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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.
INTRODUCTION

Background

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

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

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

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

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

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

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

The RMI is a membership organization comprising major electronics and automotive brands and includes a network of stakeholders of the minerals and metals responsible 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.
Table 1: Criteria

<table>
<thead>
<tr>
<th>TOPIC</th>
<th>CRITERIA</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. Management Systems</strong></td>
<td>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.</td>
</tr>
<tr>
<td><strong>2. Impact Assessments</strong></td>
<td>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.</td>
</tr>
</tbody>
</table>
| **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. |
| **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: |
• 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 | 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. |

| 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. |

| 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. |

| SOCIAL |

<table>
<thead>
<tr>
<th>TOPIC</th>
<th>CRITERIA</th>
</tr>
</thead>
<tbody>
<tr>
<td>12. Child Labor</td>
<td>Respect children’s rights through the:</td>
</tr>
<tr>
<td></td>
<td>• identification of risks;</td>
</tr>
<tr>
<td></td>
<td>• implementation of a system to prohibit, effectively prevent and remedy; and</td>
</tr>
<tr>
<td></td>
<td>• 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.</td>
</tr>
<tr>
<td>13. Forced Labor</td>
<td>Respect workers’ rights to voluntary and freely chosen employment through the:</td>
</tr>
<tr>
<td></td>
<td>• identification of risks;</td>
</tr>
<tr>
<td></td>
<td>• implementation of a system to prohibit, effectively prevent and remedy; and</td>
</tr>
<tr>
<td></td>
<td>• public disclosure of performance on the mitigation of potential and actual adverse impacts of any form of forced labor.</td>
</tr>
</tbody>
</table>
| 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. |
|--------------------------------------------------|---------------------------------------------------------------------------------------------------------------|
| 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. |
| 16. Diversity and 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. |
| 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. |
| 18. Occupational Health & 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. |
| 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. |
| 20. Community Health & Safety | Respect communities’ rights to healthy and safe living conditions through the:  
- Identification of risks; |
<table>
<thead>
<tr>
<th>Section</th>
<th>Description</th>
</tr>
</thead>
</table>
| 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.                                                                                                                                                                                                                   |
| 22. Artisanal & 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. |
| 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.                                                                                                      |
| 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.                                                                                   |
| 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.                                                                                                        |
| 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. |

**ENVIRONMENT**

<table>
<thead>
<tr>
<th>TOPIC</th>
<th>CRITERIA</th>
</tr>
</thead>
</table>
| 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. |
| 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. |
| 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. |
| 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. |
| 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, |
| **32. Biodiversity and 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. |

| **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. |

**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

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

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.
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**

<table>
<thead>
<tr>
<th>Evaluation Categories</th>
<th>The Maturity Continuum</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Low</td>
</tr>
<tr>
<td>Management Systems</td>
<td>Indicators</td>
</tr>
<tr>
<td>Impact Assessments</td>
<td>Indicators</td>
</tr>
<tr>
<td>Implementation Outcome</td>
<td>Indicators</td>
</tr>
</tbody>
</table>

**Figure 2: Maturity Levels Matrix and Indicators**

**Figure 2.1: Management Systems**

<table>
<thead>
<tr>
<th>Low Maturity</th>
<th>Medium Maturity</th>
</tr>
</thead>
<tbody>
<tr>
<td>• 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.</td>
<td></td>
</tr>
<tr>
<td>• There is no evidence of the system’s ability to confirm compliance with local laws and regulations.</td>
<td></td>
</tr>
<tr>
<td>• There is a lack of clear and documented:</td>
<td></td>
</tr>
<tr>
<td>- line responsibilities and accountabilities.</td>
<td></td>
</tr>
<tr>
<td>- allocation of financial and human resources.</td>
<td></td>
</tr>
<tr>
<td>- monitoring protocols and data collection mechanisms; and,</td>
<td></td>
</tr>
<tr>
<td>- training programs.</td>
<td></td>
</tr>
<tr>
<td>• There is little or no management oversight of the management system.</td>
<td></td>
</tr>
<tr>
<td>• There is little or no internal communication about the management system and knowledge of the management system at the Site.</td>
<td></td>
</tr>
<tr>
<td>• There are no external reporting and disclosure requirements related to the management system.</td>
<td></td>
</tr>
<tr>
<td>• 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</td>
<td></td>
</tr>
<tr>
<td>• 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.</td>
<td></td>
</tr>
</tbody>
</table>
- 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:
  - 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**

<table>
<thead>
<tr>
<th>High Maturity</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>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.</strong></td>
</tr>
<tr>
<td><strong>There is a comprehensive set of policies, processes, plans and procedures that appropriately consider local laws and relevant international treaties, codes, and standards.</strong></td>
</tr>
<tr>
<td><strong>The management system is oriented to risk and impact elimination and reduction; risk and impact management are part of planning and decision making.</strong></td>
</tr>
<tr>
<td><strong>There are sufficient clear, strong, and well documented:</strong></td>
</tr>
<tr>
<td>- line responsibilities and accountabilities.</td>
</tr>
<tr>
<td>- allocation of financial and human resources.</td>
</tr>
<tr>
<td>- monitoring protocols and data collection mechanisms; and,</td>
</tr>
<tr>
<td>- training programs.</td>
</tr>
<tr>
<td><strong>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</strong></td>
</tr>
<tr>
<td><strong>There is full and appropriate internal communication about the management system and knowledge of the management system at the Site.</strong></td>
</tr>
<tr>
<td><strong>There is clear evidence for how the Site implements or plans to implement measures to address identified risk and impacts.</strong></td>
</tr>
<tr>
<td><strong>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.</strong></td>
</tr>
<tr>
<td><strong>The coverage of the management system includes all or most of the aspects described in the Criterion’s core requirements.</strong></td>
</tr>
</tbody>
</table>

**Figure 2.2: Risk Assessment**
<table>
<thead>
<tr>
<th>Maturity Level</th>
<th>Remarks</th>
</tr>
</thead>
</table>
| Low Maturity | - 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 | - 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 | - 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**

<table>
<thead>
<tr>
<th>Maturity Level</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low Maturity</td>
<td>- There are many outcomes/incidences at the Site the nature or severity of which have not been covered or anticipated in the impact assessment.</td>
</tr>
<tr>
<td>Maturity</td>
<td>Outcomes/Incidents</td>
</tr>
<tr>
<td>---------------</td>
<td>-----------------------------------------------------------------------------------</td>
</tr>
<tr>
<td><strong>Medium</strong></td>
<td>• There are some outcomes/incidences at the Site the nature or severity of which have not been covered or anticipated in the impact assessment.</td>
</tr>
<tr>
<td></td>
<td>• There is evidence of some outcomes/incidences sufficient to conclude Sites’ management systems are not functioning fully.</td>
</tr>
<tr>
<td></td>
<td>• 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.</td>
</tr>
<tr>
<td></td>
<td>• 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.</td>
</tr>
<tr>
<td><strong>High</strong></td>
<td>• Most outcomes/incidences at the Site have been covered or anticipated in the impact assessment.</td>
</tr>
<tr>
<td></td>
<td>• There is evidence to conclude Sites’ management systems are functioning fully.</td>
</tr>
<tr>
<td></td>
<td>• There is no evidence of outcomes/incidences attributable to the Site that adversely impact personnel, the environment, communities and (other) affected stakeholders.</td>
</tr>
<tr>
<td></td>
<td>• 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.</td>
</tr>
</tbody>
</table>
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:
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.
812 • 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.
813 • 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
820 • Site-level assurance report regarding bribery, money laundering and anti-competition on a public website, annual report, or corporate sustainability report.
824 • 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.
828 • Publicly disclosed any payments made to governments and significant Sites’ partners and operations where feasible.

External Assurance & Inspections
830 • Acceptable third-party certificate or validation document of a management system governing behavior to manage bribery, money laundering and anti-competitive behavior.
834 • 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:
843 • Demonstrate effective oversight mechanisms and checks and balances are in place to manage bribery, money laundering and anti-competitive behavior;
846 • present accurate books and records that properly and fairly document the Sites’ financial transactions;
848 • 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:
852 • 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
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.

I. Implementation:

a. Relevance

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

b. Core Requirements

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

1. To publicly disclose payments 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 Extractive Industries Transparency Initiative if they operate in EITI implementing country.

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

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

   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:
  o demonstrate knowledge of the payments made to government by Sites;
• explain how information is collected, reported, and disseminated to key stakeholders.
  • Stakeholders can:
    o 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:
  o a legal register of all applicable standards, laws and regulations including comparative assessments of national and international laws and regulations;
  o 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:
  o explain Sites’ compliance procedures and processes;
  o describe where to find the relevant legal and compliance registers, and license and permits registers, how to keep track of legal updates;
clarify the applicability of standards, laws and regulations to Sites’ operational activities;

do describe legal compliance training they have received and provided to workers.

- **Workers can:**
  - describe where to find the relevant legal and compliance registers, and license and permits registers;
  - explain the applicability of the law or regulation to their relevant department;
  - describe legal compliance training they have received and where and how to raise grievances related to legal compliance.

