alter people's
4293 experience of their environment and, if not carefully managed and accidents occur,
4294 can adversely impact people's physical and mental health.

4295 b. *Core Requirements:*

4296

4297 Sites are expected to respect communities' rights to healthy and safe living conditions:

4298

4299 **1. To manage impacts on community health and safety in line with**
4300 **internationally recognized frameworks**, which means to follow the frameworks
4301 required in Criteria 1 and 2 and where applicable to operational activities.

4302

4303 **2. To identify adverse impacts on community health and safety**, which means to
4304 conduct assessments of potential and actual cases of adverse impacts in line with
4305 Criterion 2 on Impact Assessments. As well as the requirements in Criterion 2 the
4306 assessment should:

- Determine the Scope of the assessment, which means which means to identify
4308 Sites' features, aspects, stakeholders, and operational activities that fall within
4309 the responsibility of Sites to manage, including;

- Operational activities that have potential or actual health and safety impacts on:
 - Neighboring communities;
 - Communities along transport routes heavily used by Sites; and,
 - Any other communities affected by Sites' operational activities.
- All aspects of human health and safety including:
 - Physical health;
 - Mental health; and,
 - Well-being.
- All health and safety hazards and operational activities in or near communities that have the potential to negatively impacts peoples' physical and mental health and well-being, including:
 - Physical hazards, such as exposure to equipment and machinery;
 - Structural hazards, such as mining pits, shafts, buildings, structures, walkways.
 - Electrical hazards, such as from overhead or surface electrical cables and transmission lines;
 - Fire hazards, such as the presence of materials, or conditions that might start or increase the size or severity of a fire;
 - Biological hazards, such as exposure to viruses, bacteria, and toxins in the workplace or from other workers;
 - Chemical hazards, such as from exposure to chemicals used for processing minerals and metals;
 - Hazards from explosives used and stored at mining Sites, such as from exposure to noise and harm to hearing;
 - Events related to security forces in line with the impact assessment scope of Criterion 23 on Security and Human Rights; and,
 - Emergencies in line with scenarios in the impact scope of Criterion 19 on Emergency Preparedness.

3. To prohibit adverse impacts on community health and safety, which means, to have and to communicate with workers and business partners a clear policy signaling that Sites work to prevent any adverse impacts on community health safety in line with Criterion 1 on Management Systems. Included in this policy should be a commitment to remediate instances of adverse impacts on community health in safety.

4. To effectively prevent adverse impacts on community health and safety means to implement a management system to manage the risk of adverse impacts in line with Criterion 1 on Management Systems. As well as the requirements in Criterion 1, the management system should:

- include training of relevant managers and personnel on community health and safety;

- improve infrastructure for water-related activities to avoid the potential of community exposure to water-borne or water-based communicable diseases that may result from Sites' operations;
- set up voluntary screening programs for workers and community members to document, report and monitor existing diseases to avoid the transmission of infectious diseases;
- ensure infrastructure and equipment is designed and used in a way that considers wider implications on community health and safety;
- implement procedures to ensure protection of surrounding ecosystems to mitigate the effects of hazards such as flooding, landslides, and fire;
- include training programs for community members in relation to all relevant community health and safety issues;
- include a log that is continuously updated with relevant national health and safety laws;
- include monitoring systems to effectively monitor preventative measures taken to avoid adverse impacts on community health and safety;
- implement a grievance mechanism to alert management to the risk of or incidence of adverse impacts on community health and safety in line with Criterion 7 on Grievance Mechanisms; and,
- implement effective stakeholder engagement plans in line with Criterion 8 on Stakeholder Engagement.

5. To remediate instances of adverse impacts on community health and safety, which means to include in the management system procedures to remediate cases of adverse impacts. As well as the requirements in Criterion 1, the management system should:

- include Sites' reporting obligations on instances of adverse impacts on community health and safety;
- provide remedy that is proportionate to the significance and scale of impacts of any injuries, deaths, or illnesses arising from Sites' activities;
- define remedy measures in consultation with impacted rights holders and their representatives through continuous stakeholder engagement in line with Criterion 8 on Stakeholder Engagement.

6. To disclose performance on mitigation, which means to report at least annually all relevant information needed to inform stakeholders clearly of the Sites' community health and safety-related risks and impacts, plans, actions, and performance, in line with Criterion 6 on Sustainability Reporting.

II. Examples of Evidence:

The following are examples of documents that can demonstrate conformance with the

4394 *Criterion. Please note that the list is not exhaustive and site is not expected to have*
4395 *all the documents listed below:*

4396

4397 *Policies & Procedures*

- 4398 • Relevant policies and procedures addressing community health and safety.
- 4399 • Procedures for engagement with communities.
- 4400 • Procedures detailing how Sites monitoring changing laws and regulations
- 4401 pertaining to health and safety.

4402 *Records*

- 4403 • An internal legal register containing all national health and safety regulations,
- 4404 including checklists demonstrating how Sites are compliant.
- 4405 • A register of all recorded community health and safety accidents or
- 4406 grievances, including details on resolutions and any mitigation activities,
- 4407 damages, and/or remedies.
- 4408 • Data from risk and impact assessments containing details of all
- 4409 environmental, social and health and safety risks.
- 4410 • Data containing various community health indicators.
- 4411 • Evidence of continuous monitoring of community health indicators.

4412 *Reporting & Communication*

- 4413 • Disclosure (website, annual reports, regulatory submissions) of third-party
- 4414 assurance of adherence to identification, prohibition, prevention and if
- 4415 applicable, remediation of adverse impacts on community health and safety.
- 4416 • Annual reports and sustainability reports demonstrating improvements in
- 4417 metrics related to community health and safety.

4418 *External Assurance & Inspections*

- 4419 • Third-party assurance reports of a formal management system to ensure
- 4420 adherence to identification, prohibition, prevention and if applicable,
- 4421 remediation of adverse impacts on community health and safety.
- 4422 • Site-level audits and community assessments of community health and safety
- 4423 management systems.

4424

4425 *The following are examples of other evidence, collected through interviews and/or*
4426 *observation during the site assessment, that can demonstrate conformance with the*
4427 *Criterion. In addition to the examples listed below, the examples listed for Criterion 1*
4428 *on Management Systems and Criterion 2 on Impact Assessments should be taken*
4429 *into account:*

4430

4431 • *Management can:*

- 4432 ○ Demonstrate an understanding of Sites relevant policies and how they have
- 4433 to implement those as part of their respective job responsibilities.

- Describe how Sites carry out risk and impact assessments to identify potential adverse impacts to community health and safety.
 - Describe how identified risks and impacts relate to other systems.
 - Describe how stakeholder engagement occurs.
 - Describe processes for monitoring systems related to preventing adverse impacts on community health and safety
 - Explain lines of accountability and responsibility for the oversight of community health and safety.
 - How community members are trained on relevant community health and safety issues.
- The clear lines of accountability and responsibility for the community health and safety system, including its implementation.
- *Affected communities can:*
 - Demonstrate a basic comprehension of Sites' community health and safety policies.
 - Describe how Sites engage with them on community health and safety issues.
 - Describe relevant community health and safety training that Sites have offered them.
 - Demonstrate a basic understanding of how they can lodge grievances.
 - Assessors observe:
 - no apparent adverse impacts on community health and safety.

III. Key References

Additional Reading

The following literature may be useful for guidance when implementing this Criterion:

- [IFC, Introduction to Health Impact Assessment](#)
- [IFC, Performance Standard 4: Community Health and Safety and Security](#)
- [IFC, Environmental Health and Safety Guidelines](#)
- [ICMM, Principle on Health and Safety](#)
- [ICMM, Community Health Programs in the Mining and Metals Industry](#)
- [UNDP, Social and Environmental Standards, Standard 3: Community Health, Safety and Security](#)

CRITERION 21. Community Development

Contribute to the economic and social development of affected communities through the:

- **identification of;**
- **contribution to meet community needs; and,**
- **public disclosure of progress to promote community development.**

I. Implementation:

a. *Relevance*

All Sites, irrespective of size, location, or function in the value chain, should make a positive contribution to people's lives in neighboring communities and in populations affected by their operational activities. While the provision of employment, dignified work, and paying taxes is a positive contribution that all Sites are expected to make, additional contributions to economic and social development is the expected norm. The scale and nature of such contributions can vary significantly depending on the economic and social circumstances of communities, their location, and the diversity in the local economy. This Criterion is especially relevant to Sites with operational activities in, near, or directly involving communities. Where these communities have generally low household incomes, poor access to social services, rely on relatively few industries for work, and are remote from political centers or conduits to influence decisions, their need can be great. Mining Sites are often in rural areas where local communities depend on agriculture and, in some cases, do not have easy access to transport routes to municipal centers and markets. Assessing the needs of such communities and how best to contribute to meet these needs is especially relevant. Processing and manufacturing Sites are more often, but not only, located in or near to major urban centers and transport hubs and surrounding communities can have greater choice of livelihoods and access to health, financial and social services and able to participate in political decisions. For such Sites, the scale and nature of their contribution might be different to that needed at mining Sites.

b. *Core Requirements*

Sites are expected to identify and contribute to meet community needs.

- 1. To identify community needs**, which means to conduct assessments to determine the context and need for investment in the affected community in line

with Criterion 2 on Impact Assessments. As well as the requirements in Criterion 2, the assessment should:

- Determine the Scope of the assessment, which means to identify Sites' features, aspects, stakeholders and operational activities that fall within the responsibility of Sites to manage including:
 - affected community mapping.
- Establish a Baseline, which means to generate, gather, and analyze relevant data and information on the status of the aspects in scope that should include but not be limited to:
 - livelihoods of both men and women;
 - gender nature considerations;
 - the legal and customary rights and interests of local communities in relation to their lands and livelihoods, as well as their related access to and use of natural resources;
 - the specific needs of vulnerable and marginalized people;
 - existing and potential conflicts in the community.
- Engage Stakeholders, which means to consult relevant stakeholders, including but not limited to neighboring communities, government agencies and local authorities to:
 - identify community development needs;
 - define 'local' in consultation with relevant stakeholders, to effectively manage the expectations of government, community and other stakeholders when supporting local procurement and creating local employment opportunities.

2. To contribute to meet community needs, which means that Sites should:

- promote cross-functional coordination and responsibility for supporting community investment objectives among all business units that interact with the community;
- position Sites as a partner in multi-stakeholder processes, supporting communities and local governments in defining and meeting their own development goals and aspirations through participatory planning and decision-making;
- where applicable:
 - create local employment opportunities through training, employment and staff retention;
 - support local procurement by purchasing from local suppliers and investing in local financial institutions and enterprise development programs;
 - promote educational opportunities by liaising with local and regional educational centers; and
 - train local community members in environmental monitoring and natural resource management;

- avoid dependency, encourage self-reliance, and create long-term benefits that can outlast Sites' support;
- invest in capacity-building, participatory processes and organizational governance; promoting development that enables local communities, institutions and partners to take progressively greater roles and responsibilities;
- use participatory methods of monitoring and evaluation to build trust and local ownership of outcomes;
- monitor the community development initiatives and periodically evaluate them against set indicators;
- make affected communities aware of how to lodge grievances under Criterion 7 on Grievance Mechanisms.

3. To disclose progress on community development and addressing community needs, which means to report at least annually all relevant information needed clearly to inform stakeholders of the Sites' plans, actions, and performance in line with Criterion 6 on Sustainability Reporting.

II. Examples of Evidence:

The following are examples of documents that may be used to demonstrate conformance with the Criterion. Please note that the list is not exhaustive, and the Sites are not expected to have all the documents listed below:

Policies & Procedures

- Business and/or site-level community development policy.
- Local procurement policy.

Plans

- Community development plan.
- Local procurement plan.
- Reports on sourcing from local suppliers on an annual basis.
- Planned annual budgets demonstrating financial commitments.

Records

- Records of plans that are in progress.
- Records demonstrating stakeholder mapping.
- Records demonstrating results of stakeholder consultations and engagement.
- Community needs assessment.
- List of suppliers and service providers indicating whether they are local businesses.
- Percentage of procurement spending on local businesses.

Reporting

- Monitoring and evaluation reports of community development plans.

- Reports demonstrating communication of community development progress results to stakeholders.

External Assurance & Inspections

- Audited accounts or company warrant confirming community investment spending.

The following are examples of other evidence, collected through interviews and/or observation during the Sites' assessment, that can demonstrate conformance with the Criterion. In addition to the examples listed below, the examples listed for Criterion 1 on Management Systems and Criterion 2 on Impact Assessments should be taken into account:

- *Management can:*
 - explain Sites' community development program, how it was developed and how it is supposed to be implemented;
 - describe how stakeholders and the affected community were consulted for the program;
 - describe the needs assessment process and its results.
- *Stakeholders can:*
 - explain Sites' community development plans and operational activities and confirm that they were consulted while plans were being developed;
 - describe how they are updated related to the progress of the community development plan implementation by Sites;
 - explain how they can launch grievances about Sites' practices.
- *Assessors observe:*
 - confirm during visits to affected communities the existence of programs to support social, economic, and institutional development of communities, where applicable.

III. Key References:

Additional Reading

The following literature may be useful for guidance when implementing this Criterion:

- [UN Sustainable Development Goals](#)
- [IFC Strategic Community Investment – A Good Practice Handbook for Companies Doing Business in Emerging Markets](#)
- [ICMM Community Development Toolkit](#)

4628 CRITERION 22: ARTISANAL AND SMALL-SCALE MINING

Respect the human rights and contribute to the professionalization of artisanal and small-scale mining operations (ASM) that affect or are affected by operational activities through the:

- **identification of risks;**
- **assessment of opportunities; and,**
- **implementation of a system to avoid and manage adverse impacts on and conflict with ASM, and to contribute to improvement of ASM where it is safe, and legally and legitimately possible.**

4629

4630 I. Implementation:

4631

4632 a. *Relevance:*

4633 The occurrence of artisanal and small-scale mining (ASM) varies considerably by
4634 mineral and by country and region. For example, mica, colored gemstones, gold, tin,
4635 and tungsten have relatively strong association with ASM, while bauxite, copper,
4636 nickel, and zinc have comparatively few numbers of ASM operations in the supply
4637 chain. Furthermore, some countries have far higher occurrences of ASM than others.
4638 For example, Bolivia, Colombia, Ecuador, Ghana and Peru are hosts to many
4639 thousands of ASM operations recovering gold, and ASM in the Democratic Republic
4640 of the Congo provides a living for millions across multiple minerals. However, in some
4641 of the largest mineral producing countries, such as Australia, Chile, China, the USA
4642 and Russia, mining is dominated by large industrial mines and minerals from small-
4643 scale mining are insignificant. This Criterion is relevant to those minerals and areas
4644 where ASM is known to be a significant economic activity.

4645 While Sites that process minerals and use minerals and metals in their manufacturing
4646 processes can have direct and indirect association with ASM through sourcing – a
4647 topic that is covered in Criterion 10 on Responsible Supply Chains – this Criterion is
4648 most relevant to mining Sites, and especially to those Sites producing minerals that
4649 are strongly associated with and in areas where there are known to be ASM.

4650 b. *Core Requirements:*

4651

4652 Sites are expected to respect the human rights and contribute to the
4653 professionalization of artisanal and small-scale mining operations (ASM) that affect
4654 or are affected by operational activities.

4655

4656 **1. To respect the rights and support the professionalization of ASM in line with**
4657 **internationally recognized frameworks, which means, as well as following the**

4658 frameworks required in Criteria 1 and 2 and where applicable to operational
4659 activities, Sites must:

- 4660 • follow the OECD [Due Diligence Guidance for Responsible Supply Chains of](#)
4661 [Minerals from Conflict-Affected and High-Risk Areas](#)

4662 **2. To identify the risks of adverse impacts on and conflict with ASM**, which
4663 means to conduct assessments on the potential and actual adverse impacts on the
4664 human rights of ASM and of conflict with ASM associated with operational activities
4665 in line with Criterion 2 on Impact Assessments.

4666 As well as the requirements in Criterion 2, Sites' impact assessments should:

- 4667 ○ Determine the Scope of the assessment, which means to identify Sites'
4668 features, aspects and operational activities that fall within the responsibility
4669 of Sites to manage including:
 - 4670 ○ identification of and mapping the location of ASM operations that are on
4671 lands controlled by Sites; near to or affected by any operational activity,
4672 including drilling, exploration and mining activities, storage and processing
4673 facilities, manufacturing Sites, managed waste and tailings facilities, trading
4674 centers, and transport routes; and managed housing and accommodation;
 - 4675 ○ where Sites determine that there are no ASM in scope, they are expected
4676 to document their findings in assessments and to demonstrate that there
4677 are no ASM present on the Sites or affected by or affecting operational
4678 activities, or, if there are ASM present, why they are determined not to be in
4679 scope;
 - 4680 ○ where Sites have business partnerships with ASM, including through
4681 sourcing material from ASM, contracting ASM to operate on land controlled
4682 by Sites, or through provision of tolling services to ASM operators, the ASM
4683 should be determined to be in scope and this relationship should be included
4684 in assessments; and,
 - 4685 ○ identification of the government and local authority bodies and agencies with
4686 responsibility for ASM.
- 4687 ○ Establish a Baseline: where ASM are determined to be in scope, Sites
4688 should establish a baseline of the status of ASM operations that include
4689 but not be limited to:
 - 4690 ○ identification of all participants and workers in the ASM operational
4691 ecosystem including but not limited to miners, haulers, rock breakers,
4692 millers, panners, washers, buyers, equipment and food suppliers,
4693 transporters, casual workers, outsourced functions;
 - 4694 ○ the trading relationships of the ASM, including to whom ASM material is
4695 sold and from whom ASM buy services and equipment;
 - 4696 ○ the legality of the ASM, including but not limited to permits and licenses for
4697 operating, access to land and mineral resources, processing minerals,

- 4698 meeting environmental conditions, and hiring workers; work permits of ASM
4699 workers; payment of taxes and royalties; and for trading and exporting
4700 mined material;
- 4701 ○ the wages of ASM owners and directly employed, contacted and
4702 subcontracted workers;
 - 4703 ○ cases of human, labor, cultural or any other breaches of workers' rights
4704 including, but not limited to forced labor, child labor, rights related to security
4705 enforcement, discrimination, and threats to health and safety;
 - 4706 ○ environmental aspects of the ASM operation, including the use,
4707 management and disposal of toxic chemicals, hazardous materials, GHG-
4708 emitting machinery and equipment, water, waste, and natural resources;
4709 and,
 - 4710 ○ level of management capacity of the ASM across environmental, social and
4711 governance aspects and all levels and functions of the organization.
 - 4712 ○ Engage Stakeholders: where ASM are determined to be in scope, Sites
4713 should engage ASM operators, workers, and other affected stakeholders
4714 to participate in impact assessments, in line with Criterion 8 on Stakeholder
4715 Engagement.

4716 As well as the requirements in Criterion 8, Sites should engage affected
4717 stakeholders:

- 4718 • to ensure their perspective is understood, documented, and incorporated into
4719 the results of impact assessments and in management systems and
4720 development programs;
- 4721 • continually throughout the operating life of Sites and when assessments are
4722 reviewed and updated;
- 4723 • directly through professionals employed by Sites, or indirectly through third
4724 parties including appropriate government agencies and NGO or development
4725 agency workers;
- 4726 • only where it is safe, and legally and legitimately possible to do so.

4727

4728 **3. To identify opportunities to contribute to the improvements of ASM**, which
4729 means to conduct assessments on the opportunities for positive impacts through
4730 supporting ASM improvements in line with Criterion 2 on Impact Assessments. As
4731 well as the requirements in Criterion 2, Sites' assessments should identify
4732 opportunities to support ASM, including but not limited to the:

- 4733 • strengthening of organizational management and good governance;
- 4734 • improvement of financial literacy;
- 4735 • determination of mineral reserves;
- 4736 • provision of technical assistance to improve operational efficiency, including
4737 mining and processing methods;
- 4738 • provision of guidance on marketing and commercialization of mined material;

- 4739 • socialization of government legislation and regulations and expectations of
- 4740 market-access standards;
- 4741 • provision of advice and training on responsible operating practice, such as
- 4742 pollution control, occupational health and safety, reduced use of toxic
- 4743 chemicals, handling of hazardous materials, alternatives to high GHG-emitting
- 4744 power sources, explosives management, and the use of personal protective
- 4745 equipment;
- 4746 • training in practices related to gender equality;
- 4747 • donation of personal protective equipment;
- 4748 • provision of emergency response services;
- 4749 • direct funding or facilitation of access to fair loans and credit for capital
- 4750 equipment and technical improvements;
- 4751 • processes for the formalization and legalization of ASM operations and
- 4752 operators and assistance to obtain legally required permits; and,
- 4753 • generation of non-ASM livelihoods, economic development, and other social
- 4754 improvements in ASM communities.
- 4755

4756 **4. To implement a system to avoid and manage adverse impacts on and**

4757 **conflict with ASM, and to contribute to improvement of ASM where it is safe,**

4758 **and legally and legitimately possible,** which means to implement a management

4759 system to mitigate identified potential or actual adverse impacts and to support

4760 ASM improvements, in line with Criterion 1 on Management Systems.

4761 As well as the requirements in Criterion 1, the management system should include

4762 measures to:

- 4763 • Avoid conflict with ASM through the:
- 4764 ○ Development of a policy on ASM relations appropriate to the Sites' and ASM
- 4765 operators' circumstances and the impacts identified in Sites' assessments.
- 4766 Depending on the circumstances, Sites policies on relations with ASM can
- 4767 vary and include:
- 4768 ▪ prohibition of conflict of any kind with ASM, including procedures for de-
- 4769 escalation where conflict is unavoidable;
- 4770 ▪ prohibition of engagement with ASM where ASM are criminal, illegal and
- 4771 their operational activities not considered legitimate by authorities;
- 4772 ▪ allowance of limited engagement under specified conditions, such as
- 4773 responding to a health and safety emergency at an ASM operation, or to
- 4774 inform or consult with ASM on operational activities that might affect
- 4775 them; and,
- 4776 ▪ facilitation of engagement through formal, appropriately resourced ASM-
- 4777 improvement programs endorsed by senior management.

- Monitoring of all relations and interactions between ASM and Sites, across management levels and functions;
- Implementation of a grievance mechanism to allow ASM operators to lodge grievances and allegations and seek remediation with Sites;
- Implementation of procedures to mitigate adverse impacts associated with security forces at Sites in line with Criterion 23 on Security and Human Rights; and,
- Continual consultation with ASM throughout the operating life of the Site, and with relevant local government bodies and non-governmental organizations.
- Contribute to improvements of ASM through an appropriate mechanism, such as through:
 - formal direct engagement through an operating partnership or community development intervention partnership with ASM;
 - indirect engagement through a third party such as a government agency, an NGO already working with ASM, trade unions and/or international agencies; and,
 - including ASM in Sites' strategies on broader community engagement programs in line with Criterion 20 on Community Health and Safety and Criterion 21 on Community Development.

3. Examples of Evidence:

The following are examples of documents that can demonstrate conformance with the Criterion. Please note this list is not exhaustive and Sites are not expected to have all the documents listed below:

Policies & Procedures

- Policy on relations with and procedure for engagement of ASM detailing whether, when and how to engage ASM across different levels and functions and operational activities.
- Relevant policies committing Sites to positive engagement with ASM by supporting them in formalization efforts and improved operational, environmental, and social practices.

Records

- Map or list of ASM Sites that are on or near land controlled by Sites or affected or affect operational activities.
- Records from log of engagement with ASM by Sites' personnel and workers.
- Data from impact assessments with details of ASM-specific risks of adverse impacts and opportunities for positive impacts.

- 4818 • Records of continuous monitoring of ASM potential and actual impacts and
- 4819 overall ASM relations.
- 4820 • Records that demonstrate specific standards have been set and are
- 4821 continuously monitored in relation to ASM operation, environmental and social
- 4822 practices.
- 4823 • Environmental, social, and human rights impact assessments on ASM.
- 4824 • Legal registry related to ASM legalization and formalization.
- 4825 • Membership that demonstrates participation in initiatives that enable the
- 4826 professionalization and formalization of ASM.
- 4827 • Increase in licensed operations amongst ASM with which Sites have engaged.
- 4828 • Grievances, complaints, or operational activities made by ASM and logged with
- 4829 Sites' grievance mechanism.

4830 *Plans*

- 4831 • ASM engagement plan and register of completed engagement activities.
- 4832 • Plans for dealing with identified actual or potential impacts on ASMs.

4833 *External Assurance & Inspections*

- 4834 • The process of designation of concession land that has been ratified by the
- 4835 relevant government department.
- 4836 • ASM-specific certifications, such as Fairtrade and Fairmined.

4837

4838 *The following are examples of other evidence, collected through interviews and/or*

4839 *observation during Site assessments, that can demonstrate conformance with the*

4840 *Criterion. In addition to the examples listed below, the examples listed for Criterion 1*

4841 *on Management Systems, Criterion 2 on Impact Assessments and Criterion 8 on*

4842 *Stakeholder Engagement should be considered:*

- 4843 • *Management can:*
 - 4844 ○ describe policies on and approach to engaging ASM;
 - 4845 ○ describe how ASM is engaged;
 - 4846 ○ describe the continuous dialogue maintained with ASM as a distinct group
 - 4847 within stakeholder engagement plans;
 - 4848 ○ describe how Sites actively participate in initiatives, including multi-
 - 4849 stakeholder initiatives, that enable the professionalization, legalization, and
 - 4850 formalization of ASM;
 - 4851 ○ describe how Sites actively participates in initiatives that improve the
 - 4852 operational, social, and environmental practices of ASM.
- 4853 • *Community members, including ASM, can:*
 - 4854 ○ demonstrate a basic understanding of Sites' policies and procedures for
 - 4855 ASM;
 - 4856 ○ describe how Sites positively engage with them on issues relating to
 - 4857 professionalization, formalization as well as improved operational, social
 - 4858 and environmental practices.
- 4859 • Assessors observe:

- 4860 ○ existence / non-existence of ASM sites that are on or near land controlled
4861 by Sites or affected or affect operational activities.
4862

4863 **4. Key References**

4864 **Internationally Recognized Frameworks**

4865 The following international frameworks must be followed for the implementation of this
4866 Criterion where applicable to Sites' operational activities:
4867

- 4868 • OECD, [Due Diligence Guidance for Responsible Supply Chains of Minerals](#)
4869 [from Conflict-Affected and High-Risk Areas](#)

4870 **Additional Reading**

4871 The following literature may be useful when implementing this Criterion:

- 4872 • [Alliance for Responsible Mining, Rock-Solid Chances for Responsible Mining](#)
4873 • [International Finance Corporation and International Council on Mining &](#)
4874 [Metals, Working together: How large-scale mining can engage with artisanal](#)
4875 [and small-scale miners](#)
4876 • [Intergovernmental Forum on Mining, Minerals, Metals and Sustainable](#)
4877 [Development, Guidance for Governments: Managing Artisanal and Small-](#)
4878 [Scale Mining](#)
4879 • [World Gold Council, New report: Lessons learned on managing the interface](#)
4880 [between large-scale and artisanal and small-scale gold mining](#)
4881 • [International Labor Office, Facts on Small-Scale Mining](#)
4882 • [The Impact Facility, ESG Performance & Risk Management Handbook for](#)
4883 [Artisanal and Small-Scale Mining](#)
4884 • [The Impact Facility, Impact Monitoring Indicators & Guidance for Artisanal and](#)
4885 [Small-Scale Mining](#)
4886 • [The Impact Facility, Technical Guide to ASGM Equipment](#)
4887 • [The Impact Facility, Artisanal and Small-Scale Mining Cobalt Framework](#)
4888 • [The Impact Facility, Mercury Management in Practice: Case Studies with](#)
4889 [Miners in East Africa.](#)
4890 • [Minamata Convention for the Elimination of Mercury in Artisanal and Small-](#)
4891 [Scale Gold Mining](#)
4892 • [World Bank, Mining Together: Large-Scale Mining Meets Artisanal Mining, A](#)
4893 [Guide for Action](#)
4894
4895

4896 CRITERION 23: Security & Human Rights

Ensure the minimization of security-related impacts on affected stakeholders through the:

- **identification of risks;**
- **implementation of a system to prohibit, effectively prevent and remedy; and**
- **public disclosure of performance to mitigate security-related adverse impacts associated with the actions of private and public security forces.**

4897 I. Implementation:

4898 a. *Relevance*

4902 While security-related impacts on affected stakeholders are a serious issue that can
4903 occur in all businesses, irrespective of size, location, or function in the value chain, it
4904 is mostly evident in mining operations, which are more likely to engage armed security
4905 personnel. There is a risk that use of force by security providers may be applied
4906 disproportionately in response to community protests or that security providers may
4907 abuse their power and harass workers and/or vulnerable or marginalized community
4908 members. In some contexts, particular issues may arise where security is provided by
4909 public security forces that are inadequately trained in human rights or have a history
4910 of human rights abuses. Sites should consider the types of security providers they are
4911 using to determine where there are risks of security-related impacts on affected
4912 stakeholders and take measures for their prevention and remediation.

4913 b. *Core Requirements:*

4914 Sites are expected to ensure minimization of security-related impacts on affected
4915 stakeholders.

4916 **1. To manage security-related impacts in line with internationally recognized frameworks**, which means, as well as following the frameworks required in Criteria
4917 1 and 2 and where applicable to operational activities, Sites must:

- 4918 • Follow the Voluntary Principles on Security and Human Rights (VPSHR) for
4919 mining operations
- 4920 • Follow [the UN Guiding Principles on Business and Human Rights for all other
4921 types of operational activities](#)

2. **To identify security-related impacts on affected stakeholders**, which means, to conduct assessments of the potential and actual impacts in line with Criterion 2 on Impact Assessments and VPSHR. As well as the requirements in Criterion 2, the assessment should
 - Determine the Scope of the assessment, which means to identify Sites' features, aspects, and operational activities that fall within the responsibility of Sites to manage including:
 - security staff directly and indirectly employed by Sites; and,
 - business partners and suppliers in line with Criterion 10 on Responsible Supply Chains.
3. **To prohibit** security-related impacts on affected stakeholders, which means to have, and to communicate to workers, business partners and security providers a clear policy on security arrangements signaling that the Sites commit to respect human rights and do not tolerate human rights abuses by security providers in line with Criterion 1 on Management Systems and the VPSHR.
4. **To effectively prevent** security-related impacts on affected stakeholders, which means to implement a management system to manage the risk of security-related impacts on affected stakeholders in line with Criterion 1 on Management Systems, Criterion 7 on Grievance Mechanism, Criterion 10 on Responsible Supply Chains, and the VPSHR. For non-mining operations that engage security personnel, Sites should:
 - analyze the options for managing risk, consult with the government, local communities and other affected stakeholders on security arrangements, avoid threat to life of workers and visitors to the Sites, and use armed security only when there is no reasonable alternative;
 - consult with the government and local communities on security arrangements;
 - communicate key aspects of the security arrangements to local communities using languages, methods and channels that are understood and are easily accessible to them;
 - screen security personnel and public and private security providers regarding their involvement in human rights abuses and illegal practices;
 - provide regular training of security personnel and providers on their roles and appropriate behavior;
 - monitor security personnel and provider conduct;
 - investigate allegations of human rights abuses by security providers.
5. **To remediate** security-related impacts on affected stakeholders, which means to include in the management system procedures to remediate cases of security provider misconduct in line with the VPSHR, Criterion 1 on Management Systems,

and Criterion 7 on Grievance Mechanism. As well the requirements in the VPSHR Criterion 1, and Criterion 7 the remediation process should:

- require immediately terminating practices that can be considered as misconduct;
- determine the mode and extent of disclosure to relevant law enforcement or other appropriate government authorities;
- report credible allegations to authorities, using discretion;
- monitor investigations to conclusion;
- ensure protection of those making the allegations and victim(s).

Sites may seek to engage private security providers that are certified members of the International Code of Conduct Association (ICoCA) or encourage security providers to join the ICoCA.

6. To disclose performance on mitigation, which means to report at least annually all relevant information needed to inform stakeholders clearly of the Sites' security related risks and impacts, plans, actions and performance in line with Criterion 6 on Sustainability Reporting.

II. Examples of Evidence:

The following are examples of documents that can demonstrate conformance with the Criterion. Please note this list is not exhaustive and Sites are not expected to have all the documents listed below:

Policies & Procedures

- Policy on security arrangements.
- Due diligence processes prior to hiring security personnel, including procedures to screen security personnel and public and private security providers regarding their involvement in human rights abuses and unlawful practices.
- Policy and procedures regarding the use of force and firearms.
- Procedures to conduct security risk assessments in.
- Procedures to monitor security personnel and provider conduct.
- Procedures to investigate all allegations of unlawful or abusive acts of security personnel, take action (or urge appropriate parties to take action) to prevent recurrence, and report unlawful and abusive acts to public authorities.

Records

- Records of security incidents and investigations, resulting disciplinary action taken, including internal committee meetings minutes, management reports, communications with security personnel.

- 5010 • Records of security personnel training in human rights and the proportional use
- 5011 of force, including, but not limited to, training materials, attendance sheets, or
- 5012 certificates.
- 5013 • Security personnel deployment and monitoring records, such as performance
- 5014 reviews, observational records.
- 5015 • Records of communications and meetings between the Sites and public
- 5016 security providers.
- 5017 • Records of consultation with governments and communities about the impact
- 5018 of the Sites' security arrangements.
- 5019 • Records of informing affected stakeholders about the process and outcomes of
- 5020 investigations of abuses committed by security providers.
- 5021 • Results of security provider due diligence and screening.
- 5022 • Results of security risk assessments and communication of results to affected
- 5023 stakeholders.
- 5024 • Records of public security misconduct allegations.

5025 *Contracts & Agreements*

- 5026 • Contracts with security providers.
- 5027 • Signed agreements or commitment from security personnel and providers to
- 5028 respect human rights and abide by the Voluntary Principles.
- 5029 • Evidence that security service providers are signatories to the International
- 5030 Code of Conduct for Private Security Service Providers, if applicable.
- 5031 • Agreements for provision of public security.

5032 *Reporting & Communication*

- 5033 • Annual report on conformance with Voluntary Principles on Security and
- 5034 Human Rights if applicable.
- 5035 • Disclosure of security arrangements, results of security risk assessments,
- 5036 security-related grievances and their resolution.

5037 *External Assurance & Inspections*

- 5038 • Security risk assessment of Sites' operations undertaken as outlined in the
- 5039 Voluntary Principles, which should consider political, economic, legal, military,
- 5040 and social developments, any patterns and causes of violence and potential for
- 5041 future conflicts.
- 5042 • External assurance against the VPSHR.
- 5043 • External due diligence reports on security personnel or security providers.

5044

5045

5046 *The following are examples of other evidence, collected through interviews and/or*

5047 *observation during the Sites' assessment, that can demonstrate conformance with the*

5048 *Criterion. In addition to the examples listed below, the examples listed for Criterion 1*

5049 *on Management Systems, Criterion 2 on Impact Assessments and Criterion 7 on*

Grievance Mechanism should be taken into account:

- *Management can:*

- demonstrate an understanding of the Sites' policy to implement the Voluntary Principles;
- describe how the Sites conduct due diligence on security providers;
- describe how designated personnel are trained on the Sites' security policy;
- demonstrate knowledge of the Sites' policies and procedures related to the use of force and firearms;
- confirm that they have implemented security risk assessments and implemented mitigation measures where required;
- explain whether security incidents have occurred and how they were handled, and if any investigations have been implemented related to security personnel whether they resulted in any disciplinary actions;
- describe how they ensure that security personnel respect the human rights and dignity of all people and use force only when strictly necessary and proportionate to the threat;
- explain the lines of accountability and responsibility within the Sites for the oversight and implementation of the policy on security and human rights;
- describe how the Sites communicate their expectations to public security providers, where applicable.

- *Workers can:*

- demonstrate an understanding of the Sites' security policy and know where to find a written or formal electronic copy of the policy;
- demonstrate knowledge of the Sites' policies and procedures related to the use of force and firearms, where applicable;
- demonstrate knowledge of the Voluntary Principles, where applicable;
- confirm that they have received training on the security policy.

- *Stakeholders can:*

- confirm that they know how to lodge grievances if they have concerns about security measures;
- demonstrate an understanding of the Sites' security policy, security arrangements, and risk assessment;
- confirm whether security incidents have occurred and how they were handled;
- confirm whether the Sites consult local communities on security issues

- *Assessors observe:*

- security measures are not excessive;
- information about security arrangements is accessible;
- appropriate firearm safety measures are in place, where applicable;

- interactions between security personnel and workers, local communities, and other stakeholders are appropriate, where applicable.

III. Key References

International Operating Frameworks

The following international frameworks must be followed for the implementation of this Criterion where applicable to Sites' operational activities:

- [The UN Guiding Principles on Business and Human Rights](#)
- [The Voluntary Principles on Security and Human Rights](#) (VPSHR)

International Conventions and Treaties

- [UN Basic Principles on the Use of Force and Firearms by Law Enforcement Officials](#)
- [UN Code of Conduct for Law Enforcement Officials](#)

Additional Reading

The following literature may be useful for guidance when implementing this Criterion:

- [ICMM, ICRC, IFC, IPIECA Voluntary Principles on Security and Human Rights Implementation Guidance Tools](#)
- [IFC Good Practice Handbook: Use of Security Forces: Assessing and Managing Risks and Impacts](#)
- [IFC Guidance Note 4: Community Health, Safety and Security](#)
- [International Alert, Voluntary Principles on Security and Human Rights: Performance Indicators](#)
- [International Code of Conduct Association \(ICoCA\)](#)
- [UNICEF, Child Rights and Security Checklist](#)
- [UNICEF, Child Rights and Security Handbook](#)

CRITERION 24: Indigenous Peoples' Rights

Respect Indigenous Peoples' rights, including the right to grant free, prior, and informed consent, through the:

- **identification of risks;**
- **implementation of a system to prohibit, effectively prevent, and remedy; and**
- **public disclosure of performance on mitigation of potential and actual adverse impacts on Indigenous Peoples' livelihoods, territories, resources, and cultural heritage.**

1. Implementation:

a. Relevance

The United Nations estimates that there are roughly over 370 million Indigenous Peoples living in over 90 countries. Indigenous Peoples are responsible for much of the world's linguistic and cultural diversity and they steward 80 percent of the planet's biodiversity. The existence of Indigenous Peoples varies considerably by country and region. For example, they are widely present in Bolivia, Colombia, Peru, Chile. Historically, many Indigenous Peoples have suffered from abuse, discrimination, and marginalization, and in many areas this continues today. As a result, Indigenous Peoples are often particularly vulnerable to the negative impacts of commercial development and operational activities, especially caused by mining operations which frequently overlap with indigenous territories.

This Criterion is relevant to those operational activities where there are known to be affected Indigenous Peoples' groups, in particular at cultural heritage areas.

b. Core Requirements:

Sites are expected to respect Indigenous Peoples' rights in line with the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP), to apply practices that respect the free, prior and informed consent (FPIC) of Indigenous Peoples' communities and groups; and to identify, prohibit, prevent and remediate adverse impacts on Indigenous Peoples' lands, livelihoods, resources, and cultural heritage.

1. **To manage impacts on Indigenous Peoples in line with internationally recognized frameworks**, which means, as well as following the frameworks required in Criteria 1 and 2 and where applicable to operational activities, Sites must:
 - Follow [the UN Guiding Principles on Business and Human Rights](#)
2. **To respect Indigenous Peoples' rights (including the right to FPIC)**, which means to consult and cooperate in good faith with the Indigenous Peoples through their own representative institutions, which includes:
 - Identify Indigenous Peoples within the Sites' operational activities through desk research to identify national laws and regulations, treaties, government policies, NGO reports, and baseline data about Indigenous Peoples; engagement with indigenous organizations, association or federations, government authorities and other relevant civil society organizations; and independent experts.
 - Develop an Indigenous Peoples' engagement plan and engage with Indigenous Peoples in an inclusive, transparent, and culturally appropriate manner throughout the lifecycle of the operational activities in line with **Criterion 8 on Stakeholder Engagement**.
 - Ensure the participation of the legitimate, traditional and/or legal representatives of the organizational structures of directly, indirectly and potentially affected Indigenous Peoples in the design and implementation of engagement, consultation and consent processes.
 - Implement procedures to engage Indigenous Peoples in order to obtain their FPIC for operational activities, new projects, or significant changes to existing projects that may cause adverse impacts on Indigenous Peoples' livelihoods, or on lands and resources or cultural heritage **traditionally owned by or under customary use** of Indigenous Peoples in line with the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP).
 - Ensure that the Sites and any personnel involved in the engagement process understand the rights, aspirations and concerns of Indigenous Peoples as well as their traditional decision-making structures and processes.
 - Ensure Indigenous Peoples' communities are informed about, and comprehend, the full range of social and environmental impacts – positive and adverse of the Sites.
 - Consult in **good faith** with Indigenous Peoples in relation to all matters that may affect them or their rights, including decision about community development initiatives in line with Criterion 21 on Community Development.
 - Ensure an effective and culturally appropriate **grievance mechanism** in line with **Criterion 7 on Grievance Mechanism**.

3. To identify adverse impacts on Indigenous Peoples' lands, livelihoods, resources, and cultural heritage, which means to conduct impact assessments in line with Criterion 2 on Impact Assessments. As well as the requirements in Criterion 2, the assessment should:

- Determine the Scope, which means to identify features, aspects, and operational activities that fall within the responsibility of Sites to manage including but not limited to:
 - aspects that are particular or unique to Indigenous Peoples, such as those arising in relation to domestic or international legal frameworks, land regulations and threats to traditional, customary, or collective land use or tenure, overlapping land claims, threats to sacred sites or other cultural heritage, infringement on resource access, degradation of the natural environment, determination of compensation or benefit-sharing structures, clear understanding of Indigenous decision-making and leadership structures, and resettlement.
- Establish a Baseline: where Indigenous Peoples are determined to be in scope, Sites should establish a baseline of the status of affected Indigenous Peoples that includes but should not be limited to:
 - Identification of all affected Indigenous Peoples;
 - Cases of human, cultural or any other breaches of Indigenous Peoples' rights;
- Engage Stakeholders: where Indigenous Peoples are determined to be in scope, Sites should engage them to participate in impact assessments, in line with Criterion 8 on Stakeholder Engagement and Criterion 26 on Cultural Heritage.

4. To prohibit adverse impacts on Indigenous Peoples' lands, livelihoods, resources, and cultural heritage, which means to develop, communicate and effectively implement a policy addressing Indigenous Peoples' rights and committing to respect Indigenous Peoples' rights.

5. To effectively prevent adverse impacts on Indigenous Peoples' lands, livelihoods, resources, and cultural heritage, which means to implement a management system to manage the risk of adverse impacts in line with Criterion 1 on Management Systems. In addition to the requirements in Criterion 1, the management system should:

- ensure continued rights of access to cultural heritage sites or values and lands, territories or resources subject to traditional ownership or customary use;
- recognize, respect, and use traditional knowledge, where appropriate and with consent of Indigenous Peoples, to inform the design and implementation of mitigation strategies in consultation with Indigenous Peoples; and,

- ensure grievance mechanisms are culturally appropriate, and developed in consultation with and provided in languages and formats accessible to Indigenous Peoples.

6. To remediate adverse impacts on Indigenous Peoples, which means to provide for or support legitimate remedy processes, or contribute to the actions of others providing remedy through judicial, institutional or other mechanisms in line with Criterion 7 on Grievance Mechanism. Remedy mechanisms for Indigenous Peoples should consider the following:

- afford due recognition to the role of Indigenous Peoples' customary laws, traditions and practices and the authority of their governance institutions;
- acknowledge that available procedural rights and substantive remedies may vary for Indigenous Peoples depending upon the legal framework and whether Indigenous Peoples and their rights are recognized by the government; and,
- ensure that remedies are culturally appropriate, developed in consultation with Indigenous Peoples and agreed to by them.

7. To disclose performance on mitigation, which means to report at least annually all relevant information needed clearly to inform stakeholders of the Sites' related risks and impacts, plans, actions related to affected Indigenous Peoples in line with Criterion 6 on Sustainability Reporting.

II. Examples of Evidence:

The following are examples of documents that can demonstrate conformance with the Criterion. Please note this list is not exhaustive and Sites are not expected to have all the documents listed below:

Policies & Procedures

- Policy on Indigenous Peoples' rights, including the right to FPIC.
- Procedures for engaging Indigenous Peoples.
- Procedures for identifying impacts on Indigenous Peoples.
- Procedures for implementing FPIC processes and evidence.
- Active grievance mechanism that is culturally appropriate (in language and format) and accessible for Indigenous Peoples' communities.