- **Assessors observe:**
  - that the applicable laws and regulations are posted clearly through different mediums at Sites including internal online intranets, booklets and pamphlets, worker handbooks, and bulletin boards as relevant.

### III. Key References:

#### Additional Reading

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

- [ILO, NATLEX database](#)
- [ILO, LEGOSH database](#)
- [ILO, TRAVAIL database](#)
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:
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:
  o describe Sites’ sustainability reporting process;
  o describe Material topics definition process;
  o describe Environmental, Social and Governance data collection and analysis processes;
  o describe how information on Sites’ performance is reported and communicated to key stakeholders.

• Community members and stakeholders can:
  o confirm that Sites have engaged for the development of its materiality assessment;
  o confirm that they have been adequately involved by reporting Sites throughout the reporting cycle;
  o 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
The following international frameworks must be considered for the implementation of this Criterion where applicable to Sites’ operational activities:

- **International Integrated Reporting Council (IIRC) Integrated Reporting Framework**
- **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**
CRITERION 7: Grievance Mechanism

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

I. Implementation:

a. Relevance

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

b. Core requirements

Sites are expected to implement an effective grievance mechanism.

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

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

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

- Legitimate: the mechanism is applicable to all affected stakeholders. The mechanism should be designed in consultation with affected stakeholders in line withCriterion 8 on Stakeholder Management; and Sites should establish formal management accountability and operational responsibilities for the mechanism’s implementation;

- Accessible: the mechanism should be made known to all affected stakeholders through multiple channels that are adapted to local cultures and languages. The mechanism should be easy to use and should consider additional measures to ensure accessibility for any affected stakeholders who may face barriers to access. The scope of the mechanism should allow grievances to be raised by 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;
Stakeholders can:
- 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.

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:
• BSR, Access to Remedy
• Compliance Advisor Ombudsman Grievance Mechanism Toolkit
• Global Perspectives Project, Doing Business with Respect for Human Rights: Chapter 3.8 Remediation and Grievance Mechanisms
• International Council on Mining & Metals, Community Development Toolkit: Tool 5 Grievance Mechanism
• International Council on Mining & Metals, Handling and Resolving Local-level Concerns and Grievances: Human rights in the mining and metals sector
• IFC, Addressing Grievances from Project-Affected Communities
• IFC Performance Standards on Environmental and Social Sustainability Guidance Notes
• Harvard Kennedy School of Government’s Corporate Social Responsibility Initiative, Embedding Rights Compatible Grievance Processes for External Stakeholders Within Business Culture
• Harvard Kennedy School of Government’s Corporate Social Responsibility Initiative, Rights Compatible Grievance Mechanisms: A guidance tool for companies and their stakeholders
• Shift, Remediation, Grievance Mechanisms and the Corporate Responsibility to Respect Human Rights
• Transparency International, Internal Whistleblowing Mechanisms – Topic Guide
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.
2. To enable affected stakeholders' early and continued participation in decisions that affect their health, well-being, safety, livelihoods, communities, and environment, which means to:

- Identify and map stakeholders that are directly and indirectly affected by the operational activities through a systematic approach and ensure it is regularly updated.
- Priority stakeholder groups should include rights-holders such as Indigenous Peoples, ethnic minorities, migrants, women and girls; stakeholders who will be directly or adversely affected by potential environmental and social impacts within the Sites’ operational activities and the most vulnerable among the potentially impacted.
- Provide information as early as possible with enough time for stakeholders to fully understand how decisions may affect them and to consider how they may respond or engage in the decision-making process.
- Conduct ongoing engagement that enables stakeholders’ continued participation throughout the lifecycle of the operational activities.
- Enable stakeholders to inform and influence decision-making on aspects of the operational activities that may affect them, such as where to locate a waste site or the routing of a new access road; and community development program design, implementation and monitoring and evaluation, in line with Criterion 24 on Community Development.
- Ensure effective stakeholder engagement and consultation that is proactive, accessible, inclusive, equitable, culturally appropriate, gender-sensitive, rights-compatible, accountable and transparent.

3. To identify risks of adverse impacts on stakeholders across all operational activities, which means to include in the scope of risk and impact assessment the possibility of impacts on stakeholders caused or contributed to by the Sites’ operational activities in line with Criterion 2 on Impact Assessments. Adverse impacts may include impacts on health, well-being, safety, livelihoods, environment, and human and cultural rights.

4. To implement a system to ensure inclusive and effective engagement processes, which means to:

- Involve affected stakeholders in identifying, understanding and responding to project-related decisions and concerns.
- Identify and engage honestly, frequently and collaboratively with all affected stakeholders through a good faith consultation process that is fair; representative; free of intimidation, manipulation, interference or coercion; and 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 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**
- ISO 26000 Guidance on Social Responsibility
- OECD, Due Diligence Guidance for Meaningful Stakeholder Engagement in the Extractive Sector
- Network for Business Sustainability, Community Engagement: A Getting Started Toolkit for Exploration and Development Companies
- Next Generation, How Stakeholder Engagement Improves Community Development Projects and Programmes
- PDAC, Community Engagement Guide
- UN Global Compact, Community Engagement and Investment to Advance Human Rights in Supply Chains
- World Resources Institute, Breaking Ground: Engaging Communities in Extractive and Infrastructure Projects
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:


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:
  o emissions and discharges to air, soil, water, and ecosystems and especially those that might continue post closure;
  o the physical and psychological health of neighboring communities and other affected stakeholders;
  o the traditions and cultural heritage of neighboring communities and other affected stakeholders;
  o the business viability and economic linkages of outsourced auxiliary services to Sites;
  o 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
decommissioning and the legacy it will leave behind. This vision should serve as an overarching guide for the decisions and their implications throughout the Site’s life;

- the continual involvement of stakeholders potentially affected by the activities and legacy of the closure plan in the development and implementation of the plan in line with Criterion 8 on Stakeholder Engagement;
- continually updated details on mitigation measures to avoid, reduce, restore, and compensate for impacts on the environment and to respect and remediate the rights of people affected by Sites’ closure and by Sites’ closure and reclamation activities. These mitigation measures should address but not be limited to potential and actual impacts associated with:
  - physical and economic displacement from land acquisition and divestment and resettlement, in line with Criterion 25 on Land Acquisition and Resettlement;
  - water use and quality in line with Criterion 28 on Water Stewardship;
  - hazardous and non-hazardous waste disposal in line with Criterion 29 on Responsible Waste Disposal;
  - biodiversity and high value conservation and protected areas in line with Criterion 32 on Biodiversity and Land Management.
- opportunities to contribute to the creation of benefits for post-mining communities;
- procedures to ensure compliance with all relevant legal and regulatory obligations related to mine closure and reclamation in line with Criterion 5 on Legal Compliance;
- continued monitoring of the performance of the closure and reclamation plan, which means to establish a system of controls and the implementation of indicators and protocols for collecting and analyzing information to evaluate the performance of the plan in achieving its objectives;
- make financial provision for closure and reclamation, which means to estimate and regularly review the costs associated with the closure and reclamation plan and provide adequate financial, human, and other resources to meet these costs. To assure financial provision, the Sites should segregate funds sufficient to cover the reclamation and closure costs that have been identified in an appropriate financial vehicle that is independently guaranteed, reliable, and readily liquid. The size of the financial provision and how funds are segregated and secured should comply with all legal and regulatory requirements identified in impact assessments and in line with Criterion 5 on Legal Compliance;
- annual reviews and, where necessary, continual amends and updates to adapt to changes in mine plans and to the social and economic circumstances of affected stakeholders.
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.

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’ 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;
confirm whether there will be any economic or social impacts from the Sites’ activities during the rehabilitation or closure process, or post closure.

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:


Additional Reading

- Australian Government, Department of Industry, Tourism and Resources; Mine Closure and Completion, Leading Practice Sustainable Development Program for the Mining Industry
- Initiative for Responsible Mining Assurance Standard for Responsible Mining – Guidance Document, Version 1.0, Criteria 2.6.2
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.

I. Implementation:

a. Relevance:

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

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

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

Depending on their stage in the supply chain, whether upstream or downstream, or whether they sit at an identified point in the supply chain, specific due diligence expectations will differ. The expectation for mine Sites is to ensure that the Site itself is not associated potential and actual adverse impacts and to pass down relevant due diligence information to downstream customers. Processing Sites are expected to use best efforts to identify upstream suppliers, at a minimum, up to the identified point; to assess risk of impact by evaluating whether Sites sitting at an identified point 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:
  o 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;
  o 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;
  o 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;
  o 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:
the development, adoption and communication of policies articulating the
Sites’ ESG commitments and plans for due diligence implementation;
the setup of internal management structures for oversight, implementation,
and training; and,
the incorporation of expectations and policies into engagement with
business partners and suppliers including upon entering into, and
throughout, the business relationship, and clearly communicating to all
business partners and suppliers the consequences of non-compliance.

- Ensure that all business partners are legitimate and conduct business in
compliance with the law, through carrying out Know Your Counterparty (KYC)
checks.