Plans

- Indigenous Peoples' Engagement Plan that includes a specific Environmental and Social Impact Assessment (ESIA), including human rights and cultural impacts, Environmental and Social Management Plan and monitoring protocols and reports.

5281 *Records*

- 5282 • Desk research conducted by the Sites to identify presence of Indigenous
- 5283 Peoples in the area of operation and to determine whether the operation is
- 5284 located on or impacts lands, territories or resources subject to traditional
- 5285 ownership or customary use.
- 5286 • Desk research conducted by the Sites to understand Indigenous Peoples'
- 5287 communities' culture, customs, traditions, etc.
- 5288 • Desk research conducted by the Sites to identify impacts on Indigenous
- 5289 Peoples' rights associated with the Sites' operational activities.
- 5290 • Assessments of risks and potential adverse impacts on Indigenous Peoples'
- 5291 lands, livelihoods, resources, and cultural heritage.
- 5292 • Documentation of how Indigenous Peoples have participated in the
- 5293 identification of impacts and how the results have been shared with them.
- 5294 • Documentation of agreed processes for engagement and self-chosen
- 5295 community representatives and customary decision-making mechanisms.
- 5296 • Documentation of consultation processes and engagement activities with
- 5297 Indigenous Peoples' chosen representatives.
- 5298 • Documentation of how Indigenous Peoples have participated in the design of
- 5299 engagement, consultation and consent processes.
- 5300 • Documentation of partnerships or programs to provide benefits and mitigate
- 5301 impacts.
- 5302 • Documentation of any grievances and mitigation plans.

5303 *Contracts & Agreements*

- 5304 • Documentation of consent/approval/support given by affected Indigenous
- 5305 Peoples.
- 5306 • Signed agreements with Indigenous community leaders, with evidence of
- 5307 appropriate FPIC processes.

5308 *Reporting & Communication*

- 5309 • Training and communication material for relevant personnel on Indigenous
- 5310 Peoples' rights.
- 5311 • Evidence of communication of the grievance mechanism to affected Indigenous
- 5312 Peoples in formats that are accessible, culturally appropriate and
- 5313 understandable.
- 5314 • Disclosure (website, annual reports, regulatory submissions) of third-party
- 5315 assurance of adherence to identification, prohibition, prevention and if
- 5316 applicable, remediation of adverse impacts on Indigenous Peoples' rights.
- 5317 • Communication of policy committing to respect for Indigenous Peoples' rights
- 5318 to workers, subcontractors, and other business partners.
- 5319 • Media or NGO reports.

5320 *External Assurance & Inspections*

- 5321 • Documentation of independent cultural, environmental, human rights and/or
5322 environmental impact assessments;
5323 • Documentation of avoidance of impacts and/or of mitigation and compensation
5324 measures.
5325

5326 *The following are examples of other evidence, collected through interviews and/or*
5327 *observation during the Sites' assessment, that can demonstrate conformance with the*
5328 *Criterion. In addition to the examples listed below, the examples listed for Criterion 1*
5329 *on Management Systems and Criterion 2 on Impact Assessments, Criterion 7 on*
5330 *Grievance Mechanism, Criterion 8 on Stakeholder Engagement, Criterion 21 on*
5331 *Community Development and Criterion 26 on Cultural Heritage should be taken into*
5332 *account:*

- 5333 • *Management can:*
5334 ○ demonstrate understanding of the Sites' policy on Indigenous Peoples;
5335 ○ describe clear lines of accountability and responsibility within the Sites for
5336 the oversight and implementation of the Indigenous Peoples' policy;
5337 ○ describe how Indigenous Peoples are identified;
5338 ○ describe and demonstrate how they respect the rights, interests,
5339 aspirations, culture and natural resource-based livelihoods of Indigenous
5340 Peoples;
5341 ○ demonstrate that the Sites engage and consult with Indigenous Peoples
5342 in a fair, timely and culturally appropriate way throughout the mining
5343 lifecycle to seek consent for its operational activities;
5344 ○ explain how Indigenous Peoples are involved in the design of
5345 engagement, consultation and consent processes;
5346 ○ explain how adverse impacts on Indigenous Peoples are identified and
5347 the level of involvement of Indigenous Peoples in the process;
5348 ○ describe how Indigenous Peoples and stakeholders are made aware of
5349 the Sites' policy including the grievance mechanism;
5350 ○ demonstrate that it minimizes adverse impacts on Indigenous Peoples.
5351 • *Indigenous Peoples can:*
5352 ○ demonstrate a basic understanding of the Sites' policy and confirm that
5353 they are aware of how to report and seek remedy in cases where their
5354 rights are not respected;
5355 ○ demonstrate that the Sites engage with them on issues relating to their
5356 rights;
5357 ○ confirm that they have provided consent for operational activities that may
5358 adversely affect them;
5359 ○ confirm that the Sites avoid, minimize or remediate adverse impacts.
5360 • *Assessors observe:*

- Indigenous community meetings or other Indigenous engagement and consultation processes, where possible.

III. Key References

- [United Nations Declaration on the Rights of the Indigenous Peoples](#)
- [ILO Convention C169 on Indigenous and Tribal Peoples](#)

Additional Reading

The following literature may be useful for guidance when implementing this Criterion:

- [Convention on Biological Diversity, Akwé Kon Guidelines for the conduct of cultural, environmental and social impact assessments](#)
- [Equitable Origin, COICA, RSB and TDi Sustainability, FPIC-360° Tool](#)
- [ICMM Good Practice Guide: Indigenous Peoples and Mining \(second edition\)](#)
- [IFC Performance Standard Guidance Note 7: Indigenous Peoples](#)
- [Mining, the Aluminium Industry, and Indigenous Peoples: Enhancing Corporate Respect for Indigenous Peoples' Rights](#)
- [UN Global Compact Good Practice Note: Indigenous Peoples' Rights and the Role of Free, Prior and Informed Consent](#)
- [UN Global Compact, The Business Reference Guide to the UN Declaration on the Rights of Indigenous Peoples](#)
- [USAID Optional Toolkit for Identifying Indigenous Peoples](#)

5386 CRITERION 25: Land Acquisition & Resettlement

Respect the rights of stakeholders affected by physical and economic displacement through the:

- **identification of risks,**
- **implementation of a system to avoid, minimize and remedy; and**
- **public disclosure of performance on mitigation of potential and actual adverse impacts associated with land acquisition and resettlement.**

5387 I. Implementation:

5389 a. *Relevance*

5392 While any operational activities may cause physical and economic displacement,
5393 activities linked to mining and transport of raw materials and any other large
5394 infrastructure project are more likely to result in displacement. Displacement may
5395 occur throughout the lifecycle of the operational activities as a result of expansion of
5396 existing operations and/or associated infrastructure. Mining operations may take place
5397 in areas with widespread land disputes, conflict-induced displacement, or where land
5398 titling is unclear. Mining operations may require resettlement of local households,
5399 communities, businesses, or other economic or cultural activities.

5401 This Criterion is relevant to those operational activities which have caused physical
5402 and economic displacement.

5404 b. *Core Requirements*

5406 Sites are expected to respect the rights of stakeholders affected by physical and
5407 economic displacement and address adverse impacts with which they are involved.

5409 **1. To manage impacts on land acquisition and resettlement in line with**
5410 **internationally recognized frameworks**, which means, as well as following the
5411 frameworks required in Criteria 1 and 2 and where applicable to operational
5412 activities, Sites must:

- Follow [the UN Guiding Principles on Business and Human Rights](#)
- Consider following [IFC Performance Standard 5 on Land Acquisition and Resettlement](#)

5416 **2. To identify adverse impacts on stakeholders affected by land acquisition and**
5417 **resettlement**, which means to conduct impact assessments in line with Criterion 2
5418 on Impact Assessments. As well as the requirements in Criterion 2, when
5419 purchasing, leasing or using land for new or expanded operational activities, the
5420 assessment should:

- 5422 • Determine the Scope, which means to identify features, aspects, and

5423 operational activities that fall within the responsibility of Sites to manage

5424 including but not limited to:

 - 5425 ○ Identify all property, tenure rights and interests in national law, as well
 - 5426 as the rights and interest of land occupiers and natural resource
 - 5427 users whose rights and interests may not be recognized by national
 - 5428 law and ensure that the seller/lessor of the property has given their
 - 5429 legal interest and in compliance with their obligations.
 - 5430 ○ Investigate and evaluate land title rights and practices, whether land
 - 5431 title is individual and/or communal and associated gender or other
 - 5432 discrimination implications, land valuation systems and Indigenous
 - 5433 Peoples' tenure rights, if applicable.
 - 5434 ○ Conduct a land claim and title check, and identify existing claims and
 - 5435 conflicts of land title prior to gaining an interest in the land and
 - 5436 establishing operations.
 - 5437 ○ Ensure that the land title check captures any potential land-grabbing
 - 5438 or forced displacement that may have occurred.
 - 5439 ○ Conduct an analysis of land use patterns that is gender sensitive and
 - 5440 comprehensively identifies the women and men who occupy or use
 - 5441 the land proposed for the development, and that considers the nature
 - 5442 of the lands and potential impacts on this land use.
 - 5443 ○ Identify vulnerable households at risk of impoverishment and
 - 5444 marginalized groups who may be disproportionately impacted.
 - 5445 ○ Identify where the influx of economic migrants will likely occur.
 - 5446 ○ Identify archaeological, cultural and religious resources in the area.
- 5447 • Establish a Baseline: when purchasing, leasing or using land for new or

5448 expanded operational activities causing physical and economic

5449 resettlement, Sites should:

 - 5450 ○ Collect baseline data on the affected community's socioeconomic
 - 5451 conditions to ascertain who could become a potentially displaced
 - 5452 person and which of the community members would qualify for
 - 5453 compensation.
- 5454

5455 **3. To avoid** adverse impacts of land acquisition and physical and economic

5456 displacement, which means to implement a management system to manage the

5457 risk of adverse impacts related to land acquisition and resettlement. In addition to

5458 the requirements in Criterion 1, the management system should:

 - 5459 • develop, communicate and effectively implement a policy that commits to
 - 5460 identify and seek resolution of all existing claims and conflicts of land title in
 - 5461 compliance with international human rights law and national law;

- 5462 • develop, communicate and effectively implement a policy to avoid resettlement

5463 where possible, prohibit forced evictions, and in cases of resettlement, restore

5464 or improve livelihoods and standards of living of displaced people;

5465 • explore and assess all other viable project design options, develop alternative

5466 project designs, and look to other viable locations for Sites' operational

5467 activities;

5468 • consider any risks of physical or economic displacement when implementing

5469 risk and impact assessments, in conformance with **Criterion 2 on Impact**

5470 **Assessments and Criterion 24 on Indigenous Peoples;**

5471 • Consult with affected stakeholders in conjunction with **Criterion 8 on**

5472 **Stakeholder Engagement** during the initial planning stages of any future

5473 expansion of or major changes to the Sites' operational activities that may

5474 cause physical or economic displacement prior to making any decisions about

5475 the final design.
- 5476

5477 **4. To minimize adverse impacts of physical and economic displacement,** which

5478 means to implement measures to reduce the adverse impacts on displaced people,

5479 including:

 - 5480 • To negotiate any potential land acquisition settlements, even if the Sites have

5481 a legal capacity to purchase land without obtaining the consent of the seller.

5482 Sites should offer fair compensation for any acquisition;
 - 5483 • if resettlement is unavoidable, Sites should develop a Resettlement Action Plan

5484 in line with IFC Performance Standard 5 on Land Acquisition and Resettlement

5485 and the IFC Handbook for Preparing a Resettlement Action Plan;
 - 5486 • to provide access to a grievance mechanism in line with Criterion 7 on

5487 Grievance Mechanisms.
- 5488

5489 **5. To remediate adverse impacts** of land acquisition and physical and economic

5490 displacement, which means to provide for or support legitimate remedy processes,

5491 or contribute to the actions of others providing remedy through judicial, institutional

5492 or other mechanisms in line with Criterion 7 on Grievance mechanisms. Remedy

5493 mechanisms related to land acquisition and displacement should consider the

5494 following:

 - 5495 • seek to address residual adverse effects to restore or improve livelihoods and

5496 standards of living of displaced people;
 - 5497 • negotiate any resettlement and compensation for the affected community by

5498 establishing resettlement committees tasked with addressing potential

5499 disputes.
- 5500

5501 **6. To disclose performance on mitigation,** which means to report at least annually

5502 all relevant information needed clearly to inform stakeholders of the Sites' risks and

impacts, plans, actions related to land acquisition and resettlement affecting stakeholders in line with Criterion 6 on Sustainability Reporting.

II. Examples of Evidence:

The following are examples of documents that can demonstrate conformance with the Criterion. Please note this list is not exhaustive and Sites are not expected to have all the documents listed below:

Policies & procedures

- Site-level resettlement policy committing to avoiding or minimizing resettlement.
- Site-level land acquisition policy committing to identify and seek resolution of all existing claims and conflicts of land title.
- Active grievance mechanism that is accessible to resettled communities.

Plans

- Resettlement action plans with compensation measures and budgets.

Records

- Records demonstrating stakeholder engagement in identifying adverse impacts and developing resettlement action plans and compensation measures.
- Impact and risk assessments.
- Documentation of land title due diligence and acquisition.
- Financial records demonstrating payment of compensation.

Reporting & Communication

- Training and communication material for relevant personnel on land acquisition and resettlement.
- Disclosure (website, annual reports, regulatory submissions) of third-party assurance of adherence to identification, minimization, prevention and if applicable, remediation of adverse impacts associated with land acquisition and resettlement.
- Media or NGO reports.

External Assurance & Inspections

- Third-party assurance reports of resettlement action plan implementation.
- Government inspection reports.

The following are examples of other evidence, collected through interviews and/or observation during the Sites' assessment, that can demonstrate conformance with the Criterion. In addition to the examples listed below, the examples listed for Criterion 1

on Management Systems, Criterion 2 on Impact Assessments, Criterion 7 on Grievance Mechanisms, Criterion 8 on Stakeholder Engagement, Criterion 24 on Community Development and Criterion 24 on Indigenous Peoples should be taken into account:

- *Management can:*
 - describe how Sites try to avoid involuntary resettlement;
 - explain the process that Sites follow when resettlement is unavoidable;
 - describe how Sites minimize adverse impacts from resettlement;
 - describe how Sites engage with stakeholders on resettlement programs in line with **Criterion 8 on Stakeholder Engagement** and Criterion 24 on Indigenous Peoples Rights;
 - identify who is accountable and responsible within the Sites for addressing and implementing resettlement plans.
- *Stakeholders can:*
 - explain how Sites engage with them on issues relating to resettlement and their rights;
 - describe their involvement in identification of adverse impacts and the development of the resettlement action plan;
 - confirm that Sites avoid or minimize impacts from resettlement;
 - describe the compensation framework and confirm that it is fair, transparent, equitable and culturally appropriate, if applicable;
 - confirm knowledge of and ability to access a grievance mechanism regarding any concerns related to economic or physical displacement.
- *Assessors observe:*
 - existence of conditions provided to resettled communities, where applicable.

III. Key References

International Operating Frameworks

The following international frameworks must be followed for the implementation of this Criterion where applicable to Sites' operational activities:

- [The UN Guiding Principles on Business and Human Rights](#)

The following international frameworks must be considered for the implementation of this Criterion where applicable to Sites' operational activities:

- [IFC Performance Standard 5 on Land Acquisition and Involuntary Resettlement](#)

Additional Reading

The following literature may be useful for guidance when implementing this Criterion:

- [IAIA, Resettlement and Livelihoods](#)
- [IFC, Performance Standard 5 Guidance Note: Land Acquisition and Involuntary Resettlement](#)
- [IFC, Stakeholder Engagement: A Good Practice Handbook for Companies Doing Business in Emerging Markets](#)
- [UN Basic Principles and Guidelines on Development-Based Evictions and Displacement](#)
- [ICMM, Land Acquisition and Resettlement: Lessons learned](#)
- [IFC, Handbook for Preparing a Resettlement Action Plan](#)

5598 CRITERION 26: Cultural Heritage

Respect the cultural rights of affected stakeholders through the:

- **identification of risks;**
- **implementation of a system to prohibit, effectively prevent, and remedy; and**
- **public disclosure of performance on mitigation of potential and actual adverse impacts on and associated with the access to cultural heritage.**

5599

5600

5601 I. Implementation:

5602

5603 a. *Relevance*

5604 This Criterion is relevant to those operational activities where there are known to be
5605 cultural heritage areas. Presence of Indigenous Peoples affected can also indicate the
5606 potential of cultural heritage occurrence.

5607

5608 The existence of cultural heritage varies considerably by country and region.
5609 Generally, in the minerals value chain, mining, mineral processing, and transport are
5610 the operational activities most often located in natural environments, and most likely
5611 to cause damage to tangible cultural heritage, for example, because of the destroying
5612 or damaging of historical buildings, ancient artifacts, burial grounds or sites of spiritual
5613 significance. Damage to intangible cultural heritage may also occur, for example, as a
5614 result of inappropriate visitation of sites or the inappropriate use of traditional
5615 knowledge. This Criterion therefore is most relevant to Sites involved in mining,
5616 mineral processing and transport activities.

5617

5618 b. *Core Requirements*

5619

5620 Sites are expected to respect the cultural rights of affected stakeholders and address
5621 adverse impacts with which they are involved.

5622

5623 **1. To manage impacts on Cultural Heritage in line with internationally**
5624 **recognized frameworks**, which means, as well as following the frameworks
5625 required in Criteria 1 and 2 and where applicable to operational activities, Sites
5626 must:

5627

- follow [the UN Guiding Principles on Business and Human Rights](#)
- [consider following IFC, Performance Standard 8 on Cultural Heritage](#)

5628

5629

5630 **2. To identify cultural heritage**, which means to conduct assessments to identify
5631 any cultural heritage spaces that face potential or actual adverse impacts as a

result of Sites' operational activities in line with Criterion 2 on Impact Assessments. As well as the requirements in Criterion 2 the assessment should:

- Determine the Scope of the assessment, which means to identify Sites' features, aspects, and operational activities that fall within the responsibility of Sites to manage, including:
 - cultural heritage mapping to identify all cultural heritage within Sites' operations.

Sites should rely on various sources of information in determining cultural heritage. Sources of information regarding what constitutes cultural heritage include, but are not limited to:

- UNESCO's [World Heritage List](#);
- impacted communities;
- historical or traditional users and owners of cultural heritage;
- ministries of archeology, culture or similar national, or heritage institutions;
- national and local museums, cultural institutes and universities;
- civil society concerned with cultural heritage or historical preservation; and,
- religious groups for whom the cultural heritage is traditionally sacred.

- Establish a Baseline: where cultural heritage is determined to be in scope, Sites should establish a baseline of the status of cultural heritage and conduct an analysis of project alternatives in relation to the baseline conditions to determine potential adverse impacts.
- Engage Stakeholders: where cultural heritage is determined to be in scope Sites should engage them to participate in impact assessments, in line with Criterion 8 on Stakeholder Engagement.

3. To prohibit adverse impacts on cultural heritage, which means to communicate to workers, business partners and other stakeholders a clear policy signaling that Sites work to prevent any adverse impacts, including on and associated with access to cultural heritage, in line with Criterion 1 on Management Systems. Included in this policy should be a commitment to remediate instances of adverse impacts on cultural heritage.

4. To effectively prevent adverse impacts on cultural heritage, which means to implement a management system to manage the risk of adverse impacts on cultural heritage as a result of operational activities in line with Criterion 1 on Management Systems. As well as the requirements in Criterion 1, the management system should:

- include training of relevant managers and personnel on cultural heritage;

- include adverse impact mitigation measures that prioritize avoidance of adverse impacts through Sites' design changes and/or through the introduction of special construction and operational procedures;
- include plans that consider both adverse impacts directly on and associated with all cultural heritage;
- design chance find procedures to outline actions to be taken if previously unknown cultural heritage is encountered, where the impact assessment determined that the operational activities are located in areas where cultural heritage is expected to be found;
- where avoidance of impacts is unavoidable, Sites should aim to minimize adverse impacts by:
 - implementing restoration measures that aim to maintain the cultural heritage's value and functionality;
 - considering restoration at a different site; and,
 - for non-replicable cultural heritage and critical cultural heritage, supporting the removal and preservation of the cultural heritage according to the best available techniques, following review by external experts and consultation with historical or traditional owners and users of the cultural heritage.
- include monitoring systems effectively to monitor preventative measures taken to avoid adverse impacts on cultural heritage;
- implement a grievance mechanism to alert management to the risk of or incidence of adverse impacts on cultural heritage in line with Criterion 7 on Grievance Mechanisms; and,
- implement effective stakeholder engagement plans in line with Criterion 8 on Stakeholder Engagement.

5. To remediate adverse impacts on cultural heritage, which means to include in the management system procedures to remediate instances of adverse impacts on cultural heritage. Remediation measures should be implemented where avoidance, minimization and restoration to ensure maintenance of the value and functionality of the cultural heritage are demonstrably not feasible. As well as the requirements in Criterion 1, the management system should:

- include Sites' reporting obligations on cultural heritage impacts;
- define remedy measures in consultation with affected stakeholders and their representatives through continuous stakeholder engagement in line with Criterion 8 on Stakeholder Engagement; and,
- compensate affected stakeholders in accordance with national law and international best practice standards.

6. To disclose performance on mitigation, which means to report at least annually all relevant information needed clearly to inform stakeholders of the

Sites' cultural heritage risks and impacts, plans, actions, and performance in line with Criterion 6 on Sustainability Reporting.

II. Examples of Evidence:

The following are examples of documents that can demonstrate conformance with the Criterion. Please note this list is not exhaustive and the Sites are not expected to have all the documents listed below:

Policies & Procedures

- Policy committing to the implementation of a process to manage risks to cultural heritage based on consultation with stakeholders.
- Procedures for cultural heritage mapping and stakeholder engagement.
- Chance find procedures.

Plans

- Planned annual budget that includes cultural heritage considerations.
- Cultural heritage project plans and monitoring reports.

Records

- Mapping of cultural heritage.
- Evidence of identification of potential risks to cultural heritage and implementation of mitigation measures.
- Impact assessment that includes cultural heritage.
- Stakeholder mapping and evidence of consultation.
- Documentation of avoidance and/or mitigation and remediation measures.
- Grievance records.

Reporting

- Assurance claim on public website, annual report, or corporate sustainability report.

External Assurance & Inspections

- Local governance report or NGO reports.

The following are examples of other evidence, collected through interviews and/or observation during the Sites' assessment, that can demonstrate conformance with the Criterion. In addition to the examples listed below, the examples listed for Criterion 1 on Management Systems and Criterion 2 on Impact Assessments, Criterion 8 on Stakeholder Engagement, Criterion 24 on Indigenous Peoples Rights should be taken into account:

- *Management can:*
 - demonstrate an understanding of Sites' relevant cultural heritage policies and how they have to implement those as part of their respective jobs;

- 5756 ○ describe processes for assessing cultural heritage, including cultural
- 5757 heritage mapping;
- 5758 ○ describe the implementation of mitigation measures related to the management
- 5759 of cultural heritage;
- 5760 ○ describe overall measures taken to protect cultural heritage;
- 5761 ○ describe the stakeholder engagement process relative to cultural heritage;
- 5762 ○ describe clear lines of accountability and responsibility for the oversight and
- 5763 implementation for protection of cultural heritage.
- 5764 • *Stakeholders can:*
 - 5765 ○ demonstrate understanding of Sites' policies on cultural heritage;
 - 5766 ○ describe how Sites engage with them on issues relating to cultural heritage;
 - 5767 ○ confirm that Sites do not prevent access to cultural heritage sites by
 - 5768 affected communities, and offer continued access if relevant;
 - 5769 ○ explain how they can lodge grievances and seek remedy in cases where
 - 5770 they have concerns regarding cultural heritage impacts of Sites' operational
 - 5771 activities.
- 5772 • *Assessors observe:*
 - 5773 ○ there are no adverse impacts on cultural heritage caused by Sites'
 - 5774 operational activities.

5775

5776 III. Key References:

5777

5778 Internationally Recognized Frameworks

5779

5780 The following international frameworks must be followed for the implementation of this

5781 Criterion where applicable to Sites' operational activities:

5782

- 5783 • [The UN Guiding Principles on Business and Human Rights](#)

5784 The following international frameworks must be considered for the implementation of

5785 this Criterion where applicable to Sites' operational activities:

- 5786 • [IFC, Performance Standard 8 on Cultural Heritage](#)

5787

5788 International Conventions and Treaties

5789

- 5790 • [United Nations Declaration on the Rights of the Indigenous Peoples](#) (2007)

5791

5792 Additional Reading

5793

5794 The following international literature may be useful for guidance when implementing
5795 this Criterion:

- 5796 • [IFC, Guidance Notes 8 on Performance Standard 8 on Cultural Heritage](#)
5797 • [UNESCO, World Heritage Convention](#)
5798 • [UNESCO, World Heritage List](#)
5799

DRAFT

5800 CRITERION 27: Greenhouse Gas Emissions' Reductions

Avoid, minimize, and compensate for scopes 1, 2, and 3 greenhouse gas (GHG) emissions through the:

- **identification and quantification,**
- **implementation of a system to manage, and,**
- **public disclosure of progress to meet science-based targets for GHG energy use and emissions reductions in line with the goals of the Paris Agreement and internationally recognized frameworks.**

5801

5802

5803 I. Implementation:

5804

5805 a. Business Relevance

5806 The increasing level of GHG emissions in the atmosphere is expected to contribute to
5807 serious environmental and human consequences, including but not limited to
5808 increasing the severity and occurrence of extreme weather events, sea levels, and
5809 food and water insecurity.

5810 Nearly all businesses contribute to climate change because they use energy and
5811 materials in their processes and products that generate and emit greenhouse gases
5812 (GHG), or which have adverse impacts on ecosystems and their capacity to store
5813 carbon. Therefore, this Criterion is relevant to all operational activities, irrespective of
5814 size, location, or function in the value chain.

5815 However, when setting GHG emissions reductions targets, Sites should consider the
5816 specific impacts of their operations and supply chains. Generally, in the minerals and
5817 metals supply chain, mining and minerals processing require the greatest amount of
5818 energy to extract, crush, recover, and transform minerals to metals. The extent to
5819 which these phases of the minerals supply chain are linked to GHG emissions,
5820 however, can differ significantly depending on their size, business process complexity,
5821 and, especially, the sources of energy. For example, Sites that rely on off-grid energy
5822 generation from hydrocarbon-based fuels will likely have far greater emissions than
5823 Sites drawing power from a grid supplied by renewable energy.

5824 Sites along the minerals and metals supply chains will be expected to play their role
5825 in reducing GHG emissions to meet the Paris Agreement climate goal. On the other
5826 hand, they will be expected to provide the metals and minerals needed for a low-
5827 carbon future. Reducing GHG emissions in the context of increased production will
5828 require Sites to invest in low-impact energies and technologies and to set ambitious
5829 yet practicable, concrete, and science-based targets for GHG emissions reduction.

5830 b. Core Requirements

Sites are expected to avoid, minimize, and compensate for GHG emissions through the identification and quantification of energy sources and emissions, the implementation of a system to manage, and disclosure of the progress made to meet GHG emissions' reduction targets.

1. To manage GHG emission reductions in line with internationally recognized frameworks, which means, as well as the following frameworks required in Criteria 1 and 2 and where applicable to operational activities, Sites must:

- consider following [ISO 50001 Energy Management Systems](#) for energy management;
- consider following the [Green House Gas \(GHG\) Protocol](#) for emissions identification and quantification;
- consider following the [Science Based Targets \(SBT\) Initiative](#) for target setting;
- consider following the [GRI Standards](#); and
- consider following issue-specific reporting standards such as the [Carbon Disclosure Project](#) (CDP), and the [Task Force on Climate-Related Financial Disclosures](#) for energy management and GHG emissions reporting.

2. To avoid, minimize, and compensate for GHG emissions, which means to implement the mitigation hierarchy by ordering options for managing GHG emissions sequentially, starting with action to avoid emissions, followed by action to reduce and minimize them, and, as a last resort, compensate for them.

3. To identify and quantify GHG emissions and energy, which means that Sites should conduct an environmental impact assessment in line with Criterion 2 on Impact Assessments.

As well as the requirements in Criterion 2, Sites' impact assessments should:

- Determine the Scope of the assessment, which means to identify features, aspects, and operational activities that fall within scope 1, 2 and 3 GHG emissions, which means:
 - direct (Scope 1) GHG emissions, that is, emissions from sources that are owned or controlled by Sites;
 - indirect energy (Scope 2) GHG emissions, that is, emissions that result from the generation of purchased or acquired electricity, heating, cooling, and steam consumed by Sites;
 - other indirect (Scope 3) GHG emissions, that is, indirect GHG emissions not included in energy indirect (Scope 2) GHG emissions that occur outside of Sites, including both upstream and downstream emissions.

- Establish a Baseline, which means to generate, gather, and analyze relevant data and information on energy and GHG emissions that should include but not be limited to:
 - Energy:
 - identify and quantify the types of energy used, including fuels, electricity, heating, cooling, and steam;
 - identify sources of energy, whether renewable or non-renewable;
 - quantify energy intensity.
 - GHG emissions:
 - identify GHG sources;
 - quantify scope 1, 2, and 3 emissions using sound and recognized methodologies, such as through the GHG Protocol;
 - define the gases included in the assessment, whether CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, NF₃, or all;
 - define the sources of emission factors and global warming potential rates used.
 - The baseline for GHG emissions reductions targets, that is, the projected energy consumption or emissions in the absence of any reduction activity.

4. To implement a system to manage energy and GHG emissions and to avoid, minimize, and compensate GHG emissions, which means to establish a management system in line with Criterion 1 on Management Systems.

As well as the requirements in Criterion 1, the system should:

- incorporate into a policy on environmental protection or equivalent the goal for Sites to contribute to climate action, commit to continual improvement of GHG performance and ensure the availability of information and necessary resources to achieve objectives and targets, and support the Paris Agreement objectives to keep global temperature increase below 1.5°C in line with Criterion 11 on Climate Action;
- document procedures, an action plans, and mitigation measures across all operational activities to avoid, minimize, or compensate for adverse impacts, which includes:
 - identify and prioritize opportunities to increase energy efficiency and define energy efficiency targets;
 - identify and prioritize opportunities to adopt less impactful sources of energy, including to prioritize use of renewable sources of energy;
 - identify sources of direct and/or indirect emissions have the highest reduction potential;

- support the procurement of energy-efficient products and services that impact energy performance;
- support the design of operational activities that consider energy performance improvement;
- ensure maintenance of equipment using energy to avoid energy loss and waste, such as steam or compressed air leaks;
- identify opportunities to compensate or offset (known as carbon offsetting) by compensating for any significant residual, negative impacts that cannot be avoided, reduce and/or restored;
- document a program to monitor progress towards meeting greenhouse gas emissions' reduction targets, including:
 - set targets which contribute to achieving the Paris Agreement objectives to keep global temperature increase below 1.5°C;
 - establish energy efficiency and GHG emissions indicators that are appropriate for measuring and monitoring energy reduction and demonstrating improvement;
 - consider energy consumption and efficiency targets in business planning, including design criteria, where appropriate;
 - ensure energy consumption and GHG emissions are tracked, monitored, documented, and reported publicly on an annual basis;
 - set, document, and incorporate into management systems measurable, credible targets for GHG emissions' reduction;
 - establish monitoring procedures and protocols to monitor progress towards meeting the targets.
 - assign qualified managers and workers to implement monitoring responsibilities.

5. To publicly disclose progress to meet targets, which means to disclose at least annually all relevant information needed clearly to inform stakeholders of the Sites' GHG emissions' risk and impacts, plans, actions, goals and targets, and performance in line with Criterion 6 on Sustainability Reporting using internationally recognized frameworks, Sites must consider:

- following the GRI Standards;
- following issue-specific reporting standards such as the Carbon Disclosure Project (CDP), and the Task Force on Climate-Related Financial Disclosures.

The following are examples of documents that can demonstrate conformance with the Criterion. Please note that the list is not exhaustive and Sites are not expected to have all the documents listed below:

5953

5954 *Policies & Procedures*

- 5955 • Environmental policy that notes the significance of GHG emissions.
- 5956 • Procedures describing methodology for monitoring energy efficiency,
- 5957 consumption, and intensity assessments.
- 5958 • Procedures for identifying emissions and setting targets in line with
- 5959 internationally recognized frameworks.
- 5960 • Procedures for monitoring emission trends.

5961 *Records*

- 5962 • Emissions impact assessment.
- 5963 • Documentation of established energy efficiency and/or renewable energy data.
- 5964 • Documentation of emissions reduction.
- 5965 • Documentation of renewable energy installation and use.

5966 *Plans*

- 5967 • Development and implementation of a GHG reduction action plan incorporated
- 5968 in business and financial planning.

5969 *Reporting & Communication*

- 5970 • Company reports on GHG emissions and targets using an international
- 5971 reporting protocol.
- 5972 • Total CO₂ equivalent for scopes 1, 2 and 3 are disclosed in annual report,
- 5973 website, regulatory submissions, filings, presentations, sustainability report,
- 5974 and any other relevant document.
- 5975 • Publicly disclosed analysis of data demonstrates progress towards compliance
- 5976 with the target by the future year noted.
- 5977 • Publicly disclosed analysis of data demonstrates no net emissions or better.

5978 *External assurance & inspection*

- 5979 • Third-party verification of the proper application of an internationally recognized
- 5980 framework.
- 5981 • Government reports.

5982

5983 *The following are examples of other evidence, collected through interviews and/or*

5984 *observation during the Sites' assessment, that can demonstrate conformance with the*

5985 *Criterion In addition to the examples listed below, the examples listed for Criterion 1*

5986 *on Management Systems and Criterion 2 on Impact Assessments should be taken*

5987 *into account:*

5988

5989 • *Management can:*

- 5990 ○ demonstrate an understanding of the Sites' energy efficiency and
- 5991 greenhouse gas emissions' reductions strategy;
- 5992 ○ describe the steps taken to reduce energy consumption and greenhouse
- 5993 gas emissions;

- 5994 ○ describe the risk assessments that are conducted in respect to greenhouse
- 5995 gas emissions;
- 5996 ○ describe the action plans, including measures to drive continuous
- 5997 improvement and set reduction targets; and,
- 5998 ○ describe how quantifying of greenhouse gas emissions is integrated into
- 5999 the Sites' system.
- 6000 • *Workers can:*
- 6001 ○ describe the steps taken to reduce energy consumption and greenhouse
- 6002 gas emissions.
- 6003 • *Assessors observe:*
- 6004 ○ that energy meters are functioning well and that energy consumption data
- 6005 covers all sources of energy identified during the Sites' walkthrough.
- 6006

6007 III. Key References

6008 Internationally Recognized Frameworks

6009 The following international frameworks must be considered for the implementation of

6010 this Criterion where applicable to Sites' operational activities:

- 6011 • [GRI Standards](#)
- 6012 • [ISO 50001 Energy Management Systems](#)
- 6013 • [Green House Gas \(GHG\) Protocol](#)
- 6014 • [Science Based Targets \(SBT\) Initiative](#)
- 6015 • [Task Force on Climate-related Financial Disclosures](#)
- 6016 • [The Carbon Disclosure Project \(CDP\)](#)
- 6017
- 6018

6019 International Conventions and Treaties

- 6020 • [United Nations Framework Convention on Climate Change \(UNFCCC\)](#)
- 6021
- 6022

6023 Additional Reading

6024 The following literature may be useful for guidance when implementing this criterion:

- 6025 • [GHG Protocol, GHG Protocol Scope 2 Guidance](#)
- 6026 • [GHG Protocol, Technical Guidance for Calculating Scope 3 Emissions](#)
- 6027
- 6028
- 6029
- 6030

CRITERION 28: Water Stewardship

Avoid, minimize, rectify, and compensate for adverse impacts on water balance, flow, quality, and access and needs of other water users and wildlife from operational activities through the:

- **identification of risks,**
- **implementation of a system to manage; and,**
- **public disclosure of performance of improvements to and maintenance of water-use efficiency; water reduction, reuse, and recycling; water quality; and water consumption reduction targets in all operational activities.**

I. Implementation:

a. Business Relevance

The sustainable stewardship of water is a goal recognized by the UN Sustainable Development Goals and its importance for business is becoming more apparent as growing populations and economies and the effects of global climate change places increasing pressure on this vital resource. Access to clean water and sanitation is a significant and daily challenge for millions of people around the World where there is a lack of basic water distribution and treatment infrastructure, or rainfall and groundwater levels are low: 2.3 billion people globally live in water-stressed countries.

Some industries are heavier water consumers than others. Mining and metal processing generally consume large volumes of water, and for these sectors this Criterion should be considered carefully. Water scarcity can also lead to conflict in communities or with companies that are heavy users and perceived to compete for shared sources of water. For any business in the minerals and metals value chain with operational activities in water-stressed or arid areas, this Criterion's requirements on the maintenance of a water balance and contributing to water catchment conservation goals is particularly relevant.

As well, where operational activities are in or near urban centers, which is often the situation of metal processing and manufacturing plants for example, this Criterion's requirements on treatment and safe discharge of water are especially relevant. Sites must demonstrate that their policies and practices contribute to municipal targets for the maintenance of clean and healthy rivers, waterways, lakes, and water storage areas.

b. Core Requirements

Sites are expected to avoid, minimize, rectify, and compensate for adverse impacts from operational activities on water balance, flow, quality, and access and the needs of other water users and wildlife.

1. To manage impacts on water in line with internationally recognized frameworks, which means, as well as the frameworks required in Criteria 1 and 2 and where applicable to operational activities, Sites must consider following:

- the [Alliance for Water Stewardship \(AWS\) International Water Stewardship Standard](#);
- the International Council on Mining and Metals ([ICMM](#)), [Water Stewardship Framework](#);
- [ISO, 14046 on Environmental Management – Water footprint – Principles, requirements and guidelines](#).

2. To avoid, minimize, rectify, and compensate for adverse impacts on water from operational activities, which means to implement the water mitigation hierarchy by ordering options for managing impacts on water sequentially, starting with action to avoid impacts through finding alternative locations or methods for potentially harmful activities, followed by action to reduce and minimize them. If the adverse impacts are significant, it can also be appropriate to restore or remediate the impacts on water to previous state of quality, quantity and flow, and, finally, to allocate resources to compensate for any residual impacts.

3. To identify risks of adverse impacts on water balance, flow, quality, and access and needs of other water users and wildlife, which means Sites should conduct water impact assessments in line with Criterion 2 on Impact Assessments.

As well as the requirements in Criterion 2, Sites' impact assessments should:

- Determine the Scope of the assessment, which means to identify features, aspects, and operational activities that fall within the responsibility of Sites to manage including:
 - sources of water used in operational activities, surface, and ground water (blue water), rainwater (green water) and water used to dilute potential pollutants (grey water). The consumption, treatment, and use of seawater should also be recorded in assessments;
 - boundaries of water catchment areas in which Sites are located;
 - affected formally designated and protected water bodies and their littoral zones;
 - affected productive lands with significant reliance on water for its functioning;

- 6104 ○ water users, water rights' holders, and other stakeholders that may
- 6105 potentially affect or be affected by Sites' operational activities and water
- 6106 stewardship practices, including downstream communities or
- 6107 communities that may be affected by groundwater withdrawals or
- 6108 contamination;
- 6109 ○ water conservation activities in Sites' water catchment areas not directly
- 6110 related to Sites' operational activities that present potential opportunities
- 6111 to support water conservation.

- 6112 • Establish a Baseline, which means to generate, gather, and analyze relevant
- 6113 data and information on the status of water-related features and aspects in
- 6114 scope that should include but not be limited to:

- 6115 ○ record of water bodies':
 - 6116 ○ water quality;
 - 6117 ○ seasonal and temporal variability in water quantity;
 - 6118 ○ physical, chemical, and biological conditions of surface waters,
 - 6119 natural seeps/springs and groundwaters;
- 6120 ○ quantification of Sites', water users', and water rights holders':
 - 6121 ○ water sources;
 - 6122 ○ water consumption;
 - 6123 ○ water types (i.e., blue, grey, and green water);
 - 6124 ○ water uses;
 - 6125 ○ destinations of discharged water;
 - 6126 ○ discharges of other materials and substances to water bodies.

6127 If baseline sampling was not completed before the start of operational activities,

6128 Sites should establish background or synthetic water quality conditions.

- 6129 • Asses the risks of adverse impacts, which means to rate the gravity and
- 6130 seriousness of potential and actual impacts on water-related features and
- 6131 aspects in scope, including but not limited to the risk of:

- 6132 ○ altering the ecological flow of surface waters upstream and downstream
- 6133 of the water catchment point;
- 6134 ○ significantly changing the water balance in Sites' local and catchment
- 6135 area;
- 6136 ○ adverse impacts on sensitive sources and bodies of water;
- 6137 ○ changes to water quality, water stress and other water stewardship
- 6138 challenges;
- 6139 ○ adverse impacts on other industrial or infrastructure operations, water-
- 6140 rights' holders, and organisations or agencies working on relevant water
- 6141 stewardship activities;
- 6142 ○ adverse impacts on water from chemicals, wastes, facilities, and other
- 6143 pollutants from operational activities;

- 6144 ○ potential and actual water-related risks of water effluents discharged to
- 6145 subsurface waters, surface waters, sewers that lead to rivers, oceans,
- 6146 lakes, wetlands, treatment facilities, and ground water;
- 6147 ○ potential and actual impacts on water rights holders' and other affected
- 6148 water users access to water and from changes to water quantity, quality,
- 6149 and flows;
- 6150 ○ implications of climate change for water stewardship, including for future
- 6151 water quantities, access to sources, and flow and related adaptation
- 6152 strategies, in line with Criterion 11 on Climate Action.

6153

6154 **4. To implement a system to improve water-use efficiency; reduction, reuse,**

6155 **and recycling; and maintenance of quality,** which means to establish a

6156 management system for water stewardship in line with Criterion 1 on Management

6157 Systems.

6158

6159 As well as the requirements in Criterion 1, the system should:

- 6160 ● incorporate into a policy on water stewardship the goal for Sites and other water
- 6161 users and water rights' holders to work together to identify and achieve common
- 6162 goals for sustainable water stewardship and shared water security;
- 6163 ● include all water-related potential and actual adverse impacts and document
- 6164 procedures and mitigation measures across all operational activities to avoid,
- 6165 minimize, rectify, or compensate for adverse impacts, including but not limited
- 6166 to:
 - 6167 ○ continually improve water efficiency;
 - 6168 ○ identify opportunities to allocate resources to install water-efficient
 - 6169 capital equipment;
 - 6170 ○ avoid, reduce, and minimize water consumption;
 - 6171 ○ identify alternative water sources to freshwater, such as seawater, to
 - 6172 mitigate adverse water-use impacts on communities;
 - 6173 ○ increase the reuse and recycling of water;
 - 6174 ○ treat and maintain the quality of water;
 - 6175 ○ ensure the controlled discharge and protect the quality of water in
 - 6176 surrounding water courses and access to these by local communities in
 - 6177 line with Criterion 34 on Management of Waste and Criterion 36 on
 - 6178 Tailings Management;
 - 6179 ○ maintain a **water balance** at Sites and contribute to maintaining a water
 - 6180 balance in catchment areas;
 - 6181 ○ clean previously impacted water in areas controlled by Sites to make it
 - 6182 usable, and, if necessary, provide a water supply from an alternate
 - 6183 source;

- 6184 ○ set water stewardship targets for reductions in water consumption, water
- 6185 quality, water efficiency, off-site water conservation programs, and for
- 6186 other water-related stewardship performance;
- 6187 ○ establish water stewardship monitoring procedures and protocols to
- 6188 monitor progress against water stewardship targets and for water
- 6189 consumption, water quality, water efficiency, off-site water conservation
- 6190 programs and other aspects identified in Sites' impacts assessments
- 6191 and as part of continuing water-related risks and impact assessments in
- 6192 line with Criterion 2 on Impact Assessments;
- 6193 ○ assign qualified managers and workers to implement monitoring
- 6194 responsibilities;
- 6195 ○ continually engage affected stakeholders from the earliest stages of
- 6196 Sites' operational life through informing them, their participation in
- 6197 decisions, and in water monitoring on water-related matters that affect
- 6198 their health, well-being, safety, livelihoods, communities, and
- 6199 environment, in line with criterion 8 on Stakeholder Engagement;
- 6200 ○ ensure the long-term stewardship of water-related environmental and
- 6201 social aspects through incorporation of water-related mitigation
- 6202 measures in closure and reclamation plans in line with Criterion 9 on
- 6203 Mine Closure and Reclamation.
- 6204

6205 **5. To disclose water stewardship performance**, which means to disclose at least

6206 annually all relevant information needed to inform stakeholders clearly of the Sites'

6207 water stewardship related impacts, plans, actions, goals and targets, and

6208 performance in line with Criterion 6 on Sustainability Reporting.