- Identify and assess potential and actual adverse impacts in operations, supply
chains and business relationships, including through: on-going monitoring of
business partners’ and suppliers’ conformance with Sites’ ESG commitments
and expectations; a scoping and, if necessary, risk-based prioritization of
significant areas of risks of impact such as sectoral, geographic, product, and
Sites’ risk factors; increasingly in-depth assessments of prioritized areas of risks
of impacts in order to identify and assess specific potential and actual adverse
impacts; and assessing whether the Sites caused, or contributed to, or are
directly linked to, the identified potential or actual adverse impacts.

- In particular, in line with the OECD Due Diligence Guidance for Responsible
Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, identify,
assess, and manage risks of impacts associated with operating in, and sourcing
from, Conflict-Affected and High-Risk Areas (CAHRA), including at a minimum:
serious human rights abuses, direct and indirect support to non-state armed
groups, risks of impacts associated with the contracting of public or private
security forces, bribery and the fraudulent misrepresentation of the origin of
minerals; money laundering; and non-payment of taxes, fees, and royalties due
to governments. To do so, Sites shall maintain a documented procedure for
CAHRA determination, identify red flags in line with the definitions of red flags
in the Supplements, and undertake appropriate enhanced due diligence and
risk management measures where risks of impacts are identified.

- Cease, prevent or mitigate adverse impacts through stopping operational
activities that are causing or contributing to adverse impacts and developing
and implementing plans to prevent and mitigate actual and potential adverse
impacts identified. These plans are required to detail the actions that Sites will
take, as well as expectations of their business partners and suppliers. Sites
should refer to the OECD Due Diligence Guidance for Responsible Business
Conduct for further guidance on appropriate actions to take when potential or
actual adverse impacts are identified.

- Track implementation and effectiveness of the due diligence system through
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.
• Desk research to identify potential adverse impacts in the Sites’ operations, supply chains and business relationships, including ‘red flags’ as defined in the OECD Due Diligence Guidance.
• In-depth desk research to assess the presence of adverse impacts in the Sites’ operations, supply chains and business relationships, including the adverse impacts described in Annex II of the OECD Due Diligence Guidance.
• Records of on-the-ground assessments.
• Documentation of partnerships or programs to mitigate and, where necessary, remediate, adverse impacts.
• Records of grievances received, and action taken.
• Due diligence report (publicly available).

Contracts & Agreements
• Signed contracts or agreements with suppliers and other business partners including the Sites’ ESG commitments and expectations for conformance.

Plans
• Suppliers’ or Business Partners’ engagement plan.
• Stakeholders’, including affected stakeholders’, engagement plan.
• Risk management plans.
• Documentation of any grievances and mitigation plans.

Reporting & Communication
• Due diligence report.

External Assurance & Inspections
• Documentation of on-the-ground assessments.
• Documentation of third-party assessments at identified points in the supply chain.

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:
  o demonstrate an understanding of or describe the policies and procedures on the selection and evaluation of business partners, including workers and suppliers, as it pertains to ESG criteria;
  o describe the KYC and due diligence procedures;
  o demonstrate how influence is used to promote responsible business conduct along the supply chains and across its business relationships;
  o describe how potential and actual adverse impacts attributed to business 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;
  o demonstrate an understanding of the supply chain management
  policies, including with respect to sourcing from CAHRAs;
  o describe the due diligence system and clear lines of accountability and
  responsibility for the oversight and implementation of due diligence;
  o 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;
  o 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:**
  o confirm that they have been communicated the ESG commitments and
  expectations regarding responsible business conducts;
  o provide information on the training received for the purpose of due
  diligence implementation;
  o provide information on the system of control and transparency adopted
  at the Sites;
  o 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:**
  o 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:**
  o 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**
International Conventions and Treaties


Additional Reading

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

- EPRM Due Diligence Hub
- OECD resources
- RMI resources and training material
- RMI Practical Guidance to Minerals Due Diligence Implementation
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.

I. Implementation:

a. Relevance

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

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

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

Sites are expected to implement a comprehensive integrated climate change mitigation and adaptation strategy and plan.

Sites' strategies and plans should be:

1. **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:
   - CPD Climate Change Disclosure
   - GHG Protocol Corporate Accounting and Reporting Standard and Calculation Tools
   - SASB / Value Reporting Foundation Metals and Mining Standard
   - Science Based Targets Initiative
   - Task Force on Climate-Related Financial Disclosures (TCFD)

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

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

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 and adapt to all potential or actual climate-related impacts;

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

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

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 assessments the direct and indirect causes and effects of climate change in line with Criterion 2 on Impact Assessments. Because Sites are expected to go beyond emissions accounting and reduction in their climate action strategies, it is important that all climate-related risks are considered and covered in impact assessments and that the impact assessments are continually updated. Sites should document and centralize a full inventory of identified climate-related impacts.

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

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 to prioritize and implement actions for appropriately addressing Sites’ direct and indirect causes and to design Sites to manage the effects of climate change across all functions, policies, processes, operations, and business and stakeholder relationships, and in business decisions, at all levels of the organization.

   The plan should include:

   • **mitigation measures**, including but not limited to the:
- reduction of greenhouse gas emissions and use of carbon offsets in line 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 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.

- reduction and management of waste and recycling of natural resources and materials in line with Criterion 30 on Material Stewardship;
- protection of biodiversity in line with Criterion 32 on Biodiversity Management;
- incorporation of expectations for greenhouse gas emission reductions into supplier agreements in line with Criterion 10 on Responsible Supply Chains;

- adaptation measures, including but not limited to the:
  - consideration of the impacts of climate change in the location and design of Sites and operational activities in line with Criteria 28 on Water Stewardship, 31 on Tailings Management, 32 on Biodiversity Management, and 33 on Land Management;
  - consideration of the impacts of climate change in mine closure and reclamation plans in line with Criterion 9 on Mine closure and Reclamation.

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

6. Enable affected stakeholders’ early and continued participation in the strategy’s formulation and implementation, which means to engage
stakeholders whose traditions, livelihoods, rights, and knowledge will be, or risk being adversely or positively impacted by climate change and Sites’ strategies in line with Criterion 8 on Stakeholder Engagement.

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

Records
- Results of climate-related risk, vulnerability and impact assessments, and associated methodologies.
- Documented detailed reports on specific climate-related risks and impacts, and recommendations for action.
- Stakeholder engagement on climate change, such as climate change-related workshop meeting agenda items, presentations, attendance register, and outputs.
- Qualifications of internal staff or external support in undertaking climate-related risk and impact assessments.
- A document or collection of documents, report tables or databases indicating climate goals, targets, and actions.
- Qualifications of internal staff or external support in developing climate actions.
- Stakeholder engagement workshop meeting minutes, agendas, workshops, and outputs.
• A document or collection of documents associated with a management system indicating responsibilities for actions identified in the strategy.
• Budgets or committee or sub-committee meeting minutes relevant to the respective climate-related actions.
• Current staff performance indicators to reflect relevant climate-related responsibilities.

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

External Assurance & Inspections
• Letters of acknowledgement of voluntary target-setting organizations.
• Technical reviews of targets and goals from in-house and/or independent experts or target setting organizations.

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:
  o demonstrate knowledge of the climate action strategy, its key goals, and targets;
  o name key climate-related risks and impacts linked to Sites’ operational activities;
  o demonstrate their knowledge of stakeholders’ key concerns related to climate change directly or indirectly related to the Sites’ activities;
  o show management team and board meeting minutes indicating decisions made in relation to climate change, including capacity building and training.

• Stakeholders can:
  o demonstrate an understanding of Sites’ climate action strategy and climate-related policies and procedures;
  o confirm involvement in the process to develop and implement the climate action strategy.

• Workers can:
  o demonstrate an understanding of Sites’ climate-related policies and procedures;
  o demonstrate knowledge on where to find written or formal electronic copies of the climate action strategy and plan and relevant and grievance or complaints mechanism;
demonstrate they have received training on the procedures to implement the climate action strategy.

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.

- CPD Climate Change Disclosure
- GHG Protocol Corporate Accounting and Reporting Standard and Calculation Tools
- SASB / Value Reporting Foundation Metals and Mining Standard
- Science Based Targets Initiative
- Task Force on Climate-Related Financial Disclosures (TCFD)

International Conventions and Treaties

- United Nations Framework Convention on Climate Change (UNFCC)

Additional Reading

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

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

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

Reporting

- Disclosure (website, annual reports, regulatory submissions) of third-party assurance of adherence to identification, prohibition, prevention and if applicable, remediation of child labor.

- Communication of policy prohibiting child 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 child labor.

- Government inspection 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 how workers under 18 are prevented from conducting hazardous work, if applicable;
  - describe a remediation process in the event that children are found working at the company;
  - describe reporting and investigation procedures and demonstrate clear lines of accountability and responsibility within the company for oversight of the risk of child labor.

- **Workers can:**
  - confirm that as per their knowledge there are no children working on Sites;
  - confirm that if there is anyone under the age of 18 employed on Sites, they are not engaged in hazardous work;
  - confirm they are not under the legally-stipulated age, are not performing hazardous work if under 18 years of age and did not start working when they were below the legally stipulated age.

- **Stakeholders can:**
  - demonstrate worker representatives or trade union representatives if they exist, are able to confirm there to be no child labor on Sites;
  - recruitment agency representatives if applicable, are able to explain how the ages of hired workers are confirmed.