6209

6210 **II. Examples of Evidence:**

6211

6212 *The following are examples of documents that may be used to demonstrate*

6213 *conformance with the Criterion. Please note that the list is not exhaustive, and the*

6214 *Sites are not expected to have all the documents listed below:*

6215

6216 **Policies & Procedures**

- 6217 • Policies and procedures committing Sites to reduce water use, improve water-
- 6218 use efficiency, maintain water quality at and water discharged from Sites, and
- 6219 maintain a water balance.
- 6220 • A register or map of water discharge points and destinations downstream.

6221 **Records**

- 6222 • Records of consultations with communities, households and individuals
- 6223 affected by the Sites' actual or potential impacts on water quality and their
- 6224 access to and consumption of water.

- 6225 • Data and information generated by Sites' impact assessments on the scope,
- 6226 water-related baseline and water stewardship risks.

6227 **Contracts & Agreements**

- 6228 • Contractual clauses in commercial and procurement agreements with
- 6229 business partners and suppliers to adhere to Sites' policies on water
- 6230 stewardship.

6231 **Reporting**

- 6232 • Communication of policy on water stewardship at Sites and associated with
- 6233 operational activities.
- 6234 • Performance results from monitoring of water use, water use reductions, water
- 6235 efficiency and water quality.

6236 **External Assurance & Inspections**

- 6237 • Government inspection reports confirming operations legality for consumption
- 6238 and discharge of treated water.
- 6239 • Reports by conservation organizations in support of Sites' policies to maintain
- 6240 a water balance and contribute to sustainable catchment area management.

6241

6242 *The following are examples of other evidence, collected through interviews and/or*

6243 *observation during the Sites' assessment, that can demonstrate conformance with the*

6244 *Criterion. In addition to the examples listed below, the examples listed for Criterion 1*

6245 *on Management Systems and Criterion 2 on Impact Assessments should be*

6246 *considered:*

- 6247
- 6248 • **Management can:**
 - 6249 ○ demonstrate an understanding of Sites' policies and procedures related to
 - 6250 water stewardship;
 - 6251 ○ describe proximity of Sites' operational activities to sensitive or protected
 - 6252 water bodies;
 - 6253 ○ demonstrate their knowledge of the links between water stewardship and
 - 6254 climate change and Sites' policies on climate action.
- 6255 • **Workers can:**
 - 6256 ○ demonstrate basic understanding of Sites' policies on water stewardship
 - 6257 and to whom to ask for more information on procedures to implement the
 - 6258 policy;
 - 6259 ○ describe where Sites' operational activities risk adversely impacting water
 - 6260 used by water rights holders, local communities, and other water users, and
 - 6261 the necessary mitigation measures needed to avoid, minimize, rectify, and
 - 6262 compensate for such impacts.
- 6263 • **Stakeholders can:**
 - 6264 ○ confirm that respect for their water-related rights have been upheld;

- confirm that their perspective regarding the actual or potential impact on their use of water from the Sites' activities has been incorporated into water stewardship plans;
- confirm that options for alternatives to Sites' operational activities in water-sensitive areas were explored with relevant planning authorities and conservation groups working locally, if applicable.

III. Key References

Internationally Recognized Frameworks

The following international frameworks must be considered for the implementation of this Criterion where applicable to Sites' operational activities:

- The [Alliance for Water Stewardship International Water Stewardship Standard](#).
- [ISO 14046 on Environmental Management – Water footprint – Principles, requirements and guidelines](#)
- [ICMM, Water Stewardship Framework](#)

International Conventions and Treaties

- [United Nations Convention on the Law of the Non-navigational Uses of International Watercourses](#)
- [United Nations Convention on the Protection and Use of Transboundary Watercourses and International Lakes \(Water Convention\)](#)
- [United Nations Convention on the Law of the Sea](#)

Additional Reading

The following literature may be useful for guidance when implementing this criterion:

- [International Council on Mining and Metals, Practical Guide: Catchment Based Water Management](#)
- [International Council on Mining and Metals, A Practical Guide to Consistent Water Reporting](#)
- [The Global Compact, Guide to Responsible Business Engagement with Water Policy](#)
- [World Business Council for Sustainable Development, Business Guide to Circular Water Management](#)

- 6305
- 6306
- [World Health Organization, Guidelines for Drinking Water Quality](#)
 - [World Wildlife Fund for Nature, Water Risk Filter](#)

6307

DRAFT

6308 CRITERION 29: Waste Management

Avoid, minimize and recover waste through the:

- **identification of waste streams,**
- **implementation of a system to manage, and**
- **public disclosure of progress to meet targets on waste management.**

6309

6310

6311 I. Implementation:

6312

6313 a. *Relevance:*

6314

6315 Sites generate a wide array of waste over the course of their operational activities,
6316 which can have significant negative impacts on the environment and human health
6317 when not appropriately managed. In addition to potentially harming human health and
6318 environment, waste directed to disposal such as incineration or landfilling represents
6319 a missed opportunity to recover resources and materials which, if recovered, could
6320 help tackle resource depletion worldwide.

6321

6322 For this reason, Criterion 29 on Waste Management is relevant to all Sites, irrespective
6323 of their size, location or function in the value chain.

6324

6325 However, when implementing this Criterion, Sites should be aware of specific
6326 additional requirements that may apply to them due to their position in the supply
6327 chain, such as requirements on Tailings Management under Criterion 31 for mining
6328 operations, or due to specific legal or regulatory frameworks in their jurisdiction(s).

6329

6330 Sites should manage waste in line with Criterion 30 on Materials Stewardship /
6331 Recycling as it pertains to stewardship of minerals and metal products.

6332

6333 b. *Core Requirements*

6334

6335 Sites are expected to avoid and reduce the adverse impacts of waste disposal and to
6336 promote the recovery of waste diverted from disposal through the identification of the
6337 adverse impacts associated with waste disposal, the implementation of a
6338 management system, and public disclosure of progress made.

6339

6340 **1. To manage waste in line with internationally recognized frameworks**, which
6341 means, as well as the following frameworks required in Criteria 1 and 2 and where
6342 applicable to operational activities, Sites must:

- consider following ISO 14001: 2015 [Environmental Management System](#)

6343

6344

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6346 **2. To avoid, minimize and recover waste**, which means that Sites shall implement
6347 the waste mitigation hierarchy by ordering options for managing waste
6348 sequentially, starting with action to avoid waste, followed by action to reduce and

minimize it, recover waste through preparation for reuse and recycling, and, as a last resort, dispose of it.

3. To identify waste streams, which means that Sites should conduct an environmental impact assessment in line with Criterion 2 on Impact Assessments.

As well as the requirements in Criterion 2, Sites' impact assessments should:

- Determine the Scope of the assessment, which means to identify features, aspects, and operational activities that generate waste.
- Establish a Baseline, which means to generate, gather, and analyze relevant data and information on waste management that should include but not be limited to:
 - The actual and potential waste-related impacts:
 - the sources of waste generation;
 - the type of waste generated, including whether hazardous, in line with the requirements of applicable regulations;
 - the amount of waste generated;
 - the transportation and storage of waste;
 - the disposal method for each type of waste, whether such waste is:
 - diverted from disposal through preparation for reuse, recycling, or other recovery operations; or
 - directed to disposal for incineration, landfilling, or other disposal operations.

4. To implement a system to manage waste and to avoid, minimize, and recover waste, which means to establish a management system in line with Criterion 1 on Management Systems.

As well as the requirements in Criterion 1, the system should:

- Incorporate into a policy on environmental protection or equivalent the goal for Sites to manage waste responsibly, to avoid or mitigate impacts of waste on the environment and human health.
- Document a plan across all operational activities (where possible) to:
 - continually improve the responsible management of waste;
 - identify opportunities to avoid and reduce the amount of waste generated;
 - increase the recovery of waste, including through reuse and recycling.
- Document a program to monitor progress towards meeting waste management goals, including:
 - set, document, and incorporate into management systems measurable, credible targets for waste reduction, re-use, recycling and recovery;

- establish monitoring procedures and protocols to track progress towards meeting the targets.

5. To publicly disclose progress to meet targets, which means to disclose at least annually all relevant information needed clearly to inform stakeholders of the Sites' waste management, plans, actions, goals and targets, and performance in line with Criterion 6 on Sustainability Reporting using internationally recognized frameworks.

II. Examples of Evidence:

The following are examples of documents that can demonstrate conformance with the Criterion. Please note that the list is not exhaustive and Sites are not expected to have all the documents listed below:

Policies & Procedures

- Policy committing to waste management.
- Procedures on handling, transporting, and storing waste.
- Procedures for monitoring waste management targets.

Records

- Data on quantities, type, and disposal method of waste generated.
- Completed risk assessment on waste generation and management.
- Evidence of training of relevant personnel.

Plans

- Development and implementation of waste management plans.

Reporting & Communication

- Disclosure of the nature and scope of waste management system on publicly available website, annual report and/or corporate sustainability report.

External Assurance & Inspections

- Third-party assurance of implementation of the waste hierarchy.
- Government inspection reports.

The following are examples of other evidence, collected through interviews and/or observation during the Sites' assessment, that can demonstrate conformance with the Criterion. In addition to the examples listed below, the examples listed for Criterion 1 on Management Systems and Criterion 2 on Impact Assessments should be taken into account:

- Management can:
 - describe the waste management policy and commitment to waste hierarchy principles;
 - describe the impact assessments that are conducted related to waste;
 - describe how waste is monitored, measured and disposed of;
 - describe the formal systems and processes in place to manage waste generation, storage, transportation and disposal; and,

- 6441 ○ describe clear lines of accountability and responsibility within the Sites
- 6442 for the oversight and implementation of the waste hierarchy.
- 6443 • Workers can:
 - 6444 ○ demonstrate a basic understanding of the Sites' policy on waste
 - 6445 management;
 - 6446 ○ explain the training they received on effective methods of managing
 - 6447 waste.
- 6448 • Other stakeholders can:
 - 6449 ○ describe frequency, content and nature of consultations with Sites'
 - 6450 personnel related to waste management if applicable relevant workers
 - 6451 (such as management and those who handle waste) can confirm they
 - 6452 have received training on the policy and effective methods of managing
 - 6453 waste.
- 6454 • Assessors' observations confirm:
 - 6455 ○ that waste is stored, labeled, and handled in line with Sites' waste
 - 6456 management procedures.

6459 II. Key References

6461 Internationally Recognized Frameworks

6462 The following international frameworks must be considered for the implementation of

6463 this Criterion where applicable to Sites' operational activities:

- 6464 • [ISO 14001: 2015 Environmental Management System](#)

6468 International Conventions and Treaties

- 6469 • [The Basel Convention on the Control of Transboundary Movements of](#)
- 6470 [Hazardous Wastes and their Disposal](#)

6473 Additional Reading

6474 The following literature may be useful for guidance when implementing this criterion:

- 6475 • [IFC, Environmental, Health and Safety Guidelines](#)

CRITERION 30: Material Stewardship

Promote resource efficiency, collection and recycling of materials at Sites and in the value chain through the:

- **identification of adverse impacts;**
- **implementation of a system to manage; and**
- **public disclosure of progress to meet targets to minimize scrap, and increase the recovery, re-use, and recycling of materials.**

I. Implementation:

a. Relevance

With natural resources increasingly under pressure, all businesses have a role to play to contribute to preserving and extending the life of materials. While this Criterion is relevant for all phases of the minerals and metals life cycle, the type of actions that Sites can take to promote material stewardship will differ, depending on the Sites' function in the value chain. For example, for mining Sites this Criterion is relevant to the extent that they should provide, upon customer request, adequate cradle-to-gate Life Cycle Assessment (LCA) information on their materials. Processing and manufacturing Sites are best placed to promote material stewardship through recycling of process scrap and/or materials at their end-of-life.

b. Core Requirements

Sites are expected to promote resource efficiency, collection, and recycling of materials through the identification of life cycle impacts of materials, the implementation of a management system, and public disclosure of the progress made to meet material stewardship and recycling targets.

- 1. To steward materials in line with internationally recognized frameworks,** which means that, as well as following the frameworks required in Criteria 1 and 2 and where applicable to operational activities, Sites must:

- Consider following ISO 14040:2006 and ISO 14044:2006 on life cycle assessments to advance consistency and comparability across Sites.

- 2. To identify adverse impacts of materials,** which means that Sites should conduct a life cycle impact assessment of materials or product lines in which the material is considered or used, in line with Criterion 2 on Impact Assessments.

As well as the requirements in Criterion 2, Sites' life cycle impact assessment of materials or product lines should:

- involve recycling of materials, choosing a method for allocation of processes and avoided emissions in line with the goal and scope definition of the assessment. This may include an End-of-Life (EOL) recycling approach or a recycled content (RC) approach;
- include cradle-to-gate analysis, depending on the Sites' position in the value chain. For example, mining Sites would cover the extraction process and associated impacts to the mine gate, whereas smelter/refiner or processing Sites would draw on information from upstream suppliers then include impacts from their own production;
- consider the impact of the various production stages and of end-of-life recycling.

3. To implement a system to manage, which means that Sites should establish a management system for material stewardship to minimize scrap and promote collection and recycling of materials at end-of-life, in line with Criterion 1 on Management Systems and consistent with the waste management strategy of Criterion 29 on Waste Management where relevant.

As well as the requirements in Criterion 1, the system should:

- Document a plan across all operational activities where possible to:
 - identify opportunities to minimize scrap;
 - identify opportunities to promote collection, reuse and recycling of products at their end-of-life;
 - increase the recovery, reuse, and recycling of materials.
- Document a program to monitor progress towards meeting material stewardship goals, including:
 - set, document, and incorporate into management systems measurable, credible targets for material stewardship;
 - establish monitoring procedures and protocols to track progress towards meeting the targets.

4. To disclose progress to meet targets, which means to disclose at least annually all relevant information needed clearly to inform stakeholders of the Sites' material stewardship-related risk and impacts, plans, actions, goals and targets, and performance in line with Criterion 6 on Sustainability Reporting.

II. Examples of Evidence:

The following are examples of documents that can demonstrate conformance with the Criterion. Please note this list is not exhaustive and the Sites are not expected to have all the documents listed below:

6554

6555 *Policies & Procedures*

- 6556 • Procedures for undertaking life-cycle impact assessments.
- 6557 • Material stewardship program monitoring procedures.

6558 *Records*

- 6559 • Diagram and/or description of the Sites' manufacturing and/or business
- 6560 process demonstrating all inputs of materials, all internal material flows (such
- 6561 as the re-use or recycling of scrap), and all material outputs (including but not
- 6562 limited to finished products, intermediary products and waste).
- 6563 • Completed life-cycle impact assessment records.
- 6564 • Data collection files monitoring the amount of scrap generated, recovered, re-
- 6565 used, and/or recycled, and reduction targets.

6566 *Plans*

- 6567 • Development and implementation of plans to recover, re-use, and/or recycle
- 6568 materials to promote material stewardship.

6569 *Reporting & Communication*

- 6570 • Disclosure (website, annual reports, regulatory submissions) of third-party
- 6571 assurance of data on materials used, recycling rates, etc.

6572

6573 *The following are examples of other evidence, collected through interviews and/or*

6574 *observation during the Sites' assessment, that can demonstrate conformance with the*

6575 *Criterion. In addition to the examples listed below, the examples listed for Criterion 1*

6576 *on Management Systems and Criterion 2 on Impact Assessments should be*

6577 *considered:*

6578

6579 • *Management can:*

- 6580 ○ demonstrate an understanding of the policies and procedures related to
- 6581 the stewardship of materials, such as to reduce scrap and increase re-
- 6582 use and recycling of materials;
- 6583 ○ describe Sites' impact assessments related to the life cycle impacts of
- 6584 materials and demonstrate knowledge of the date from and results of
- 6585 assessments;
- 6586 ○ describe how the use of materials including scrap are monitored and
- 6587 measured;
- 6588 ○ describe efforts taken to reduce, re-use and recycle materials;
- 6589 ○ describe the results of consultation with stakeholders relating to the
- 6590 stewardship of materials;
- 6591 ○ describe clear lines of accountability and responsibility for the oversight
- 6592 and implementation of steps taken to steward materials throughout Sites'
- 6593 operational lives.

6594 • *Workers can:*

- 6595 ○ describe which measures they take to reduce, re-purpose, re-use and
- 6596 recycle materials;
- 6597 ○ confirm they have received training on the policy and effective methods
- 6598 for the stewardship of materials;
- 6599 ○ describe the training received to implement such measures.
- 6600 • *Stakeholders can:*
- 6601 ○ confirm their perspective regarding the actual or potential impact on their
- 6602 lives and environment from Sites' materials stewardship policies;
- 6603 • *Assessors observe:*
- 6604 ○ the material flow and internal control measures, including how process
- 6605 scrap is collected or materials are collected and recovered.
- 6606

6607 III. Key References

6608 Internationally Recognized Frameworks

6609 The following international frameworks must be considered for the implementation of

6610 this Criterion where applicable to Sites' operational activities:

- 6611 • [ISO 14040:2006.](#)
- 6612 • [ISO 14044:2006.](#)
- 6613

6614 Additional Reading

6615 The following literature may be useful for guidance when implementing this criterion:

- 6616 • [ICMM, Maximizing Value: Guidance on implementing materials stewardship](#)
- 6617 [in the minerals and metals value chain](#)
- 6618

CRITERION 31: Tailings Management

Avoid, minimize, rectify, and compensate for adverse impacts from tailings through the:

- **identification of risks;**
- **implementation of a system to manage; and,**
- **public disclosure of performance on the mitigation of the potential and actual adverse impacts from tailings facilities and tailings disposal systems.**

I. Implementation:

a. *Relevance*

This Criterion only applies to mining Sites.

Tailings management is a continual exercise throughout all phases. Therefore, this Criterion is relevant for mining at every phase of mining.

This Criterion's application should be proportional to the size, complexity, location, and strength of the economic linkages of its situation, but it is relevant across all types and locations of mining Sites.

This Criterion is relevant to Sites selecting options for and designing and implementing plans to discharge tailings, including the operation, maintenance, monitoring and closure of external tailings impoundments, dams, and containment facilities on land, and other means of tailings' storage.

b. *Core Requirements*

Sites are expected to avoid, minimize, rectify, and compensate for adverse impacts from tailings.

1. To manage tailings facilities and tailings disposal systems in line with internationally recognized frameworks means, as well as following frameworks required in Criteria 1 and 2 and where applicable to operational activities, Sites must:

- follow the [International Council for Mining and Metals', United Nations Environment Programme', and the Principles for Responsible Investment's Global Industry Standard on Tailings Management \(GISTM\)](#)

Sites with tailings facilities and tailings disposal systems that are not in scope of the GISTM are required to implement all other elements of this Criterion.

- 2. To identify risks of adverse impacts from tailings** means to implement impact assessments for the potential and actual environmental, social and governance impacts from tailings in line with Criterion 2 on Impact Assessments.

As well as the requirements in Criterion 2, and where the GISTM is not applicable to operational activities, Sites should:

- ensure comprehensive coverage of the potential and actual adverse environmental, social and governance impacts of tailings discharge, disposal, and storage through assessments that:
 - apply a comprehensive, multi-criteria analysis of the options for tailings discharge, disposal, and storage with the specific goal of selecting an option that minimizes risks to people and the environment throughout Sites' operational life;
 - are science-based, which means the application of the scientific method to arrive at conclusions, such as systematic observation, measurement, and experiment, and the formulation, testing, and modification of hypotheses;
 - are risk-based, which means analysis and calculations are made according to the likelihood of an impact and the gravity of that impact should it occur;
 - provide supporting evidence to substantiate conclusions and claims;
 - identify relevant laws and regulations;
 - present their assessments for approval to the scheme holders.

- 3. To implement a system to manage tailings** means to establish a management system for tailings management in line with Criterion 1 on Management Systems.

As well as the requirements in Criterion 1, and where the GISTM is not applicable to operational activities, the management system should:

- cover the design, operation, maintenance, monitoring and closure and reclamation of tailings facilities and tailings disposal systems;
- be proportional to its level of risk of potential and actual adverse impacts;
- ensure compliance with regulations, statutes, guidelines, codes, and standards;
- demonstration application of best practices;
- include an emergency response plan that has been developed with relevant and affected communities, businesses, and government stakeholders;
- include a regular review throughout Sites' operating lives; and,
- be validated by a competent, qualified, and independent firm to confirm it appropriately incorporates measures to address potential and actual adverse

impacts and it meets applicable regulations, statutes, guidelines, codes, and standards.

- 4. To disclose publicly performance on mitigation of adverse impacts from tailings** means to disclose at least annually all relevant information needed to clearly inform stakeholders of the Sites' management of tailings facilities and tailings disposal systems, the related potential and actual impacts, plans, incidences of failures, actions, goals and targets, and progress in meeting those goals and targets in line with Criterion 6 on Sustainability Reporting.

II. Examples of Evidence:

The following are examples of documents that may be used to demonstrate conformance with the Criterion. Please note that the list is not exhaustive, and the Sites are not expected to have all the documents listed below:

Policies & Procedures

- Policy and procedures committing the Sites to the implementation of the Global Industry Standard for Tailings Management (GISTM);
- Policies that state the Sites' commitment to conform with laws and regulations and implement best practices for the planning, design, and operation of tailings strategies;
- The detailed plans of tailings facilities showing operation options and alternative structures, how catastrophic events can be avoided, and how the structure and management conforms with the GISTM;
- Emissions monitoring protocols for tailings management;
- Inventory of tailings structures and operating processes that have the potential to impact workers and communities;
- A documented plan to prevent spills and leakage from tailings structures with the potential to impact air and soil;
- A documented tailings emergency response plan and evidence that the plan has been written in consultation with stakeholders and workers.

Records

- Evidence of training of relevant personnel;
- Monitoring records and documented procedures for collecting, recording, and reporting monitoring data related to tailings management;
- Records of the measures taken to prevent spills and leakage and avoid contamination of soil, water, or air;
- Records of incidences of (uncontrolled) discharge from tailings facilities;
- Records of water quality parameters and their changes over time;

- 6736 • Records of meetings with worker representatives and other relevant
- 6737 stakeholders.

6738 **Contracts & Agreements**

- 6739 • Terms of reference for an independent body to review the Sites' tailings strategy
- 6740 and performance;
- 6741 • Terms of reference or contract with a competent technical firm to confirm the
- 6742 appropriateness of the tailings' disposal and storage strategy.

6743 **Reporting**

- 6744 • Public reports and recommendations from the independent tailings review
- 6745 body.

6746 **External Assurance & Inspections**

- 6747 • Third-party assurance of conformance with the GISTM.
- 6748

6749 *The following are examples of other evidence, collected through interviews and/or*

6750 *observation during the Sites' assessment, that can demonstrate conformance with the*

6751 *Criterion. In addition to the examples listed below, the examples listed from Criterion*

6752 *1 on Management Systems and Criterion 2 on Impact Assessment should be*

6753 *considered:*

- 6754
- 6755 • **Management can:**
 - 6756 ○ Describe examples of key indicators used to monitor risks at tailings
 - 6757 facilities;
 - 6758 ○ Describe procedures for consulting with workers, organized labor groups,
 - 6759 local authorities, and other external stakeholders on tailings management;
 - 6760 ○ Describe the concerns of local stakeholders regarding tailings management;
 - 6761 ○ Describe regulations in the country of operation regarding tailings, waste
 - 6762 management, and emissions;
 - 6763 ○ Demonstrate knowledge of industry best practices for tailings management,
 - 6764 and especially the Global Industry Standard on Tailings Management.
- 6765 • **Employees can:**
 - 6766 ○ Demonstrate a thorough understanding of monitoring procedure, indicators,
 - 6767 and internal and external reporting requirements on tailings management;
 - 6768 ○ Demonstrate a thorough understanding of which external stakeholders are
 - 6769 most affected by the potential or actual impacts from tailings.
- 6770 • **Stakeholders can:**
 - 6771 ○ Describe the frequency, content, and nature of consultation meetings with
 - 6772 the Sites' personnel as part of the planning for and design of tailings
 - 6773 facilities or other forms of disposal;
 - 6774 ○ Demonstrate awareness of the Sites' tailings emergency response plan and
 - 6775 have been trained in their participation and required response in the case
 - 6776 of catastrophic failure;

- 6777 ○ Confirm whether the Sites are conducting its operational activities in
- 6778 conformance with national and local regulations on tailings management;
- 6779 ○ Describe whether there will be a lasting residual impact from closure from
- 6780 permanent structures related to tailing facilities or tailings disposal systems.
- 6781 ● Assessors observe:
- 6782 ○ The existence of the monitoring points and the process of collecting,
- 6783 recording, and reporting monitoring data related to tailings management;
- 6784 ○ The measures taken to prevent spills and leakage and avoid contamination
- 6785 of soil;
- 6786 ○ Whether there is no uncontrolled discharge from tailings and other waste
- 6787 impoundments, dams, or containment facilities.
- 6788

6789 III. Key References

6791 Internationally Recognized Frameworks

6793 The following international frameworks must be followed for the implementation of this
6794 Criterion where applicable to Sites' operational activities:

- 6796 ● [The Global Industry Standard on Tailings Management published by ICMM,](#)
- 6797 [The United Nations Environment Programme, and the Principles for](#)
- 6798 [Responsible Investment](#)
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6800 CRITERION 32: Biodiversity & Land Management

Avoid, minimize, restore or replace, and compensate for adverse impacts on biodiversity and productive land from operational activities, respect the integrity of protected areas, and commit to a no net loss and consider a net gain of biodiversity through the:

- **identification of risks;**
- **implementation of a system to manage; and,**
- **public disclosure of performance on mitigation of adverse impacts on biodiversity and productive land.**

6801 I. Implementation:

6804 a. *Relevance*

6806 Biodiversity is the term used to refer to the variety of living species, including plants,
6807 animals, bacteria, and fungi; the habitats where they flourish; and entire ecosystems
6808 that depend on species for healthy ecological functioning. The importance of
6809 biodiversity and its conservation is recognized by the UN Sustainable Development
6810 Goals and by the UN Convention of Biological Diversity.

6812 While living species are found everywhere, the richness of biodiversity and its
6813 importance is unequally distributed. This means that while Sites' operational activities
6814 can adversely impact biodiversity in most locations, irrespective of their size, function,
6815 or position in the value chain, this Criterion is most relevant to Sites with operational
6816 activities that take place in natural environments. Natural environments include, but
6817 are not limited to, forests, plantations, wetlands, mountain ranges, deserts, rivers and
6818 lakes, the ocean, and farmlands.

6820 Also, governments designate some areas within their jurisdictions for their special
6821 importance for biodiversity – such as national parks, nature reserves, and zones of
6822 special scientific interest – and protect their natural features by law. Generally, in the
6823 minerals value chain, mining, mineral processing, and transport are the activities most
6824 often located in natural environments and most likely to be near to designated and
6825 protected areas. This Criterion therefore is most relevant to Sites involved in these
6826 activities.

6828 b. *Core Requirements*

6830 Sites are expected to avoid, minimize, restore, and compensate for adverse impacts

on biodiversity and productive land from operational activities, respect the integrity of protected areas, and commit to a no net loss and consider a net gain of biodiversity:

1. To manage impacts on biodiversity and land in line with internationally recognized frameworks, which means, as well as the frameworks required in Criteria 1 and 2 and where applicable to operational activities, Sites must:

- consider following [The International Finance Corporation \(IFC\) Performance Standard 6 \(PF6\) on Biodiversity Conservation and Sustainable Management of Living Natural Resources \(2012\)](#);
- consider following [ISO 14001 on Environmental Management](#).

2. To avoid, minimize, restore, and compensate for adverse impacts on biodiversity from operational activities, which means to implement the biodiversity mitigation hierarchy by ordering options for managing impacts on biodiversity sequentially, starting with action to avoid impacts through finding alternative locations or methods for potentially harmful activities, followed by action to reduce and minimize them. If the adverse impacts are significant, it can also be appropriate to restore or replace biodiversity and, finally, to allocate resources to biodiversity offsets to compensate for any residual impacts.

3. To respect the integrity of protected areas, which means to have and to communicate to staff, suppliers, customers, and business partners a clear policy signaling that Sites do not operate in World Heritage Sites, Key Biodiversity Areas, Ramsar Sites, Indigenous Community Conserved Areas, and in any other designated protected areas and their buffer zones; and, to effectively implement the policy and related procedures, including monitoring, to ensure there is no encroachment of Sites' activities within protected areas' boundaries.

4. To commit to a no net loss and consider a net gain of biodiversity, which means to incorporate explicit reference and measures to achieve a no net loss of biodiversity and include consideration of the opportunities for a net gain of biodiversity, into Sites' policies and into their operational designs, commissioning, operating, and closure and reclamation plans.

5. To identify the risks of adverse impacts, which means Sites should conduct impact assessments on biodiversity in line with Criterion 2 on Impact Assessments.

As well as the requirements in Criterion 2, Sites' assessments should:

- Determine the scope of the assessment, which means to identify the features, aspects, and operational activities that fall within the responsibility of Sites to manage including:
 - operational activities that potentially or do adversely impact:

- species described as locally, regionally, and internationally important for their biodiversity value, which may include species endemism, rarity, population size, threat and fragility; and their locations;
 - formally designated protected areas and their buffer zones, including nationally protected areas for biodiversity conservation, World Heritage Sites, Ramsar Sites and Indigenous Community Conserved Areas;
 - areas of high biodiversity value outside of protected areas, such as Key Biodiversity Areas, High Conservation Value Areas, and areas of critical habitat;
 - productive lands with commercially important species and species important for local communities' livelihoods.
 - areas that can be protected for or be better managed to conserve biodiversity;
 - conservation activities of stakeholders not directly related to Sites' operational activities that present potential opportunities to support conservation.
 - Establish a baseline: which means to generate, gather, and analyze relevant data and information on the conservation status of the biodiversity and the productive value of land in scope that should include, but not be limited to:
 - populations of individual species.
 - richness of biodiversity, which means the number of species found in an area.
 - evenness of distribution of biodiversity.
 - threats to individual and fragility of species, habitats, and ecological functioning.
 - historical trends of biodiversity and conservation status.
 - short- and longer-term impacts on biodiversity from climate change.
 - commercial and subsistence crop and tree species grown on productive lands.
 - a register of relevant applicable legal and other requirements on formally designated and protected areas for the conservation of biodiversity and on government and private productive land.
 - current capacity of NGOs, government agencies and local authorities to manage protected and other areas designated for their biodiversity values and support landowners and farmers in improving land productivity.
- 6. To implement a system to manage adverse impacts**, which means to establish a management system for biodiversity in line with Criterion 1 on Management Systems.

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As well as the requirements in Criterion 1, the system should:

- include all biodiversity-related risks and impacts and document procedures to implement the biodiversity mitigation hierarchy;

Biodiversity offsets are an acceptable mitigation measure when significant impacts on biodiversity cannot be avoided. The decision to use offsets to mitigate residual impacts on biodiversity should be considered only when all other possible methods to avoid, minimize, restore or replace impacts have been exhausted. Where Sites are left with no other plausible options other than to offset, selecting the appropriate intervention should be considered carefully and with reference to international best practice standards. Where possible, such offsets should prioritize interventions that help preserve and enhance existing terrestrial carbon stocks sequestered in biodiversity and ecosystems.

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- sites should make efforts to compensate any community, household, and individuals who are adversely affected by impacts on biodiversity and ecosystem services associated with their operational activities, including those to mitigate impacts on biodiversity, such as biodiversity offsets that exclude people and restrict access to natural resources and economic activity, so that they are at least as well off – and preferably better off – than they were before;
- set biodiversity management targets including for achieving no net loss of biodiversity, conservation of natural areas, biodiversity offsets and for other biodiversity management performance.
- establish biodiversity monitoring procedures and protocols to monitor progress against biodiversity management targets as part of continuing biodiversity impact assessments in line with Criterion 2 on Impact Assessments.
- continually engage and consult with affected stakeholders on plans for and management of biodiversity including those whose traditions, livelihoods, rights, and knowledge related to biodiversity will be adversely or positively impacted by Sites' operational activities, including stakeholders involved in the governance and operation of designated protected areas, and who could contribute to the Sites achieving their commitment to no net loss of biodiversity, in line with Criterion 8 on Stakeholder Engagement.
- include and document procedures on respect for the rights of Indigenous Peoples, which means where Indigenous Peoples are affected free, prior, and informed consent is given for any operational activities related to the management of biodiversity that affect their lands, and other considerations in line with Criterion 24 on Indigenous Peoples Rights.

- consider mine closure and reclamation plans for the protection of biodiversity and continuation of conservation activities established at the Site in line with Criterion 9 on Mine Closure and Reclamation.
- contribute to climate change mitigation and adaptation strategies through avoidance and minimization of harm to, and restoration or replacing of habitat and ecosystems in areas impacted by operational activities that can sequester greenhouse gases in line with Criterion 11 on Climate Action.
- contribute to water stewardship plans through avoidance, minimization of harm to, and restoration or replacing habitat and ecosystems in areas impacted by operational activities that affect the balance, flow, quantity, and quality of water used at Sites and stakeholders in line with Criterion 29 on Water Stewardship.
- publicly disclose progress and results, which means to disclose at least annually all relevant information needed clearly to inform stakeholders of the Sites' biodiversity-related risks and impacts, plans, actions, goals and targets, and performance in line with Criterion 6 on Sustainability Reporting.

7. To disclose performance on mitigation, which means to report at least annually all relevant information needed clearly to inform stakeholders of the Sites' biodiversity-related impacts, plans, actions, goals and targets, and performance in line with Criterion 6 on Sustainability Reporting.

II. Examples of Evidence:

The conformance with the Criterion should be evaluated based on the principle of triangulation of evidence obtained through interviews with management, workers, and other stakeholders, documentation review and observation.

The following are examples of documents that may be used to demonstrate conformance with the Criterion. Please note that the list is not exhaustive, and the Sites are not expected to have all the documents listed below:

Policies & Procedures

- Policies and procedures committing the Sites to respect protected areas' legal boundaries and not to operate in World Heritage Sites and other designated areas of important biodiversity and conservation value.
- Procedures on the management of biodiversity on land controlled by Sites and related to operational activities and how to avoid and further mitigate adverse impacts on biodiversity generally.

Records

- A register of protected areas and other designated areas that are or potentially are impacted by Sites' operational activities.

- A map showing Sites' location in relation to protected areas and other designations related to their biodiversity conservation values.
- An impact assessment on biodiversity comprising scope, baseline studies, risk ratings and recommendations for mitigation.
- Records of consultations with communities, Indigenous Peoples groups, households and individuals affected by the Sites' actual or potential impacts on biodiversity.

Contracts & Agreements

- Inclusion of adherence to the Sites' relevant policies on biodiversity management and protected areas in suppliers' and business partners' code of conduct, or similar compliance instrument.
- Contractual clauses in commercial and procurement agreements with business partners and suppliers to adhere to the Sites' relevant policies on biodiversity management and protected areas.

Plans

- Inclusion of measures to protect biodiversity and to avoid protected areas in the design of the Sites' operating boundaries and key operational activities.

Reporting

- Communication of policy on committing to no net loss of biodiversity at the Sites and associated with the Sites' activities.

External Assurance & Inspections

- Government inspection reports confirming operations legality for operating near protected areas;
- Reports by conservation organizations in partnership with the Sites to support their policy to protect biodiversity.

The following are examples of other evidence, collected through interviews and/or observation during the Sites' assessment, that can demonstrate conformance with the Criterion. In addition to the examples listed below, the examples listed for Criterion 1 on Management Systems and Criterion 2 on Impact Assessments should be considered:

- **Management can:**
 - demonstrate an understanding of the Sites' policies and procedures related to operating in or near areas protected and designated for their conservation values;
 - describe the proximity of Sites' operational activities to areas of high biodiversity conservation value.
- **Workers can:**
 - demonstrate a basic understanding of the Sites' policy on biodiversity management and protected areas and to whom to ask for more information

- 7028 on the presence of such areas affected by or near Sites' operational
7029 activities;
- 7030 ○ demonstrate knowledge on whether and where Sites' operational activities
7031 affect or are near to a protected area.
- 7032 • *Stakeholders can:*
- 7033 ○ confirm that their perspective regarding the actual or potential impact on
7034 biodiversity and protected areas from Sites' operational activities do or
7035 potentially will affect their traditions, livelihood, and health;
- 7036 ○ confirm that options for alternatives to operational activities in critical
7037 habitats were explored with relevant planning authorities and conservation
7038 groups working locally, where applicable.
- 7039 • *Assessors observe:*
- 7040 ○ that there are no operational activities taking place in protected areas or in
7041 the buffer zones of protected areas;
- 7042 ○ the presence of qualified personnel to conduct risk and impact assessments
7043 on biodiversity and to monitor the performance of the biodiversity
7044 management system.

7046 III. Key References

7048 Internationally Recognized Frameworks

7049 The following international frameworks must be considered for the implementation of
7050 this Criterion where applicable to Sites' operational activities:

- 7051
- 7052
- 7053 • [The International Finance Corporation \(IFC\) Performance Standard 6 \(PF6\) on](#)
7054 [Biodiversity Conservation and Sustainable Management of Living Natural](#)
7055 [Resources \(2012\)](#)
- 7056 • [ISO 14001 on Environmental Management](#)
- 7057

7058 International Conventions and Treaties

- 7059
- 7060 • [The \(Ramsar\) Convention on Wetlands.](#)
- 7061 • [The United Nations Convention on Biological Diversity](#)
- 7062 • [United Nations Educational, Scientific and Cultural Organisation \(UNESCO\)](#)
7063 [World Heritage Convention, and \(Natural\) World Heritage List](#)
- 7064 • [UNESCO World Network of Biosphere Reserves](#)
- 7065

7066 Additional Reading

7067 The following literature may be useful for guidance when implementing this criterion:

7068

- 7069 • [The Akwé Kon Guidelines, developed under the Convention on Biological](#)
- 7070 [Diversity](#)
- 7071 • [British Standards Institution, BS 8683 Process for designing and implementing](#)
- 7072 [Biodiversity Net Gain](#)
- 7073 • [The Business and Biodiversity Offset Programme \(BBOP\)](#)
- 7074 • [The Global Invasive Species Database \(GISD\)](#)
- 7075 • [High Conservation Value Areas \(HCVAs\) Network](#)
- 7076 • [The International Association of Impact Assessment principles on Biodiversity](#)
- 7077 [and Ecosystem Services in Impact Assessment](#)
- 7078 • [The Integrated Biodiversity Assessment Tool \(IBAT\)](#)
- 7079 • [International Council on Mining and Metals, The Good Practice Guidance for](#)
- 7080 [Mining and Biodiversity](#)
- 7081 • [The International Union for Conservation of Nature \(IUCN\) Protected Area](#)
- 7082 [Categories](#)
- 7083 • [The IUCN Red List of Threatened Species](#)
- 7084 • [The IUCN Policy on Biodiversity Offsets](#)
- 7085 • [Key Biodiversity Areas \(KBAs\) Partnership](#)
- 7086 • [The UNEP World Database on Protected Areas](#)
- 7087 • [SBTN Initial Guidance](#)
- 7088 • [UNEP WCMC Biodiversity Indicators for Extractive Companies.](#)
- 7089
- 7090

CRITERION 33: POLLUTION

Avoid, minimize, rectify, and compensate for adverse impacts on human health and the environment from pollution through the:

- **identification of risks,**
- **implementation of a system to manage; and,**
- **public disclosure of performance on the mitigation of adverse impacts from the introduction of poisonous and harmful substances to air, land, and water and from noise, light, and visual pollution.**

I. Implementation:

a. *Relevance*

Most businesses use chemicals and harmful substances, even if these are restricted to cleaning fluids in offices, and most companies' operational activities generate light, noise, and use buildings and infrastructure. When substances are released untreated into the environment they can harm its ecology, and when noise and light exceed levels, and physical structures impede enjoyment of views and landscapes adversely affecting people's lives, it is pollution. Mining and mineral processing can use significant quantities of potentially harmful substances, such as cyanide in gold mining which is widely used to recover metal from ore. While this does not mean that Sites necessarily pollute, it does mean that the risk of pollution is higher, and measures taken to mitigate its adverse impacts are especially relevant. Likewise, mining and mineral processing Sites can be very large and often remotely located. This means that light, noise, and visual pollution can be a significant potential adverse impact as they can affect stakeholders across great distances. Mining operational activities include blasting, crushing, milling, and transporting heavy loads, all of which can generate significant noise. Processing of minerals requires very significant energy to power its operations; depending on how power is generated this too can result in high levels of noise and pollutants to water, soil and air.

Where operational activities are in or near urban centers, which is often the situation for metal processing and manufacturing plants, this Criterion's requirements on treatment and safe discharge of water are especially relevant.

b. *Core Requirements*

Sites are expected to avoid, minimize, rectify, and compensate for adverse impacts on human health and the environment from pollution.

1. **To manage impacts of pollution in line with internationally recognized frameworks**, which means Sites must follow the frameworks required in Criteria 1 and 2 where applicable to operational activities.
2. **To avoid, minimize, rectify, and compensate for adverse impacts on human health and the environment from pollutions**, which means to implement a mitigation hierarchy by ordering options for managing pollution and its impacts, starting with action to avoid impacts through finding alternatives for potentially harmful substances and for noise- and light-generating activities and infrastructure, followed by action to reduce and minimize them. If the adverse impacts are significant, it can also be appropriate to rectify the impacts to previous states of environmental quality or human health and, finally, to allocate resources to compensate for any residual impacts including to clean-up polluted Sites or financial remuneration for permanent harm to people and their communities in line with national laws and regulations.
3. **To identify risks of adverse impacts caused by pollution**, which means to conduct assessments of potential and actual pollution from operational activities in line with Criterion 2 on Impact Assessments.

As well as the requirements in Criterion 2, assessments should:

- Determine the Scope of assessments, which means to identify Sites' features, aspects and operational activities that fall within the responsibility of Sites to manage including:
 - all operational activities and infrastructure that has the potential to generate pollution, including off-site, such as pollution from transport or from workers' accommodation;
 - affected stakeholders including workers, neighboring landowners, rights holders to land access and water, municipalities, managers of protected or other designated areas, downstream communities or communities that may be affected by air pollutant emissions or by noise, vibration, light, and visual pollution, and other stakeholders affected by pollution from Sites' pollution mitigation practices.
- Establish a baseline, which means to generate, gather, and analyze baseline data and information on different types of pollution, including but not limited to:
 - pollutants to air, such as:
 - particulate matter (PM)
 - sulfur oxides (SO_x)
 - nitrogen oxides (NO_x)
 - volatile organic compounds (VOCs)
 - pollutants to water, such as:
 - oil and fluids from machinery and production equipment
 - runoff from waste storage and facilities

- 7166 ▪ human waste
- 7167 ▪ discharge of water from processing
- 7168 ○ pollutants to soil and land, such as:
- 7169 ▪ oil and fuel spills
- 7170 ▪ hazardous substances and chemical spills
- 7171 ○ light pollution, such as:
- 7172 ▪ continual or intermittent lighting from buildings and in public spaces
- 7173 ○ noise pollution, such as:
- 7174 ▪ loud noises from operational activities, such as controlled
- 7175 explosions at mining Sites, sirens, or heavy traffic; and
- 7176 ○ visual pollutants, such as:
- 7177 ▪ single prominent or cumulation of many built features associated
- 7178 with Sites that interrupt landscape features and character and
- 7179 reduce visibility.

7180

7181 If baseline sampling was not completed before the start of operations, Sites

7182 should consider historical or synthetic data to establish an approximate

7183 baseline.