- **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
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:**
there are not any signs of workers who appear to be working at the company involuntarily.

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 C029 on Forced Labour
- ILO Convention C105 on Abolition of Forced Labour
- United Nation’s Protocol to Prevent, Suppress, and Punish Trafficking in Persons Especially Women and Children
- United Nation’s Protocol against the Smuggling of Migrants by Land, Air and Sea
- United Nations Convention against Transnational Organized Crime

Additional Reading

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

- ILO’s, Global Business Network on Forced Labour
- Verité, ‘Guidance for the Social Auditing of Forced Labor and Human Trafficking of Migrant Workers
- The U.S. State Department’s Office to Monitor and Combat Trafficking in Persons, Verité, Made in a Free World, and the Aspen Institute, The Responsible Sourcing Tool
- Addressing Forced Labor and other Modern Slavery Risks: A Toolkit for Corporate Suppliers
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.

I. Implementation:

a. Relevance:

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

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

b. Core Requirements

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

1. To manage impacts of violations of freedom of association and collective bargaining rights 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** 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
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:
Policies & Procedures

- Relevant policies and procedures addressing workplace discrimination and harassment.
- Human resources policies.
- Recruitment, promotion and dismissal procedures.
- Reporting and investigation procedures.

Records

- Training logs.
- Workforce demographics.
- Grievance records and allegations related to discrimination and/or harassment.

Plans

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

Reporting

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

External Assurance & Inspections

- Third-party assurance reports of a formal management system to ensure adherence to identification, prohibition, prevention and if applicable, remediation of discrimination and harassment.
- Government inspection 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, Criterion 2 on Impact Assessments and Criterion 7 on Grievance Mechanism should be taken into account.

- Management can:
  - describe measures in place to prevent and address discrimination and harassment;
  - describe procedures to identify and report discriminatory practices;
  - describe clear lines of accountability and responsibility for the oversight and implementation of the policy;
  - describe how identified cases of discrimination and harassment are reported and recorded;
describe how procedures are reviewed to ensure preventive actions are effectively set;

- describe how management and workers are trained on the non-discrimination and harassment policy.

**Workers can:**
- explain if they feel they are treated equally and there are no instances of harassment at the workplace;
- give examples of measures taken by Sites to prevent and address discrimination and harassment at the workplace;
- confirm they have received training on these issues;
- describe how to file a report or allegation in relation to discrimination and harassment.

**Stakeholders can:**
- demonstrate worker representatives or trade union representatives if in existence, are able to confirm Sites do not tolerate discrimination or harassment.

**Assessors observe:**
- there are not any visible signs of discrimination or harassment.

### 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

- **Universal Declaration of Human Rights**
- **ILO Convention C100 on Equal Remuneration Convention**
- **ILO Convention C111 on Discrimination (Employment and Occupation) Convention**
- **ILO Convention C156 on Workers with Family Responsibilities Convention**
- **ILO Convention C190 on Violence and Harassment Convention**
- **UN Human Rights Convention Against Torture and Other Cruel, Inhumane or Degrading Treatment or Punishment**

#### Additional Reading

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

- 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
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

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:
     o 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,
the implementation of strategies to ensure that everyone receives equal
remuneration, including benefits, and equal treatment in respect of work of
equal value, as well as equality of treatment in the evaluation in the quality
of work.

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

4. To disclose progress on achieving diversity, equality and inclusion in the
workplace, which means to disclose at least annually all relevant information
needed to inform stakeholders of the Sites’ 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 this list is not exhaustive and Sites are
not expected to have all the documents listed below:

- **Policies & Procedures**
  - Relevant policies and procedures addressing workplace diversity, equality and
    inclusion.
  - Integration of policies on diversity, equality and inclusion into other relevant
    policies such as recruitment and employment terms policies.

- **Records**
  - Data collected pertaining to diversity, equality and inclusion during risk and
    impact assessments.
  - Data collected pertaining to assessments of needs.
  - Documented targets addressing gaps in diversity equality and inclusion.
  - Documented initiatives to promote diversity, equality and inclusion.
  - Training logs of workers on workplace diversity, equality and inclusion.
  - Records of continuous monitoring of diversity, equality and inclusion.

- **Reporting**
  - Communication of policies addressing workplace diversity, equality and
    inclusion.
  - Disclosure (website, annual reports, regulatory submissions) or third-party
    assurance of a workplace culture of diversity, equality and inclusion.
  - Performance results from monitoring diversity, equality and inclusion initiatives.

- **External Assurance & Inspections**
  - 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
• United Nation’s Convention on the Elimination of All Forms of Discrimination Against Women

Additional Reading

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

- WCEF International, The Gender Impact Assessment and Monitoring Tool, 2018
- The Sustainable Trade Initiative, New KPIs to Track and Evaluate Gender-Equality Interventions
- The UN Women Empowerment Principles
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.

I. Implementation

a. Relevance

Criterion 17 on Employment Terms is relevant to all Sites employing workforce, business activities, irrespective of size, location or its function in the value chain. While the provision of fair and decent employment terms is what all Sites are expected to provide, Sites should be aware and follow specific national and international regulatory requirements on 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.

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

b. Core Requirements

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

1. To manage employment terms 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 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
rest and recreation rooms and health facilities, where not otherwise available in the community;

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

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

5. To disclose performance on provision of employment, which means, to report at least annually all relevant information needed to clearly 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 can demonstrate conformance with the Criterion. Please note this list is not exhaustive and the site is not expected to have all the documents listed below:

Policies & procedures
• Policy committing to fair and decent employment terms;
• Documented voluntary overtime procedure.
• Procedures on disciplinary measures.
• Procedure on Grievance mechanism.
• Human resources procedure.
• Promotion and dismissal procedures.

Records
• Worker handbook.
• Training materials and records on employment terms.
• Working hour schedule.
• Worker leave records, including annual, maternity, paternity, sick and other leave.
• Salary scales/wage rates.
• Payroll and time records (with due respect for confidentiality).
• Analyses of industry wages in the area of operation.
• Living wage calculation study and comparative analysis with current worker wages.
• Grievance records on employment terms.
• Inventory of facilities, including safety measures, provided in the accommodation areas.
• Assessments or inspections of the conditions of the housing.
• Records of repairs and maintenance of worker housing.

**Contracts & Agreements**
• Written employment contracts with workers outlining the employment terms.
• Contractual clauses in commercial and procurement agreements with for Business Partners or Suppliers on adherence to fair and decent employment terms.
• Collective bargaining agreement.

**External Assurance & Inspections**
• Third-party assurance of a formal management system to ensure adherence to fair and decent employment terms.
• External inspection records of building integrity, food safety and hygiene, and any other requirements as applicable.
• 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:**
  o Explain Sites policies and procedures on employment terms, set working hour limits, disciplinary actions taken, wage determination system, worker contracts, benefits and accommodation.
  o Describe Sites system for recording working hours that enables accurate calculation of pay, and which highlights to management when workers exceed contracted hours and how much overtime is worked, and how overtime is controlled to ensure that workers receive rest days.
  o Explain the payroll procedure and how it ensures that all payments are made on time and directly to the worker and not to another party or intermediary.
  o Describe living wage calculations.
  o Describe the accommodation conditions provided to workers if applicable.

• **Workers can:**
  o Explain their employment terms and conditions in the contracts.
  o Describe what rights they have with regards to limits of working hours, benefits, remuneration, social benefits, disciplinary actions, housing.
Confirm that all working hours are recorded and wages are paid on time and that they receive a clear written or formal electronic record of payment made to them.

Confirm that they receive leave, including annual, maternity, paternity, sick and other leave.

Describe the training they received on employment terms and how to raise grievance if relevant.

Confirm that conditions at the accommodation are healthy and safe and they can choose their own housing if applicable.

Assessors observe:

- All workers appear to work under fair and decent employment terms.
- Employment terms are posted at the common areas at the workplace.
- There are no visible signs of unacceptable disciplinary measures applied at the company.
- Accommodation provided is of reasonable standard of safety, repair and hygiene if applicable.

III. Key References

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 C029 on Forced Labour
- ILO Convention C105 on Abolition of Forced Labour
- ILO Declaration on Fundamental Principles and Rights at Work
- ILO Convention C001 on Hours of Work (Industry)
- ILO Convention C014 on Weekly Rest (Industry)
- ILO Convention C100 on Equal Remuneration
- ILO Convention C132 on Holidays and Pay
- ILO Convention C183 on Maternity Protection
- ILO Recommendation R115 on Workers’ Housing

Additional Reading

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

- ILO Governance and Tripartism Department
- IFC Guidance Note 2 on Performance Standard 2 Labour and Working Conditions
- Massachusetts Institute of Technology (MIT), Living Wage Calculator
- Global Living Wage Coalition, What is a Living Wage?
- IFC, EBRD, Workers’ accommodation: processes and standards
- ILO, Helpdesk Factsheet No.6: Workers’ housing
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:
  o sufficient, clearly marked, unlocked, and unblocked emergency exits;
  o sufficient lighting;
  o installed alarms;
  o adequate ventilation and air quality;
  o safe noise levels;
  o safe indoor temperatures, meaning sufficient indoor heating and cooling;
  o adequate signage for evacuation;
  o emergency wash stations;
  o free, safe drinking water;
  o sanitary facilities for food storage;
  o clean gender-separated restrooms;
  o emergency lighting; and,
  o 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:
  o procedures on Sites’ occupational health and safety policies and procedures;
  o when and how properly to wear, use, and maintain PPE;
  o protocols for following emergency and evacuation procedures, including where emergency exits are located in line with Criterion 19 on Emergency Preparedness;
  o how to use a first-aid kit and where these are kept;
  o sites’ mechanisms for consulting workers to raise and discuss health and safety issues;
  o relevant building codes and regulations that must be always adhered to; and,
  o 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:

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
• Audit and performance evaluation reports of conformance to health and safety standards.
• Results and underlying data of occupational health and safety impact assessments.
• An inventory, issue records for, and records of inspection and testing of PPE.
• Records of consultation and participation with workers relating to occupational health and safety matters.
• Records of temperature control monitoring.
• Records of workplace air quality monitoring.
• Records of noise monitoring.
• An inventory of monitoring systems for emissions and accumulations of potentially dangerous gases.
• Safety data sheets.
• An inventory of chemicals used at Sites.
• Safety inspection checklists, registers, and other records of conducted inspections.
• Evacuation drill records.
• Accident investigation reports/records.
• Health and safety committee meeting minutes.
• Workers’ training records.
• First aid kit inspection records.
• Area- and task-specific hazard risk assessments.

**Plans**
• Health and safety training plan.
• A risk management plan to eliminate and control hazards associated with the operational activities.

**Reporting**
• Public reports on accident frequency, annual rate of health and safety training on publicly available websites, annual reports, or sustainability reports at least annually.

**External Assurance & Inspections**
• Government inspection reports.
• Certifications or audit reports for occupational health and safety standards.

*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’ 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.
confirm they are obliged to complete occupational health and safety training when and before entering Sites.

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:

- ISO 45001 on Occupational Health and Safety

International Conventions and Treaties

- ILO Convention C155 on Occupational Safety and Health
- ILO Convention C161 on Occupational Health Services
- ILO Convention C148 on Working Environment
- ILO Convention C176 on Safety and Health in Mines

Additional Reading

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

- ICMM, Good Practice Guide: Health and Safety Critical Control Management
- ICMM, The Setting and Use of Occupational Exposure Limits
- ICMM, Good Practice Guidance on Occupational Health Risk Assessment
- ICMM, Fatality Prevention: Eight Lessons Learned
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.

1. Implementation:

   a. Relevance:

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

   b. Core Requirements:

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

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

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

   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:
o 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,

o all aspects of human safety including:
  - physical safety;
  - psychosocial health; and,
  - economic security; and,

o 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;
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
The following literature may be useful when implementing this Criterion:

- 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
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.

I. Implementation:

a. Relevance

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

b. Core Requirements:

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

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

2. To identify adverse impacts on community health and safety, which means to conduct assessments of potential and actual cases of adverse 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 which means to identify Sites’ features, aspects, stakeholders, and operational activities that fall within 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 impact 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
Criterion. Please note that the list is not exhaustive and site is not expected to have all the documents listed below:

**Policies & Procedures**
- Relevant policies and procedures addressing community health and safety.
- Procedures for engagement with communities.
- Procedures detailing how Sites monitoring changing laws and regulations pertaining to health and safety.

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

**Reporting & Communication**
- Disclosure (website, annual reports, regulatory submissions) of third-party assurance of adherence to identification, prohibition, prevention and if applicable, remediation of adverse impacts on community health and safety.
- Annual reports and sustainability reports demonstrating improvements in metrics related to community health and safety.

**External Assurance & Inspections**
- Third-party assurance reports of a formal management system to ensure adherence to identification, prohibition, prevention and if applicable, remediation of adverse impacts on community health and safety.
- Site-level audits and community assessments of community health and safety management systems.

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:**
  - Demonstrate an understanding of Sites relevant policies and how they have 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:**
  o explain Sites’ community development program, how it was developed and how it is supposed to be implemented;
  o describe how stakeholders and the affected community were consulted for the program;
  o describe the needs assessment process and its results.

• **Stakeholders can:**
  o explain Sites’ community development plans and operational activities and confirm that they were consulted while plans were being developed;
  o describe how they are updated related to the progress of the community development plan implementation by Sites;
  o explain how they can launch grievances about Sites’ practices.

• **Assessors observe:**
  o 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](#)
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.

I. Implementation:

a. Relevance:

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

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

b. Core Requirements:

Sites are expected to 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.

1. To respect the rights and support the professionalization of ASM 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 OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas

2. To identify the risks of adverse impacts on and conflict with ASM, which means to conduct assessments on the potential and actual adverse impacts on the human rights of ASM and of conflict with ASM associated with operational activities 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 Sites’ features, aspects and operational activities that fall within the responsibility of Sites to manage including:
  - identification of and mapping the location of ASM operations that are on lands controlled by Sites; near to or affected by any operational activity, including drilling, exploration and mining activities, storage and processing facilities, manufacturing Sites, managed waste and tailings facilities, trading centers, and transport routes; and managed housing and accommodation;
  - where Sites determine that there are no ASM in scope, they are expected to document their findings in assessments and to demonstrate that there are no ASM present on the Sites or affected by or affecting operational activities, or, if there are ASM present, why they are determined not to be in scope;
  - where Sites have business partnerships with ASM, including through sourcing material from ASM, contracting ASM to operate on land controlled by Sites, or through provision of tolling services to ASM operators, the ASM should be determined to be in scope and this relationship should be included in assessments; and,
  - identification of the government and local authority bodies and agencies with responsibility for ASM.

- Establish a Baseline: where ASM are determined to be in scope, Sites should establish a baseline of the status of ASM operations that include but not be limited to:
  - identification of all participants and workers in the ASM operational ecosystem including but not limited to miners, haulers, rock breakers, millers, panners, washers, buyers, equipment and food suppliers, transporters, casual workers, outsourced functions;
  - the trading relationships of the ASM, including to whom ASM material is sold and from whom ASM buy services and equipment;
  - the legality of the ASM, including but not limited to permits and licenses for operating, access to land and mineral resources, processing minerals,
meeting environmental conditions, and hiring workers; work permits of ASM workers; payment of taxes and royalties; and for trading and exporting mined material;
- the wages of ASM owners and directly employed, contacted and subcontracted workers;
- cases of human, labor, cultural or any other breaches of workers’ rights including, but not limited to forced labor, child labor, rights related to security enforcement, discrimination, and threats to health and safety;
- environmental aspects of the ASM operation, including the use, management and disposal of toxic chemicals, hazardous materials, GHG-emitting machinery and equipment, water, waste, and natural resources; and,
- level of management capacity of the ASM across environmental, social and governance aspects and all levels and functions of the organization.

Engage Stakeholders: where ASM are determined to be in scope, Sites should engage ASM operators, workers, and other affected stakeholders to participate in impact assessments, in line with Criterion 8 on Stakeholder Engagement.

As well as the requirements in Criterion 8, Sites should engage affected stakeholders:
- to ensure their perspective is understood, documented, and incorporated into the results of impact assessments and in management systems and development programs;
- continually throughout the operating life of Sites and when assessments are reviewed and updated;
- directly through professionals employed by Sites, or indirectly through third parties including appropriate government agencies and NGO or development agency workers;
- only where it is safe, and legally and legitimately possible to do so.

3. To identify opportunities to contribute to the improvements of ASM, which means to conduct assessments on the opportunities for positive impacts through supporting ASM improvements in line with Criterion 2 on Impact Assessments. As well as the requirements in Criterion 2, Sites’ assessments should identify opportunities to support ASM, including but not limited to the:
- strengthening of organizational management and good governance;
- improvement of financial literacy;
- determination of mineral reserves;
- provision of technical assistance to improve operational efficiency, including mining and processing methods;
- provision of guidance on marketing and commercialization of mined material;
• socialization of government legislation and regulations and expectations of market-access standards;
• provision of advice and training on responsible operating practice, such as pollution control, occupational health and safety, reduced use of toxic chemicals, handling of hazardous materials, alternatives to high GHG-emitting power sources, explosives management, and the use of personal protective equipment;
• training in practices related to gender equality;
• donation of personal protective equipment;
• provision of emergency response services;
• direct funding or facilitation of access to fair loans and credit for capital equipment and technical improvements;
• processes for the formalization and legalization of ASM operations and operators and assistance to obtain legally required permits; and,
• generation of non-ASM livelihoods, economic development, and other social improvements in ASM communities.

4. To implement 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, which means to implement a management system to mitigate identified potential or actual adverse impacts and to support ASM improvements, in line withCriterion 1 on Management Systems.