7184

7185 **4. To implement a system to manage adverse impacts caused by pollution,**

7186 which means to incorporate pollution into a management system in line with

7187 Criterion 1 on Management Systems.

7188

7189 As well as the requirements in Criterion 1, the management system should:

- 7190 • ensure that the air, soil, water quality; noise and lights levels; and infrastructure
- 7191 and buildings' plans and final construction associated with operational activities
- 7192 and in scope of Sites' impact assessments comply with relevant national or
- 7193 international standards in line with Criterion 5 on Legal Compliance.
- 7194 • set and integrate pollution prevention and mitigation targets within project
- 7195 design and operational activities through a documented mitigation plan, which
- 7196 means Sites should:
- 7197 ○ ensure that workers' personal protective equipment is appropriate and
- 7198 commensurate with prevailing noise levels in line with Criterion 21 on
- 7199 Occupational Health and Safety;
- 7200 ○ ensure that all light pollution prevention and mitigation methods take into
- 7201 consideration occupational health and safety and security requirements for
- 7202 appropriate lighting in line with Criterion 21 on Occupational Health and
- 7203 Safety;
- 7204 ○ ensure measures are taken to avoid and minimize impacts of vibration,
- 7205 including by:
- 7206 ▪ using active vibration reduction systems that help isolate excessive
- 7207 vibration;

- 7208 ▪ substituting high vibration tools with lower vibration ones;
- 7209 ▪ performing regular maintenance on equipment;
- 7210 ▪ minimize visual pollution by taking particular care to avoid visual
- 7211 impacts on landscapes and views; and,
- 7212 ▪ where there are permitted exceptions to ambient quality, noise, and
- 7213 light levels, agree and document agreement with appropriate
- 7214 regulatory bodies.
- 7215 ○ compensate for residual adverse impacts from pollutants from operational
- 7216 activities when all other measures have been taken to avoid, minimize and
- 7217 rectify such impacts. Compensation may take different forms including, but not
- 7218 limited to:
- 7219 ○ providing stakeholders with alternate land or resources providing equal or
- 7220 greater benefits;
- 7221 ○ financial provisions to maintain a standard living sustained prior to the impacts
- 7222 from pollution.
- 7223 ○ set, document, and incorporate into management systems measurable,
- 7224 credible targets for avoiding and minimizing adverse impacts from pollution.
- 7225 ○ establish monitoring procedures and protocols to track progress towards
- 7226 meeting the targets set out in the plans to avoid and minimize adverse impacts
- 7227 from pollution.
- 7228 ○ assign qualified managers and workers to implement monitoring
- 7229 responsibilities.
- 7230
- 7231 **5. To Publicly Disclose** performance, which means to disclose at least annually all
- 7232 relevant information needed to inform stakeholders clearly of the Sites' pollution-
- 7233 related risks and impacts, plans, actions, goals and targets, and performance to
- 7234 mitigate such impacts in line with Criterion 6 on Sustainability Reporting.
- 7235
- 7236

7237 **II. Examples of Evidence:**

7238

7239 *The following are examples of documents that can demonstrate conformance with the*

7240 *Criterion. Please note this list is not exhaustive and Sites are not expected to have all*

7241 *the documents listed below:*

7242

7243 **Policies & Procedures**

- 7244 • Policy committing to the implementing of processes for avoiding, minimizing,
- 7245 and compensating for adverse impacts on human health and the environment
- 7246 from pollution.
- 7247 • Procedures for avoiding and minimizing adverse impacts on air, land, and water
- 7248 and from noise, light and visual pollution.

7249 **Records**

- Records demonstrating stakeholder engagement in impact assessments, development and implementation of management systems, and disclosure of performance of Sites' mitigation measures to address adverse impacts of pollution in line with Criterion 8 on Stakeholder Engagement.
- Baseline data on identified pollutants to air, water, land, light, noise and visual landscapes.
- Data that demonstrates established pollution-reduction targets.
- Data that demonstrates progress towards compliance with internal targets set for reducing pollution.
- Documentation of avoidance and/or minimization and compensation measures.
- Records of continuous monitoring of pollution risk.

External Assurance & Inspections

- Government inspection reports.

The following are examples of other evidence, collected through interviews and/or observation during the Sites' assessment, that can demonstrate conformance with the Criterion. In addition to the examples listed below, the examples listed for Criterion 1 on Management Systems and Criterion 2 on Impact Assessments should be considered:

- *Management can:*
 - describe the processes for evaluating pollutants in relation to operational activities;
 - describe the types and locations of monitoring systems for pollutants;
 - demonstrate an understanding of established pollution reduction targets;
 - describe the measures to be taken if monitoring shows emissions exceed the limits;
 - describe the process for monitoring and reducing noise;
 - describe measures taken to protect workers from excessive noise levels;
 - describe measures taken to prevent light pollution;
 - describe measures taken to evaluate and mitigate negative impacts of vibration caused by operational activities;
 - describe measures taken to evaluate landscape features and minimize visual impact on landscapes;
 - describe the process for conducting effective consultation with stakeholders relating to adverse impacts on noise, light, vibration, and landscapes;
 - describe clear lines of accountability and responsibility for the oversight and implementation of steps taken to avoid and minimize adverse impacts from pollution.
- *Workers can:*
 - explain if and why they feel safe working at the Sites;

- 7292 ○ describe measures taken to protect them where relevant from pollutants,
7293 excessive noise levels, vibration.
- 7294 • *Stakeholders can:*
- 7295 ○ community members that are affected by Sites' operational activities are
7296 able to demonstrate a basic understanding of Sites' procedures for
7297 pollution reduction;
- 7298 ○ community members that are affected by Sites' operational activities are
7299 able to describe how Sites engage with them on issues relating to
7300 pollution.
- 7301 • *Assessors observe:*
- 7302 ○ measures are taken to avoid and minimize adverse impacts from
7303 pollution.

III. Key References

International Conventions and Treaties

- [Convention on Persistent Organic Pollutants \(Stockholm Convention\)](#)

Additional Reading

This following literature may be useful when implementing this Criterion:

- [World Health Organization, WHO Air quality guidelines: particulate matter \(PM2.5 and PM10\), ozone, nitrogen dioxide, sulfur dioxide and carbon monoxide](#)
- [World Health Organization, WHO Environmental Guidelines for the European Region](#)
- [World Health Organization, WHO Guidelines for Community Noise](#)
- [World Health Organization, WHO Environmental Noise Guidelines for the European Region](#)
- [World Bank Group, Environmental, Health and Safety Guidelines](#)
- [ISO 13.040.20, Ambient Atmospheres](#)
- [ISO 4225:2020, Air Quality](#)
- [ILO, Labour Administration and Inspection on Noise](#)

GLOSSARY

Accessible

In the context of grievance mechanisms and engagement processes, this means ensuring these processes are known to all stakeholder groups and providing adequate assistance for those who may face barriers to access.¹

Accountable

Being accountable means being responsible and responsive to obligations and stakeholders, including to report, explain, respond, or justify.

Actual adverse impact(s)

An **adverse impact** that has already occurred or is occurring.²

Administrative remedies

A non-judicial remedy granted by an agency, board, or commission.

Adverse impact(s)

Negative consequences on people, the environment and society that the Site may cause, contribute to, or to which it is directly linked. Such consequences (i.e., external impacts) are often connected to adverse impacts on the Site's position in the market vis-à-vis its competitors, its image and long-term existence, or reputational damage or legal liability (i.e., internal impacts).³

Affected stakeholder(s)

An individual, a group, a Site, an organization or institution that is negatively affected by a Site's operations, products and/or services.

Anti-competitive behavior

A situation where businesses agree to prevent, restrict or distort their competition to affect trade, for example by fixing prices on goods and services, limiting or preventing production or supply, dividing markets or customers and rigging bids.

Arbitration

A way of settling a dispute without having to attend court and is an alternative method to dispute resolution. An award granted during arbitration proceedings is legally binding.

Artisanal and Small-Scale Mining (ASM)

¹ OHCHR, Guiding Principles on Business and Human Rights, 2011, Page 33, https://www.ohchr.org/Documents/Publications/GuidingPrinciplesBusinessHR_EN.pdf, (Accessed 6 March 2022).

² United Nations Human Rights Office of the High Commissioner (2012), The Corporate Responsibility to Respect Human Rights – An Interpretative Guide, United Nations, New York and Geneva. p. 5.

³ Adapted from <http://mneguidelines.oecd.org/OECD-Due-Diligence-Guidance-for-Responsible-Business-Conduct.pdf> page 15

Formal or informal operations with predominantly simplified forms of exploration, extraction, processing, and transportation. ASM is normally low capital intensive and uses high labor-intensive technology. ASM can include men and women working on an individual basis as well as those working in family groups, in partnership or as members of cooperatives or other types of legal associations and enterprises involving hundreds or thousands of miners.

Biodiversity

The variability among living organisms from all sources including, terrestrial, marine, and other aquatic ecosystems and the ecological complexes of which they are part; this includes diversity within species, between species and of ecosystems.

Bribery

Giving or receiving a financial or other advantage in connection with the "improper performance" of a position of trust, or a function that is expected to be performed impartially or in good faith.

Business partners

A business partner is an organization, business or other type of entity with which a Site has a direct business relationship. This relationship can involve a contractual agreement to buy or sell any product or service that supports or contributes to the activities of the Sites. Business partners include all contractors, agents, customers, suppliers, local and international intermediaries or traders, and joint venture partners. They also include entities that provide services, such as security providers and recruitment agencies, or any other third parties subject to due diligence within the scope of the Criteria Guide. Business partners do not include end consumers. For the purposes of applying the Criteria and Sites' obligations, joint ventures should be treated as other business partners.

A significant business partner is any business partner whose actions can reasonably be expected highly to affect the Sites' business, including suppliers with high volume contracts or that are critical for the continuity of the business, and large customers. Sites should use their own judgement to determine whether a business partner is significant or not.

Carbon offsetting

Involves companies investing in environmental projects, such as tree planting, [REDD](#), renewable energy, energy conservation and methane capture, with the goal of reducing the overall carbon dioxide in the atmosphere.

Catchment area

In a catchment area, all rain and run-off water is collected by the natural environment and eventually flows to a creek, river, dam, lake, ocean, or into a groundwater system.

Cause

A Site causes an adverse impact if the Site's activities on their own are sufficient to result in the adverse impact.⁴

Chain of custody

A record of the sequence of entities which have custody of minerals as they move through a supply chain.⁵

Child

Individuals below 18 years of age.

Child labor

The employment of children in an industry or business, especially when illegal or considered exploitative. The International Labour Organization (ILO) Minimum Age Convention 138 defines child labor as work that deprives children of their childhood, their potential, and their dignity, and that is harmful to physical and mental development. It refers to work that is mentally, physically, socially or morally dangerous and harmful to children; and which interferes with their schooling by depriving them of the opportunity to attend school, obliging them to leave school prematurely; or requiring them to attempt to combine school attendance with excessively long and heavy work.

Child labor is any paid or unpaid work that is undertaken by a person under the age of 15, or the age for completing compulsory education, or the legal minimum age for employment in the country, whichever age is greatest.

Also, any work that endangers a person under the age of 18 is considered hazardous child labor.

Circular economy

Within a circular economy, material producers and product manufacturers work with end users, communities, retailers, service providers and waste management facilities to "close loops" by reusing, performing maintenance on, repairing, refurbishing and recycling products.

Climate change adaptation

In human systems, the process of adjustment to actual or expected climate and its effects, to moderate harm or exploit beneficial opportunities.

Climate change mitigation

A human intervention to reduce emissions or enhance the sinks of greenhouse gases.

Closure plan

⁴ <http://mneguidelines.oecd.org/OECD-Due-Diligence-Guidance-for-Responsible-Business-Conduct.pdf> pag. 70

⁵ <https://www.oecd.org/daf/inv/mne/OECD-Due-Diligence-Guidance-Minerals-Edition3.pdf> pag 65

A plan that defines the activities and budget necessary to return a Site or facility location to a condition at the end of the project's life acceptable to stakeholders, including workers, affected communities, and regulators.

CO₂ equivalent

Carbon dioxide equivalent – a standard unit for measuring the global warming potential of different greenhouse gases in terms of the amount of CO₂ that would create the same amount of warming.

Collective bargaining

Collective bargaining refers to a voluntary process or activity through which employees and workers discuss and negotiate their relations, in particular terms and conditions of work and the regulation of relations between employers, workers and their organizations. Participants in collective bargaining include employers themselves or their organizations, and trade unions or, in their absence, representatives freely designated by the workers.

Collective bargaining agreement

A written contract negotiated through collective bargaining. Such agreements can be at the level of the Site, at the industry level (in countries where that is the practice), or at both. Collective bargaining agreements can cover specific groups of workers; for example, those performing a specific activity or working at a specific location.

Community development

Process whereby people increase the strength and effectiveness of their communities, improve their quality of life, enhance their participation in decision making and achieve greater long-term control over their lives.

Community health and safety

Refers to public health and safety concerns that may affect workers or business partners during work activities, but which may also impact non-workers from the local community and outside of work activities.

Compensation

A financial or non-financial payment to address an impact (generally, compensatory payments should be made once reasonable efforts have first been made to avoid and minimize the impact).

Compliance

A state of being in conformity with guidelines or specifications, usually set by a national or international regulatory body.

Conflict-affected and high-risk areas

Areas identified by the presence of armed conflict, widespread violence, including violence generated by criminal networks, or other risks of serious and widespread 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, insurgencies, or civil wars. High-risk areas are those where there is a high risk of conflict or of widespread or serious abuses as defined in paragraph 1 of Annex II of the OECD Due Diligence Guidance for Responsible supply Chains of Minerals from Conflict-Affected and High-Risk Areas. Such areas are often characterized by political instability or repression, institutional weakness, insecurity, the collapse of civil infrastructure, widespread violence and violations of national or international law.⁶

Consultation

A two-way process of information sharing and decision-making that aims simultaneously to address stakeholder issues and priorities (including the needs of disadvantaged and vulnerable groups) as well as the concerns and needs of the business or Sites. It is carried out in a manner that is inclusive and culturally sensitive: beyond listening, the aim of engagement and consultation is to ensure mutual understanding and responsiveness by all parties to enable them to discuss and manage matters with the potential to affect all concerned.

Contribute

A Site contributes to an **adverse impact** if its activities, in combination with the activities of other entities, cause the impact, or if the activities of the Site cause, facilitate or incentivize another entity to cause an **adverse impact**.⁷ Contribution must be substantial, meaning that it does not include minor or trivial contributions. The substantial nature of the contribution and understanding when the actions of the Company may have caused, facilitated or incentivized another entity to cause an **adverse impact** may involve the consideration of multiple factors. The following factors can be taken into account: the degree to which the activity increased the risk of the impact occurring; the degree of foreseeability; the degree to which any of the Company's activities actually mitigated the **adverse impact** or decreased the risk of the impact occurring.

Corporate Social Responsibility Report

An organizational report that gives information about a company's economic, environmental, social and governance performance in relation to its business activities.

Corruption

Corruption is any unlawful or improper behavior that seeks to gain a private advantage through illegitimate means. Any kind of bribery is a form of corruption; but corruption

⁶ OECD (2016), OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas: Third Edition, OECD Publishing, Paris. p. 66.

⁷ <http://mneguidelines.oecd.org/OECD-Due-Diligence-Guidance-for-Responsible-Business-Conduct.pdf> p.70 (Accessed 6 March 2022).

also includes abuse of power, extortion, fraud, deception, collusion, cartels, embezzlement and money laundering.⁸

Critical cultural heritage

Cultural heritage that is internationally recognized as being critical to a people who continue to use it for long-standing cultural purposes, and where the loss or damage of such heritage could endanger their livelihoods, cultural, ceremonial or spiritual purposes that define the identity of the impacted community. Critical cultural heritage includes both legally protected cultural heritage sites, including those proposed by host governments for such designation, as well as sites that are not legally protected.

Cultural heritage

Customs, practices, places, objects, artistic expressions and values. Cultural heritage is often expressed as either intangible or tangible cultural heritage.

Culturally appropriate

Exhibiting understanding and sensitivity and appealing to cultural differences and similarities. Working effectively and demonstrating effectiveness in translating that sensitivity to action through culturally tailored approaches.

Debt Bondage

Work undertaken by a worker who mortgages his or her services or those of family members to someone providing credit to repay a loan or advance.

Development initiative

Acts that aim to improve or intend to solve a problem.

Direct (Scope 1) GHG emissions

Emissions from sources that are owned or controlled by the Site.

Direct and indirect support to non-state armed groups

This includes, but is not limited to, procuring minerals from, making payments to or otherwise providing logistical assistance or equipment to, non-state armed groups or their affiliates who:⁹

- i) illegally control mine sites or otherwise control transportation routes, points where the mineral is traded and upstream entities in the supply chain; and/or
- ii) illegally tax or extort money or minerals at points of access to mine sites, along transportation routes or at points where the mineral is traded; and/or
- iii) illegally tax or extort intermediaries, export sites or international traders.

Directly linked

Linkage is defined by the relationship between the **adverse impact** and the Site's products, services or operations through another entity (i.e. business relationship).

⁸ Responsible Jewellery Council, *Code of Practices Guidance*, 2019, <https://www.responsiblejewellery.com/rjc-certification/code-of-practices-certification13-2-2/> (Accessed 6 March 2022).

⁹ Adapted from <https://www.oecd.org/daf/inv/mne/OECD-Due-Diligence-Guidance-Minerals-Edition3.pdf> p. 66 (Accessed 6 March 2022).

“Directly linked” is not defined by direct contractual relationships, for example “direct sourcing”.¹⁰

Discrimination

Discrimination occurs when a person is treated less favorably than others because of characteristics that are not related to the person’s competencies or the inherent requirements of the job. All workers and job seekers have the right to be treated equally, regardless of any attributes other than their ability to do the job. Prohibited bases of discrimination can include age, caste, disability, ethnic, and/or national origin, gender, membership in free and independent workers’ organizations including free and independent unions, political affiliation, race, religion, sexual orientation, marital status, family responsibilities, social background, and other personal characteristics.

Disposal

Any operation which is not recovery, even where the operation has as a secondary consequence the recovery of energy

Downstream

The minerals supply chain from smelters/refiners to retailers.¹¹

Due Diligence

Due diligence is an on-going, proactive and reactive process through which Sites can demonstrate reasonable efforts to identify, prevent and mitigate any risk of serious human rights abuses associated with the extraction, transport or trade of minerals; conflict associated with direct or indirect support to non-state armed groups and engagement of public or private security forces; and, adverse effects on governance systems associated with bribery and fraudulent misrepresentation of the origin of minerals, money laundering, and payment of taxes, fees and royalties due to governments.¹²

Early warning system

A set of procedures and systems that generate and disseminate timely warning information of a probable emergency, that enables at-risk individuals and communities to prepare and act in time to reduce harm or loss.

Economic displacement

The forced movement of people from their occupational activities, resulting in loss of livelihoods.

Emergency preparedness

¹⁰ <http://mneguidelines.oecd.org/OECD-Due-Diligence-Guidance-for-Responsible-Business-Conduct.pdf> p.71 (Accessed 6 March 2022).

¹¹ OECD (2016), OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas: Third Edition, OECD Publishing, Paris. p. 33.

¹² <https://www.oecd.org/daf/inv/mne/OECD-Due-Diligence-Guidance-Minerals-Edition3.pdf> (Accessed 6 March 2022).

The term refers to a set of measures undertaken to anticipate emergencies and improve responsiveness to prevent or mitigate impacts of emergencies on workers and communities.

Emergency response plan

A set of written procedures for dealing with emergencies that minimize the impact of the event and facilitate recovery from the event.

Endangered species

A species of animal or plant considered to be facing a very high risk of extinction in the wild. The IUCN Red List classifies endangered species by levels of threat, the categories of which are in descending order: extinct or extinct in the wild; critically endangered; endangered; and, vulnerable.

Energy indirect (Scope 2) GHG emissions

Emissions that result from the generation of purchased or acquired electricity, heating, cooling, and steam consumed by the Site.

Environmental and Social Impact Assessment – ESIA

A process for predicting and assessing the potential environmental and social impacts of a proposed project, evaluating alternatives and designing appropriate preventative, mitigation, management and monitoring measures and plans.

Environmental Management Plan – EMP

An EMP is a site-specific plan to ensure that necessary measures are identified and implemented in order to protect the physical and social environment and comply with relevant legislation.

Equitable

Being equitable means ensuring that aggrieved parties have reasonable access to sources of information, advice and expertise necessary to engage in a grievance process on fair, informed and respectful terms.¹³

Employment

Terms

Refers to the responsibilities and benefits associated with a job as agreed upon by an employer and worker at the time of hiring. These terms generally include, but are not limited to, job responsibilities, work hours, leave and salary.

Facilitation payments

Facilitation payments are relatively small bribes, also called ‘facilitating’, ‘speed’ or ‘grease’ payments, that are made to a public or government official in order to secure, expedite or receive preferential treatment for the performance of a routine or

¹³ OHCHR, Guiding Principles on Business and Human Rights, 2011, Page 33, https://www.ohchr.org/Documents/Publications/GuidingPrinciplesBusinessHR_EN.pdf, (Accessed 6 March 2022).

necessary action to which the payer has a legal or other entitlement—for example, paying an official to speed up, or ‘facilitate’, an authorization process.

Forced Labor

Forced labor can be understood as work that is performed involuntarily and under the menace of any penalty. It refers to situations in which persons are coerced to work through the use of violence or intimidation, or by more subtle means such as manipulated debt, retention of identity papers or threats of denunciation to immigration authorities.

Free, prior and informed consent – FPIC

FPIC is the principle that a specific community has the right to give or withhold its consent to proposed projects or activities that may affect the lands and resources they customarily own, occupy or otherwise use.

Freedom of Association

Freedom of association implies respect for the right of employers and workers to freely and voluntarily establish and join organizations of their own choice, free from outside interference or monitoring.

Gender

The characteristics of women, men and boys that are socially constructed. This includes norms, behaviors and roles associated with being a woman, man, girl or boy, as well as relationships with each other. As a social construct, gender varies from society to society and can change over time. Gender interacts with but is different from biological sex, which refers to the different biological and physiological characteristics of females, males and intersex persons, such as chromosomes, hormones and reproductive organs. Gender considerations should recognize individual freedom to make choices about gender identity without the limitations set by stereotypes, rigid roles and prejudices.

Gender equality

Refers to the absence of discrimination on the basis of a person’s gender in opportunities, the allocation of resources and benefits, or in access to services.

Good faith

Transparent, active and honest participation in engagement using procedures and language readily understood and agreed to by all parties, considerate of the available time of the parties, with the intention of finding common ground.¹⁴

Governance

¹⁴ Adapted from IFC Handbook, *Stakeholder Engagement: A Good Practice Handbook for Companies Doing Business in Emerging Markets*, International Finance Corporation, 2007, https://www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/sustainability-at-ifc/publications/publications_handbook_stakeholderengagement_wci_1319577185063, (accessed 5 March 2022).

The norms, institutions and processes that determine how power and responsibilities are exercised and how decisions are taken, including political, economic and institutional dimensions.

Greenhouse gases – GHG

Gases that contribute to the greenhouse effect by absorbing infrared radiation (examples include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulphur hexafluoride, and nitrogen trifluoride).

Grievance

A perceived injustice evoking an individual's or a group's sense of entitlement, which may be based on law, contract, explicit or implicit promises, customary practice, or general notions of fairness of aggrieved communities.¹⁵

Grievance mechanism

Any routinized, State-based or non-State-based, judicial or non-judicial process through which grievances concerning business-related rights abuse can be raised and remedy can be sought.¹⁶

Harassment

A range of unacceptable behaviors and practices, or threats thereof, whether a single occurrence or repeated, that aim at, result in, or are likely to result in physical, psychological, sexual or economic harm.