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

• Avoid conflict with ASM through the:

  o Development of a policy on ASM relations appropriate to the Sites’ and ASM operators’ circumstances and the impacts identified in Sites’ assessments. Depending on the circumstances, Sites policies on relations with ASM can vary and include:
    ▪ prohibition of conflict of any kind with ASM, including procedures for de-escalation where conflict is unavoidable;
    ▪ prohibition of engagement with ASM where ASM are criminal, illegal and their operational activities not considered legitimate by authorities;
    ▪ allowance of limited engagement under specified conditions, such as responding to a health and safety emergency at an ASM operation, or to inform or consult with ASM on operational activities that might affect them; and,
    ▪ facilitation of engagement through formal, appropriately resourced ASM-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.
• Records of continuous monitoring of ASM potential and actual impacts and overall ASM relations.

• Records that demonstrate specific standards have been set and are continuously monitored in relation to ASM operation, environmental and social practices.

• Environmental, social, and human rights impact assessments on ASM.

• Legal registry related to ASM legalization and formalization.

• Membership that demonstrates participation in initiatives that enable the professionalization and formalization of ASM.

• Increase in licensed operations amongst ASM with which Sites have engaged.

• Grievances, complaints, or operational activities made by ASM and logged with Sites’ grievance mechanism.

**Plans**

• ASM engagement plan and register of completed engagement activities.

• Plans for dealing with identified actual or potential impacts on ASMs.

**External Assurance & Inspections**

• The process of designation of concession land that has been ratified by the relevant government department.

• ASM-specific certifications, such as Fairtrade and Fairmined.

The following are examples of other evidence, collected through interviews and/or observation during Site 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 8 on Stakeholder Engagement should be considered:

**Management can:**

- describe policies on and approach to engaging ASM;
- describe how ASM is engaged;
- describe the continuous dialogue maintained with ASM as a distinct group within stakeholder engagement plans;
- describe how Sites actively participate in initiatives, including multi-stakeholder initiatives, that enable the professionalization, legalization, and formalization of ASM;
- describe how Sites actively participates in initiatives that improve the operational, social, and environmental practices of ASM.

**Community members, including ASM, can:**

- demonstrate a basic understanding of Sites’ policies and procedures for ASM;
- describe how Sites positively engage with them on issues relating to professionalization, formalization as well as improved operational, social and environmental practices.

**Assessors observe:**
existence / non-existence of ASM sites that are on or near land controlled
by Sites or affected or affect operational activities.

4. 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 Supply Chains of Minerals
  from Conflict-Affected and High-Risk Areas

Additional Reading

The following literature may be useful when implementing this Criterion:

- Alliance for Responsible Mining, Rock-Solid Chances for Responsible Mining
- International Finance Corporation and International Council on Mining &
  Metals, Working together: How large-scale mining can engage with artisanal
  and small-scale miners
- Intergovernmental Forum on Mining, Minerals, Metals and Sustainable
  Development, Guidance for Governments: Managing Artisanal and Small-
  Scale Mining
- World Gold Council, New report: Lessons learned on managing the interface
  between large-scale and artisanal and small-scale gold mining
- International Labor Office, Facts on Small-Scale Mining
- The Impact Facility, ESG Performance & Risk Management Handbook for
  Artisanal and Small-Scale Mining
- The Impact Facility, Impact Monitoring Indicators & Guidance for Artisanal and
  Small-Scale Mining
- The Impact Facility, Technical Guide to ASGM Equipment
- The Impact Facility, Artisanal and Small-Scale Mining Cobalt Framework
- The Impact Facility, Mercury Management in Practice: Case Studies with
  Miners in East Africa.
- Minamata Convention for the Elimination of Mercury in Artisanal and Small-
  Scale Gold Mining
- World Bank, Mining Together: Large-Scale Mining Meets Artisanal Mining, A
  Guide for Action
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.

I. Implementation:

a. Relevance

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

b. Core Requirements:

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

1. To manage security-related impacts 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 Voluntary Principles on Security and Human Rights (VPSHR) for mining operations
   - Follow the UN Guiding Principles on Business and Human Rights for all other 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.
Records of security personnel training in human rights and the proportional use of force, including, but not limited to, training materials, attendance sheets, or certificates.

Security personnel deployment and monitoring records, such as performance reviews, observational records.

Records of communications and meetings between the Sites and public security providers.

Records of consultation with governments and communities about the impact of the Sites’ security arrangements.

Records of informing affected stakeholders about the process and outcomes of investigations of abuses committed by security providers.

Results of security provider due diligence and screening.

Results of security risk assessments and communication of results to affected stakeholders.

Records of public security misconduct allegations.

Contracts & Agreements

Contracts with security providers.

Signed agreements or commitment from security personnel and providers to respect human rights and abide by the Voluntary Principles.

Evidence that security service providers are signatories to the International Code of Conduct for Private Security Service Providers, if applicable.

Agreements for provision of public security.

Reporting & Communication

Annual report on conformance with Voluntary Principles on Security and Human Rights if applicable.

Disclosure of security arrangements, results of security risk assessments, security-related grievances and their resolution.

External Assurance & Inspections

Security risk assessment of Sites’ operations undertaken as outlined in the Voluntary Principles, which should consider political, economic, legal, military, and social developments, any patterns and causes of violence and potential for future conflicts.

External assurance against the VPSHR.

External due diligence reports on security personnel or security providers.

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 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 Official
- 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 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
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, indigenous 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.
Records

- Desk research conducted by the Sites to identify presence of Indigenous Peoples in the area of operation and to determine whether the operation is located on or impacts lands, territories or resources subject to traditional ownership or customary use.
- Desk research conducted by the Sites to understand Indigenous Peoples’ communities’ culture, customs, traditions, etc.
- Desk research conducted by the Sites to identify impacts on Indigenous Peoples’ rights associated with the Sites’ operational activities.
- Assessments of risks and potential adverse impacts on Indigenous Peoples’ lands, livelihoods, resources, and cultural heritage.
- Documentation of how Indigenous Peoples have participated in the identification of impacts and how the results have been shared with them.
- Documentation of agreed processes for engagement and self-chosen community representatives and customary decision-making mechanisms.
- Documentation of consultation processes and engagement activities with Indigenous Peoples’ chosen representatives.
- Documentation of how Indigenous Peoples have participated in the design of engagement, consultation and consent processes.
- Documentation of partnerships or programs to provide benefits and mitigate impacts.
- Documentation of any grievances and mitigation plans.

Contracts & Agreements

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

Reporting & Communication

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

External Assurance & Inspections
• Documentation of independent cultural, environmental, human rights and/or environmental impact assessments;
• Documentation of avoidance of impacts and/or of mitigation and compensation measures.

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 7 on Grievance Mechanism, Criterion 8 on Stakeholder Engagement, Criterion 21 on Community Development and Criterion 26 on Cultural Heritage should be taken into account:

• Management can:
  o demonstrate understanding of the Sites’ policy on Indigenous Peoples;
  o describe clear lines of accountability and responsibility within the Sites for the oversight and implementation of the Indigenous Peoples’ policy;
  o describe how Indigenous Peoples are identified;
  o describe and demonstrate how they respect the rights, interests, aspirations, culture and natural resource-based livelihoods of Indigenous Peoples;
  o demonstrate that the Sites engage and consult with Indigenous Peoples in a fair, timely and culturally appropriate way throughout the mining lifecycle to seek consent for its operational activities;
  o explain how Indigenous Peoples are involved in the design of engagement, consultation and consent processes;
  o explain how adverse impacts on Indigenous Peoples are identified and the level of involvement of Indigenous Peoples in the process;
  o describe how Indigenous Peoples and stakeholders are made aware of the Sites’ policy including the grievance mechanism;
  o demonstrate that it minimizes adverse impacts on Indigenous Peoples.

• Indigenous Peoples can:
  o demonstrate a basic understanding of the Sites’ policy and confirm that they are aware of how to report and seek remedy in cases where their rights are not respected;
  o demonstrate that the Sites engage with them on issues relating to their rights;
  o confirm that they have provided consent for operational activities that may adversely affect them;
  o confirm that the Sites avoid, minimize or remediate adverse impacts.

• 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
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.

I. Implementation:

a. Relevance

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

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

b. Core Requirements

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

1. To manage impacts on land acquisition and resettlement 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
   - Consider following IFC Performance Standard 5 on Land Acquisition and Resettlement

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

- Identify all property, tenure rights and interests in national law, as well as the rights and interest of land occupiers and natural resource users whose rights and interests may not be recognized by national law and ensure that the seller/lessor of the property has given their legal interest and in compliance with their obligations.
- Investigate and evaluate land title rights and practices, whether land title is individual and/or communal and associated gender or other discrimination implications, land valuation systems and Indigenous Peoples’ tenure rights, if applicable.
- Conduct a land claim and title check, and identify existing claims and conflicts of land title prior to gaining an interest in the land and establishing operations.
- Ensure that the land title check captures any potential land-grabbing or forced displacement that may have occurred.
- Conduct an analysis of land use patterns that is gender sensitive and comprehensively identifies the women and men who occupy or use the land proposed for the development, and that considers the nature of the lands and potential impacts on this land use.
- Identify vulnerable households at risk of impoverishment and marginalized groups who may be disproportionately impacted.
- Identify where the influx of economic migrants will likely occur.
- Identify archaeological, cultural and religious resources in the area.

Establish a Baseline: when purchasing, leasing or using land for new or expanded operational activities causing physical and economic resettlement, Sites should:
- Collect baseline data on the affected community’s socioeconomic conditions to ascertain who could become a potentially displaced person and which of the community members would qualify for compensation.

3. To avoid adverse impacts of land acquisition and physical and economic displacement, which means to implement a management system to manage the risk of adverse impacts related to land acquisition and resettlement. In addition to the requirements in Criterion 1, the management system should:

- develop, communicate and effectively implement a policy that commits to identify and seek resolution of all existing claims and conflicts of land title in compliance with international human rights law and national law;
• develop, communicate and effectively implement a policy to avoid resettlement where possible, prohibit forced evictions, and in cases of resettlement, restore or improve livelihoods and standards of living of displaced people;
• explore and assess all other viable project design options, develop alternative project designs, and look to other viable locations for Sites’ operational activities;
• consider any risks of physical or economic displacement when implementing risk and impact assessments, in conformance with Criterion 2 on Impact Assessments and Criterion 24 on Indigenous Peoples;
• Consult with affected stakeholders in conjunction with Criterion 8 on Stakeholder Engagement during the initial planning stages of any future expansion of or major changes to the Sites’ operational activities that may cause physical or economic displacement prior to making any decisions about the final design.

4. To minimize adverse impacts of physical and economic displacement, which means to implement measures to reduce the adverse impacts on displaced people, including:
• To negotiate any potential land acquisition settlements, even if the Sites have a legal capacity to purchase land without obtaining the consent of the seller. Sites should offer fair compensation for any acquisition;
• if resettlement is unavoidable, Sites should develop a Resettlement Action Plan in line with IFC Performance Standard 5 on Land Acquisition and Resettlement and the IFC Handbook for Preparing a Resettlement Action Plan;
• to provide access to a grievance mechanism in line with Criterion 7 on Grievance Mechanisms.

5. To remediate adverse impacts of land acquisition and physical and economic displacement, 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 mechanisms. Remedy mechanisms related to land acquisition and displacement should consider the following:
• seek to address residual adverse effects to restore or improve livelihoods and standards of living of displaced people;
• negotiate any resettlement and compensation for the affected community by establishing resettlement committees tasked with addressing potential disputes.

6. To disclose performance on mitigation, which means to report at least annually 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.
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
- 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
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.

I. Implementation:

a. Relevance

This Criterion is relevant to those operational activities where there are known to be cultural heritage areas. Presence of Indigenous Peoples affected can also indicate the potential of cultural heritage occurrence.

The existence of cultural heritage varies considerably by country and region. Generally, in the minerals value chain, mining, mineral processing, and transport are the operational activities most often located in natural environments, and most likely to cause damage to tangible cultural heritage, for example, because of the destroying or damaging of historical buildings, ancient artifacts, burial grounds or sites of spiritual significance. Damage to intangible cultural heritage may also occur, for example, as a result of inappropriate visitation of sites or the inappropriate use of traditional knowledge. This Criterion therefore is most relevant to Sites involved in mining, mineral processing and transport activities.

b. Core Requirements

Sites are expected to respect the cultural rights of affected stakeholders and address adverse impacts with which they are involved.

1. To manage impacts on Cultural Heritage 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
   - consider following IFC, Performance Standard 8 on Cultural Heritage

2. To identify cultural heritage, which means to conduct assessments to identify 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](https://whc.unesco.org/en/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;
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;
o describe processes for assessing cultural heritage, including cultural heritage mapping;
o describe the implementation of mitigation measures related to the management of cultural heritage;
o describe overall measures taken to protect cultural heritage;
o describe the stakeholder engagement process relative to cultural heritage;
o describe clear lines of accountability and responsibility for the oversight and implementation for protection of cultural heritage.

• Stakeholders can:
o demonstrate understanding of Sites’ policies on cultural heritage;
o describe how Sites engage with them on issues relating to cultural heritage;
o confirm that Sites do not prevent access to cultural heritage sites by affected communities, and offer continued access if relevant;
o explain how they can lodge grievances and seek remedy in cases where they have concerns regarding cultural heritage impacts of Sites’ operational activities.

• Assessors observe:
o there are no adverse impacts on cultural heritage caused by Sites’ operational activities.

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

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

• IFC, Performance Standard 8 on Cultural Heritage

International Conventions and Treaties


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

- **IFC, Guidance Notes 8 on Performance Standard 8 on Cultural Heritage**
- **UNESCO, World Heritage Convention**
- **UNESCO, World Heritage List**
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.

I. Implementation:

a. Business Relevance

The increasing level of GHG emissions in the atmosphere is expected to contribute to serious environmental and human consequences, including but not limited to increasing the severity and occurrence of extreme weather events, sea levels, and food and water insecurity.

Nearly all businesses contribute to climate change because they use energy and materials in their processes and products that generate and emit greenhouse gases (GHG), or which have adverse impacts on ecosystems and their capacity to store carbon. Therefore, this Criterion is relevant to all operational activities, irrespective of size, location, or function in the value chain.

However, when setting GHG emissions reductions targets, Sites should consider the specific impacts of their operations and supply chains. Generally, in the minerals and metals supply chain, mining and minerals processing require the greatest amount of energy to extract, crush, recover, and transform minerals to metals. The extent to which these phases of the minerals supply chain are linked to GHG emissions, however, can differ significantly depending on their size, business process complexity, and, especially, the sources of energy. For example, Sites that rely on off-grid energy generation from hydrocarbon-based fuels will likely have far greater emissions than Sites drawing power from a grid supplied by renewable energy.

Sites along the minerals and metals supply chains will be expected to play their role in reducing GHG emissions to meet the Paris Agreement climate goal. On the other hand, they will be expected to provide the metals and minerals needed for a low-carbon future. Reducing GHG emissions in the context of increased production will require Sites to invest in low-impact energies and technologies and to set ambitious yet practicable, concrete, and science-based targets for GHG emissions reduction.

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:
  o 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.
  o 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.
  o 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:
  o identify and prioritize opportunities to increase energy efficiency and define energy efficiency targets;
  o identify and prioritize opportunities to adopt less impactful sources of energy, including to prioritize use of renewable sources of energy;
  o identify sources of direct and/or indirect emissions have the highest reduction potential;
5913 o support the procurement of energy-efficient products and services that impact energy performance;
5914 o support the design of operational activities that consider energy performance improvement;
5915 o ensure maintenance of equipment using energy to avoid energy loss and waste, such as steam or compressed air leaks;
5916 o 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;
5917
5918 • document a program to monitor progress towards meeting greenhouse gas emissions’ reduction targets, including:
5919 o set targets which contribute to achieving the Paris Agreement objectives to keep global temperature increase below 1.5°C;
5920 o establish energy efficiency and GHG emissions indicators that are appropriate for measuring and monitoring energy reduction and demonstrating improvement;
5921 o consider energy consumption and efficiency targets in business planning, including design criteria, where appropriate;
5922 o ensure energy consumption and GHG emissions are tracked, monitored, documented, and reported publicly on an annual basis;
5923 o set, document, and incorporate into management systems measurable, credible targets for GHG emissions’ reduction;
5924 o establish monitoring procedures and protocols to monitor progress towards meeting the targets.
5925 o assign qualified managers and workers to implement monitoring responsibilities.
5926
5927 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:
5928 • following the GRI Standards;
5929 • following issue-specific reporting standards such as the Carbon Disclosure Project (CDP), and the Task Force on Climate-Related Financial Disclosures.
5930
5931 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

- Environmental policy that notes the significance of GHG emissions.
- Procedures describing methodology for monitoring energy efficiency, consumption, and intensity assessments.
- Procedures for identifying emissions and setting targets in line with internationally recognized frameworks.
- Procedures for monitoring emission trends.

Records

- Emissions impact assessment.
- Documentation of established energy efficiency and/or renewable energy data.
- Documentation of emissions reduction.
- Documentation of renewable energy installation and use.

Plans

- Development and implementation of a GHG reduction action plan incorporated in business and financial planning.

Reporting & Communication

- Company reports on GHG emissions and targets using an international reporting protocol.
- Total CO2 equivalent for scopes 1, 2 and 3 are disclosed in annual report, website, regulatory submissions, filings, presentations, sustainability report, and any other relevant document.
- Publicly disclosed analysis of data demonstrates progress towards compliance with the target by the future year noted.
- Publicly disclosed analysis of data demonstrates no net emissions or better.

External assurance & inspection

- Third-party verification of the proper application of an internationally recognized framework.
- Government 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 an understanding of the Sites’ energy efficiency and greenhouse gas emissions’ reductions strategy;
  - describe the steps taken to reduce energy consumption and greenhouse gas emissions;
• describe the risk assessments that are conducted in respect to greenhouse
gas emissions;
• describe the action plans, including measures to drive continuous
improvement and set reduction targets; and,
• describe how quantifying of greenhouse gas emissions is integrated into
the Sites’ system.

Workers can:
• describe the steps taken to reduce energy consumption and greenhouse
gas emissions.

Assessors observe:
• that energy meters are functioning well and that energy consumption data
covers all sources of energy identified during the Sites’ walkthrough.