Hazardous waste

Waste with properties that make it potentially dangerous or harmful to human health or the environment.

Hazardous work

Hazardous, or dangerous work is:

- Work underground, under water, at dangerous heights or in confined spaces;
- Work with dangerous machinery, equipment, and tools, or which involves the manual handling or transport of heavy loads;
- Work in an unhealthy environment which may, for example, expose children to hazardous substances, agents, or processes, or to temperatures, noise levels, or vibrations damaging to their health;
- Work under particularly difficult conditions such as work for long hours or during the night or work where the child is unreasonably confined to the premises of the employer.
- Work which exposes children to physical, psychological, or sexual abuse (see glossary definition of child labor).

¹⁵ OHCHR, Guiding Principles on Business and Human Rights, 2011, Page 28, https://www.ohchr.org/Documents/Publications/GuidingPrinciplesBusinessHR_EN.pdf, (accessed 9 March 2022).

¹⁶ Ibid.

Hazardous work (in mining)

Many activities associated with mining are considered by the International Labour Organization (ILO) to be hazardous since mine workers often work without natural light or ventilation, may come into contact with toxic mineral dusts and ores, and experience high incidences of disabling occupational diseases such as pneumoconiosis, hearing loss and the effects of vibration.

Health and Safety Controls Hierarchy

A method for controlling health and safety risks:

- Eliminate the hazard by removing or modifying the activity causing it;
- Control the hazard at the point where it starts; and,
- Minimize the hazard by designing safe work systems and/or taking administrative or institutional measures (for example, by providing training or communication materials on safe work procedures, monitoring the workplace, limiting exposure or working hours, or promoting job rotation).

Human Rights

Human rights are universal rights inherent to all human beings, regardless of race, sex, nationality, ethnicity, language, religion, or any other status. All human rights are universal, inalienable, indivisible and interdependent (adapted from the [United Nations Human Rights Office of the High Commissioner](#)).

Identified point(s) in the supply chain

Point in the supply chain meeting the following criteria:¹⁷

- Key points of transformation in the supply chain (i.e., a point in the supply chain where the physical or chemical properties of a mineral or metal of a material are changed, in order to produce something else);
- Stages in the supply chain that generally include relatively few actors that process a majority of the commodity;
- Stages in the supply chain with visibility and control over the circumstances of production and trade upstream;
- Greatest points of leverage of downstream enterprises.

For gold, tin, tantalum, and tungsten supply chains, the identified point is indicated in the relevant Supplements to the OECD Due Diligence Guidance (i.e., the smelter/refiner). For other supply chains, the identified point may be indicated in relevant industry standards (e.g., the Joint Due Diligence Standard for Copper, Lead, Nickel and Zinc)

Immediate Supplier

The supplier which has a contract with and supplies material to the Sites and is immediately before the Sites in the supply chain.¹⁸

¹⁷ Adapted from OECD (2018), OECD Due Diligence Guidance for Responsible Supply Chains in the Garment and Footwear Sector, OECD Publishing, Paris. p. 13 and OECD/FAO (2016), OECD-FAO Guidance for Responsible Agricultural Supply Chains, OECD Publishing, Paris. p. 38.

¹⁸ Joint Due Diligence Standard for Copper, Lead, Nickel and Zinc, p. 40

Impact Assessments

A structured process for considering the implications, for people and their environment, of proposed actions while there is still an opportunity to modify (or even, if appropriate, abandon) the proposals, for evaluating alternatives and for designing appropriate preventative, mitigation, management and monitoring measures and plans. It is applied at all levels of decision-making, from policies to specific projects.

Inclusive

This term refers to processes that include all types of stakeholders, such as men, women, the elderly, youth, displaced persons, Indigenous Peoples, vulnerable and disadvantaged persons or groups, without discrimination.

Indigenous Peoples

Indigenous communities, peoples and nations are those which, having a historical continuity with pre-invasion and pre-colonial societies that developed on their territories, consider themselves distinct from other sectors of the societies now prevailing on those territories, or parts of them. They form at present non-dominant sectors of society and are determined to preserve, develop and transmit to future generations their ancestral territories, and their ethnic identity, as the basis of their continued existence as peoples, in accordance with their own cultural patterns, social institutions and legal system.¹⁹

Influence

The ability of Sites to effect changes in, and/or prevent the wrongful practices of, a business partner or supplier that is or may be causing or contributing to an adverse impact.²⁰

Landfilling

Final depositing of solid waste at, below, or above ground level at engineered disposal sites

Legal risk

Any action or inaction which could lead to being called to court whether at national or international levels or could lead to a penalty due to non-compliance with regulatory requirements. Examples of matters which could result in a legal risk include contracts, business agreements, health and safety, internal human resources systems, or patents.

Life Cycle Analysis

¹⁹ ["A working definition, by José Martínez Cobo". IWGIA - International Work Group for Indigenous Affairs. 9 April 2011. \(accessed 6 March 2022\).](#)

²⁰ Adapted from Joint Due Diligence Standard for Copper, Lead, Nickel and Zinc, p. 40

7832 A method used to evaluate the environmental impact of a product through its life cycle
7833 encompassing extraction and processing of the raw materials, manufacturing,
7834 distribution, use, recycling and final disposal.

7835 **Light pollution**

7836 The presence of unwanted, inappropriate, or excessive artificial lighting.

7837

7838 **Living**

Wage

7839 Remuneration received for a standard work week by a worker in a particular place
7840 sufficient to afford a decent standard of living for the employee and his or her family.
7841 Elements of a decent standard of living include food, water, housing, education, health
7842 care, transport, clothing and other essential needs including provision for unexpected
7843 events²¹.

7844

7845

7846 **Management System**

7847 A management system is a set of operational procedures, practices, plans, and related
7848 documents that are established to implement policies and fulfilment of tasks required
7849 to achieve an objective, including the avoidance and management of adverse issues
7850 related to the areas covered by the Criteria, or “aspects” associated with a business’s
7851 activities. For these areas, the steps involved in a management system typically
7852 include identification and assessment of issues; setting of objectives, developing
7853 action plans and assigning responsibilities; implementing action plans through
7854 establishing procedures, communication, and training; monitoring and tracking
7855 progress; and taking action to correct and prevent identified issues. The final step is a
7856 review of the aspects and objectives, adjusting the action plans as needed and
7857 recording ‘lessons learned’ for future training. Management systems can be integrated
7858 and address more than one aspect. For example, an environmental management
7859 system may address biodiversity, GHG emissions, energy efficiency, waste
7860 management, etc.

7861

7862 **Material**

7863 The term is used to indicate all *mined*, and/or *recycled material* received, held and/or
7864 processed during the *assessment* period, and intended for the production of *metal*
7865 *products*. The term includes *minerals* and *metal products*.

7866

7867 **Material Payments**

7868 Important or relevant revenue streams. The EITI requires that all material benefit
7869 streams be published. According to the EITI Validation guide, a benefit stream is
7870 “material if its omission or misstatement could materially affect the final EITI Report.”

7871

7872 **Material Stewardship**

7873 An informed approach to materials management that addresses the maintenance of a
7874 material throughout its lifecycle and provides a model for preserving and extending the
7875 lifetime of materials, thus reducing waste.

²¹ Adapted from Social Accountability International, SA8000 Standard, SA8000:2014

Material Topic

Topic that reflects a reporting organization's significant economic, environmental and social impacts; or that substantively influences the assessments and decisions of stakeholders

Mitigation

Mitigation of an adverse impact refers to actions taken to reduce its extent. The mitigation of risks of adverse impacts refers to actions taken to reduce the likelihood of a certain adverse impact occurring.²²

Mitigation Hierarchy (for general environmental and social risk assessments and management)

To adopt a mitigation hierarchy to anticipate and avoid, or where avoidance is not possible, minimize, and, where residual impacts remain, compensate/offset for risks and impacts to workers, affected communities, and the environment²³.

Mitigation hierarchy for biodiversity management

A set of ordered steps that can enable Sites to work towards 'No Net Loss' of biodiversity. The mitigation hierarchy is defined as:

- Avoidance: measures taken to avoid creating impacts from the outset (including direct, indirect and cumulative impacts), such as careful spatial or temporal placement of elements of infrastructure, in order to completely avoid impacts on certain components of biodiversity.
- Minimization: measures taken to reduce the duration, intensity and/or extent of impacts (including direct, indirect and cumulative impacts) that cannot be completely avoided, as far as is practically feasible.
- Rehabilitation/replacement/restoration: measures taken to rehabilitate degraded ecosystems or restore cleared ecosystems following exposure to impacts that cannot be completely avoided and/or minimized.
- Offset: measures taken to compensate for any significant residual, adverse impacts that cannot be avoided, minimized and/or rehabilitated or restored, in order to achieve no net loss or preferably a net gain of biodiversity. Offsets can take the form of positive management interventions such as restoration of degraded habitat, arrested degradation or averted risk, protecting areas where there is imminent or projected loss of biodiversity.

Money laundering

²² United Nations Human Rights Office of the High Commissioner (2012), The Corporate Responsibility to Respect Human Rights – An Interpretative Guide, United Nations, New York and Geneva. p. 7.

²³ [JFC PS 1](#). Assessment and Management of Environmental and Social Risks and Impacts.

7915 Is the process by which proceeds from a criminal activity are disguised to conceal their
7916 illicit origins.²⁴

7917

7918 **Natural Resources**

7919 Materials or substances that are found in nature and used in human activities. For
7920 example, coal, mineral oil, natural gas, water and forest products.

7921 **Net gain**

7922 A goal for a development project, policy, plan, or activity in which the impacts on
7923 biodiversity it causes are outweighed by mitigation measures leaving biodiversity in a
7924 better state than before. Biodiversity net gain relies on the application of the mitigation
7925 hierarchy to avoid, mitigate, or offset biodiversity losses.

7926

7927 **Nitrogen Oxides (NO_x)**

7928 A term for any of several oxides of nitrogen, most of which are produced in combustion
7929 and considered to be atmospheric pollutants.

7930

7931 **No net loss**

7932 A goal for a development project, policy, plan, or activity in which the impacts on
7933 biodiversity it causes are balanced by measures taken to avoid and minimize the
7934 impacts, to restore affected areas and finally to offset the residual impacts, so that no
7935 loss remains.

7936

7937 **Noise pollution**

7938 Unwanted or excessive sound that can have harmful effects on human health, wildlife,
7939 and environmental quality.

7940

7941 **Non-hazardous waste**

7942 Waste which is not classified as hazardous waste (non-hazardous waste can also
7943 include inert waste).

7944

7945

7946 **Non-replicable cultural heritage**

7947 Cultural heritage that is unique or relatively unique for the period it represents, or
7948 cultural heritage that is unique or relatively unique in linking several periods in the
7949 same site²⁵.

7950

7951 **Occupational health and safety**

7952 Health and safety as it relates specifically to employment and the workplace
7953 environment.

²⁴ The International Bank for Reconstruction and Development/The World Bank/ The International Monetary Fund, *Reference Guide to Anti-Money Laundering and Combating the Financing of Terrorism*, 2006.

<https://openknowledge.worldbank.org/bitstream/handle/10986/6977/350520Referenc1Money01OFFICIAL0USE1.pdf?sequence=1&isAllowed=y>

²⁵ *Ibid.*

Offences

Any action or crime that breaks or contravenes a particular law or regulation.

Other indirect (Scope 3) GHG emissions

Indirect GHG emissions not included in energy indirect (Scope 2) GHG emissions that occur outside of the Site, including both upstream and downstream emissions.

Other known supplier

Any known supplier further upstream that is identifiable through general business dealings or public reports (or other publicly available information) to the extent necessary to enable due diligence.²⁶

Particulate Matter (PM)

The term for a mixture of solid particles and liquid droplets found in the air. Some particles such as dust, dirt, soot or smoke, are large or dark enough to be seen with the naked eye. Others can only be detected using an electron microscope.

Physical displacement

The forced movement of people from their locality or environment.

Pollution

The introduction of poisonous and harmful substances to air, land, and water.

Potential adverse impact(s)

An adverse impact that has not yet occurred or is occurred.

Preparation for reuse

Checking, cleaning, or repairing operations, by which products or components of products that have become waste are prepared to be put to use for the same purpose for which they were conceived

Proactive

This means anticipating and/or preparing for situations in advance, negative and positive, for example, anticipating and creating plans and procedures for potential problems, solution, concerns, etc. before they become an issue.

Protected area

Geographically defined area that is designated or regulated and managed to achieve specific conservation objectives. An area of land or sea especially dedicated to the protection and maintenance of biodiversity and of natural and associated cultural resources and managed through legal or other effective means.

Reasonable efforts

Effort that is rational, sensible, and fair, while considering relevant limitations.

²⁶ Adapted from Joint Due Diligence Standard for Copper, Lead, Nickel and Zinc, p. 42

7999

8000 **Reclamation**

8001 To return the land disturbed by operational activities to the state before the
8002 commissioning of the Site, or to a state that is agreed by affected stakeholders.

8003

8004 **Recovery**

8005 Operation wherein products, components of products, or materials that have become
8006 waste are prepared to fulfill a purpose in place of new products, components, or
8007 materials that would otherwise have been used for that purpose.

8008

8009 **Recycling**

8010 Checking, cleaning, or repairing operations, by which products or components of
8011 products that have become waste are prepared to be put to use for the same purpose
8012 for which they were conceived

8013 **Remediation**

8014 Remediation and remedy refer to both the processes of providing remedy for an
8015 adverse impact and to the substantive outcomes (i.e. remedy) that can counteract, or
8016 “make good”, the adverse impact.²⁷

8017

8018 **Replicable cultural heritage**

8019 Tangible forms of cultural heritage that can themselves be moved to another location
8020 or that can be replaced by a similar structure or natural features to which the cultural
8021 values can be transferred by appropriate measures²⁸.

8022

8023 **Responsible business conduct**

8024 Responsible business conduct entails above all conduct consistent with applicable
8025 laws and internationally recognized standards. Based on the idea that you can do well
8026 while doing no harm, it is a broad concept that focuses on two aspects of the business-
8027 society relationship: 1) positive contribution businesses can make to sustainable
8028 development and inclusive growth, and 2) avoiding negative impacts and addressing
8029 them when they do occur. Risk-based due diligence and value creation are at the heart
8030 of this process.²⁹

8031

8032 **Retaliation**

8033 Where a Site punishes a worker for exercising their rights in the workplace, such as
8034 making a complaint.

8035

8036 **Royalty**

8037 Refers specifically to the individual methods by which money comes into a company,
8038 organization and/or government.³⁰

8039

²⁷ <http://mneguidelines.oecd.org/OECD-Due-Diligence-Guidance-for-Responsible-Business-Conduct.pdf> p.88 (Accessed 6 March 2022).

²⁸ *Ibid.*

²⁹ <https://www.oecd.org/daf/inv/mne/2014-Myanmar-Responsible-Investment-Conference-Background-Note.pdf>

³⁰ EITI, *The EITI Glossary*, <https://eiti.org/glossary> (Accessed 6 March 2022).

Serious human rights abuses

Any forms of torture, cruel, inhuman and degrading treatment; any forms of forced or compulsory labor, which means work or service which is exacted from any person under the menace of penalty and for which said person has not offered himself voluntarily; the worst forms of child labor as defined by the ILO Convention No. 182 on the Worst Forms of Child Labour (1999); other gross human rights violations and abuses such as widespread sexual violence; war crimes or other serious violations of international humanitarian law, crimes against humanity or genocide.³¹

Significant Impacts

Impacts that are a subject of established concern for expert communities, or that have been identified using established tools, such as impact assessment methodologies or life cycle assessments. Impacts that are considered important enough to require active management or engagement by the organization are likely to be considered significant.³²

Site

Operations involved in the mining, solvent extraction and electrowinning (SX/EW), smelting, or refining of copper for sale or further processing. A Site may comprise several activities in different locations but in the same geographic area (e.g. mines, wastewater treatment facilities, refineries, ports and associated infrastructure), under the same management control. In this document, the term Site is generally used to refer to a mining site and facility is used to refer to any other type of operation associated with copper production.

Stakeholder

An individual or organization that has an interest in or is likely to affect or be affected by a company's activities. Stakeholders can be individuals, interest groups, government agencies or corporate entities. They may include politicians, commercial and industrial enterprises, labor unions, academics, religious groups, national social and environmental groups, public sector agencies, the media and communities.³³

Stakeholder Engagement

A two-way process of information sharing and decision-making that aims to simultaneously address stakeholder issues and priorities (including the needs of disadvantaged and vulnerable groups) as well as the concerns and needs of the business. It is carried out in a manner that is inclusive and culturally sensitive: beyond listening, the aim of engagement and consultation is to ensure mutual understanding

³¹ <https://www.oecd.org/daf/inv/mne/OECD-Due-Diligence-Guidance-Minerals-Edition3.pdf> pag. 20

³² <https://www.globalreporting.org/standards/media/1036/gri-101-foundation-2016.pdf#page=8> (Accessed 6 March 2022).

³³ Responsible Jewellery Council, *Code of Practices Guidance*, 2019, <https://www.responsiblejewellery.com/rjc-certification/code-of-practices-certification13-2-2/> (Accessed 6 March 2022).

and responsiveness by all parties to enable them to discuss and manage matters with the potential to affect all concerned.³⁴

Sulfur Oxides (SO_x)

An inorganic compound that is a heavy, colorless, poisonous gas. It is produced in huge quantities in intermediate steps of sulfuric acid manufacture.

Tailings

A waste output of mining, consisting of the processed rock or soil left over from the separation of the commodities of value from the rock or soil within which they occur.

Tailings Facility

Dams, impoundments, and containment structures that are designed and managed to contain the tailings produced by the Site.

Territory

In the context of Indigenous Peoples, territory is the land they directly cultivate or inhabit, including the broader territory, encompassing the total environments of the areas which they occupy or otherwise use, inclusive of natural resources, rivers, lakes and coasts.³⁵

Traceability

Physical tracking of minerals at all points of the trading chain, from their mine of origin to their point of export.³⁶

Traditional ownership, customary use

With regards to Indigenous Peoples, traditional ownership refers to the territories where these Peoples settle and reside; and their use of traditional and/or cultural resources. Customary use of territories and/or resources is based on a long series of habitual or customary actions, constantly repeated, which may result in customary rights. Customary use or occupation of new territories may also arise, for example, in the event of displacement and/or cultural migrations.³⁷

Transparency

Openness and public disclosure of activities.³⁸

³⁴ Responsible Jewellery Council Guidance, *Code of Practices 2019*, 2019, <https://www.responsiblejewellery.com/rjc-certification/code-of-practices-certification13-2-2/>, (Accessed 6 March 2022).

³⁵ Adapted from *Indigenous Peoples' Rights to Lands, Territories and Resources*, Brigitte Feiring, the International Land Coalition, <http://www.landcoalition.org/sites/default/files/documents/resources/IndigenousPeoplesRightsLandTerritoriesResources.pdf>, (Accessed 6 March 2022).

³⁶ https://coppermark.org/wp-content/uploads/2021/01/Joint-Due-Diligence-Standard_FINAL_09FEB21.pdf.p.4 (Accessed 6 March 2022).

³⁷ Adapted from the EO100™ Standard for Responsible Energy Development, *EO100™ Standard*, Equitable Origin, 2017, https://energystandards.org/wp-content/uploads/2020/10/EO100-Standard-for-Responsible-Energy-Development_2017_PT.pdf, (Accessed 6 March 2022)..

³⁸ EITI, *The EITI Glossary* <https://eiti.org/glossary> (Accessed 6 March 2022).

UN Sustainable Development Goals

The Sustainable Development Goals (SDGs), also known as the Global Goals, were adopted by the United Nations in 2015 as a universal call to action to end poverty, protect the planet, and ensure that by 2030 all people enjoy peace and prosperity.

The 17 SDGs are integrated—they recognize that action in one area will affect outcomes in others, and that development must balance social, economic and environmental sustainability.

Upstream

Miners, local traders or exporters from the country of mineral origin, international concentrate traders, mineral re-processors and smelters/refiners.³⁹

Visual pollution

The visible deterioration and negative aesthetic quality of natural and human-made landscapes.

Volatile Organic Compounds (VOCs)

Organic chemicals that have a high vapor pressure at room temperature. Many VOCs are human-made chemicals that are used and produced in the manufacturing of paints, pharmaceuticals, and refrigerants. VOCs are emitted by a wide array of products numbering in the thousands. Examples include: paints and lacquers, paint strippers, cleaning supplies, pesticides, building materials and furnishings, office equipment such as copiers and printers, correction fluids and carbonless copy paper, graphics and craft materials including glues and adhesives, permanent markers, and photographic solutions.

Vulnerable Groups

Groups that are characterized by their higher risk and reduced ability to cope with adverse impacts. Such vulnerability may be based on socio-economic conditions, such as sex, gender, age, disability, ethnicity, religion, or other criteria that influence people's ability to access resources and development opportunities.

Waste mitigation hierarchy

A set of process options from most favorable to least favorable to protect human health and the environment from impacts associated with the generation, storage, handling, treatment, transportation and disposal of Wastes.⁴⁰

Water balance

Refers to an approach used to identify and map the flow of water in and out of a Site. A water balance is used to understand how water supply requirements change over time. A Site's water balance comprises three main components: water withdrawals,

³⁹ Adapted from OECD (2016), OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas: Third Edition, OECD Publishing, Paris. p. 32.

⁴⁰ Aluminium Stewardship Initiative Guidance, *ASI Performance Standard V2 - Guidance*, 2017, <https://aluminium-stewardship.org/asi-standards/asi-performance-standard/>, (Accessed 6 March 2022).

water discharge and water consumption. A practical formula for calculating a Site's water balance is withdrawal volume = discharge volume + consumption volume + any change in the volume of water storage inside the boundaries of the Site.

Water consumption

Refers to the freshwater taken from ground or surface water sources, either permanently or temporarily, and conveyed to the place of use.

Water flow

Refers to the current and the amount of water flowing from various sources, including ground water and recycled water.

Water quality

Refers to the physical, chemical, biological, and organoleptic (taste-related) properties of water.

Water stewardship

is the use of water in ways that are socially equitable, environmentally sustainable, and economically beneficial.

Whistleblowing Mechanism

The system for disclosing, to the public or to those in authority, mismanagement, corruption, illegality, or some other wrongdoing.