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:

• GRI Standards
• ISO 50001 Energy Management Systems
• Green House Gas (GHG) Protocol
• Science Based Targets (SBT) Initiative
• Task Force on Climate-related Financial Disclosures
• The Carbon Disclosure Project (CDP)

International Conventions and Treaties

• United Nations Framework Convention on Climate Change (UNFCCC)

Additional Reading

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

• GHG Protocol, GHG Protocol Scope 2 Guidance
• GHG Protocol, Technical Guidance for Calculating Scope 3 Emissions
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](https://www.alliancefowaterstewardship.org);
   - the International Council on Mining and Metals ([ICMM], Water Stewardship Framework);

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;
o water users, water rights’ holders, and other stakeholders that may potentially affect or be affected by Sites’ operational activities and water stewardship practices, including downstream communities or communities that may be affected by groundwater withdrawals or contamination;
o water conservation activities in Sites’ water catchment areas not directly related to Sites’ operational activities that present potential opportunities to support water conservation.

• Establish a Baseline, which means to generate, gather, and analyze relevant data and information on the status of water-related features and aspects in scope that should include but not be limited to:
o record of water bodies’:
o water quality;
o seasonal and temporal variability in water quantity;
o physical, chemical, and biological conditions of surface waters, natural seeps/springs and groundwaters;
o quantification of Sites’, water users’, and water rights holders’:
o water sources;
o water consumption;
o water types (i.e., blue, grey, and green water);
o water uses;
o destinations of discharged water;
o discharges of other materials and substances to water bodies.
If baseline sampling was not completed before the start of operational activities, Sites should establish background or synthetic water quality conditions.

• Asses the risks of adverse impacts, which means to rate the gravity and seriousness of potential and actual impacts on water-related features and aspects in scope, including but not limited to the risk of:
o altering the ecological flow of surface waters upstream and downstream of the water catchment point;
o significantly changing the water balance in Sites’ local and catchment area;
o adverse impacts on sensitive sources and bodies of water;
o changes to water quality, water stress and other water stewardship challenges;
o adverse impacts on other industrial or infrastructure operations, water-rights’ holders, and organisations or agencies working on relevant water stewardship activities;
o adverse impacts on water from chemicals, wastes, facilities, and other pollutants from operational activities;
potential and actual water-related risks of water effluents discharged to subsurface waters, surface waters, sewers that lead to rivers, oceans, lakes, wetlands, treatment facilities, and ground water;

- potential and actual impacts on water rights holders’ and other affected water users access to water and from changes to water quantity, quality, and flows;
- implications of climate change for water stewardship, including for future water quantities, access to sources, and flow and related adaptation strategies, in line with Criterion 11 on Climate Action.

4. To implement a system to improve water-use efficiency; reduction, reuse, and recycling; and maintenance of quality, which means to establish a management system for water stewardship in line with Criterion 1 on Management Systems.

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

- incorporate into a policy on water stewardship the goal for Sites and other water users and water rights’ holders to work together to identify and achieve common goals for sustainable water stewardship and shared water security;
- include all water-related potential and actual adverse impacts and document procedures and mitigation measures across all operational activities to avoid, minimize, rectify, or compensate for adverse impacts, including but not limited to:
  - continually improve water efficiency;
  - identify opportunities to allocate resources to install water-efficient capital equipment;
  - avoid, reduce, and minimize water consumption;
  - identify alternative water sources to freshwater, such as seawater, to mitigate adverse water-use impacts on communities;
  - increase the reuse and recycling of water;
  - treat and maintain the quality of water;
  - ensure the controlled discharge and protect the quality of water in surrounding water courses and access to these by local communities in line with Criterion 34 on Management of Waste and Criterion 36 on Tailings Management;
  - maintain a **water balance** at Sites and contribute to maintaining a water balance in catchment areas;
  - clean previously impacted water in areas controlled by Sites to make it usable, and, if necessary, provide a water supply from an alternate source;
o set water stewardship targets for reductions in water consumption, water quality, water efficiency, off-site water conservation programs, and for other water-related stewardship performance;

o establish water stewardship monitoring procedures and protocols to monitor progress against water stewardship targets and for water consumption, water quality, water efficiency, off-site water conservation programs and other aspects identified in Sites’ impacts assessments and as part of continuing water-related risks and impact assessments in line with Criterion 2 on Impact Assessments;

o assign qualified managers and workers to implement monitoring responsibilities;

o continually engage affected stakeholders from the earliest stages of Sites’ operational life through informing them, their participation in decisions, and in water monitoring on water-related matters that affect their health, well-being, safety, livelihoods, communities, and environment, in line with criterion 8 on Stakeholder Engagement;

o ensure the long-term stewardship of water-related environmental and social aspects through incorporation of water-related mitigation measures in closure and reclamation plans in line with Criterion 9 on Mine Closure and Reclamation.

5. To disclose water stewardship performance, which means to disclose at least annually all relevant information needed to inform stakeholders clearly of the Sites’ water stewardship related 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

- Policies and procedures committing Sites to reduce water use, improve water-use efficiency, maintain water quality at and water discharged from Sites, and maintain a water balance.

- A register or map of water discharge points and destinations downstream.

Records

- Records of consultations with communities, households and individuals affected by the Sites’ actual or potential impacts on water quality and their access to and consumption of water.
• Data and information generated by Sites’ impact assessments on the scope, water-related baseline and water stewardship risks.

**Contracts & Agreements**

• Contractual clauses in commercial and procurement agreements with business partners and suppliers to adhere to Sites’ policies on water stewardship.

**Reporting**

• Communication of policy on water stewardship at Sites and associated with operational activities.
• Performance results from monitoring of water use, water use reductions, water efficiency and water quality.

**External Assurance & Inspections**

• Government inspection reports confirming operations legality for consumption and discharge of treated water.
• Reports by conservation organizations in support of Sites’ policies to maintain a water balance and contribute to sustainable catchment area management.

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’ policies and procedures related to water stewardship;
• describe proximity of Sites’ operational activities to sensitive or protected water bodies;
• demonstrate their knowledge of the links between water stewardship and climate change and Sites’ policies on climate action.

**Workers can:**

• demonstrate basic understanding of Sites’ policies on water stewardship and to whom to ask for more information on procedures to implement the policy;
• describe where Sites’ operational activities risk adversely impacting water used by water rights holders, local communities, and other water users, and the necessary mitigation measures needed to avoid, minimize, rectify, and compensate for such impacts.

**Stakeholders can:**

• 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;
o 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)

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
  Circular Water Management
• World Health Organization, Guidelines for Drinking Water Quality
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.

I. Implementation:

a. Relevance:

Sites generate a wide array of waste over the course of their operational activities, which can have significant negative impacts on the environment and human health when not appropriately managed. In addition to potentially harming human health and environment, waste directed to disposal such as incineration or landfiling represents a missed opportunity to recover resources and materials which, if recovered, could help tackle resource depletion worldwide.

For this reason, Criterion 29 on Waste Management is relevant to all Sites, irrespective of their size, location or function in the value chain.

However, when implementing this Criterion, Sites should be aware of specific additional requirements that may apply to them due to their position in the supply chain, such as requirements on Tailings Management under Criterion 31 for mining operations, or due to specific legal or regulatory frameworks in their jurisdiction(s).

Sites should manage waste in line with Criterion 30 on Materials Stewardship / Recycling as it pertains to stewardship of minerals and metal products.

b. Core Requirements

Sites are expected to avoid and reduce the adverse impacts of waste disposal and to promote the recovery of waste diverted from disposal through the identification of the adverse impacts associated with waste disposal, the implementation of a management system, and public disclosure of progress made.

1. To manage waste 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 14001: 2015 Environmental Management System

2. To avoid, minimize and recover waste, which means that Sites shall implement the waste mitigation hierarchy by ordering options for managing waste 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,
describe clear lines of accountability and responsibility within the Sites for the oversight and implementation of the waste hierarchy.

• Workers can:
  o demonstrate a basic understanding of the Sites’ policy on waste management;
  o explain the training they received on effective methods of managing waste.

• Other stakeholders can:
  o describe frequency, content and nature of consultations with Sites’ personnel related to waste management if applicable relevant workers (such as management and those who handle waste) can confirm they have received training on the policy and effective methods of managing waste.

• Assessors’ observations confirm:
  o that waste is stored, labeled, and handled in line with Sites’ waste management procedures.

II. Key References

Internationally Recognized Frameworks

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

• ISO 14001: 2015 Environmental Management System

International Conventions and Treaties

• The Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal

Additional Reading

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

• 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:
  o identify opportunities to minimize scrap;
  o identify opportunities to promote collection, reuse and recycling of products at their end-of-life;
  o increase the recovery, reuse, and recycling of materials.

• Document a program to monitor progress towards meeting material stewardship goals, including:
  o set, document, and incorporate into management systems measurable, credible targets for material stewardship;
  o 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:
Policies & Procedures

- Procedures for undertaking life-cycle impact assessments.
- Material stewardship program monitoring procedures.

Records

- Diagram and/or description of the Sites’ manufacturing and/or business process demonstrating all inputs of materials, all internal material flows (such as the re-use or recycling of scrap), and all material outputs (including but not limited to finished products, intermediary products and waste).
- Completed life-cycle impact assessment records.
- Data collection files monitoring the amount of scrap generated, recovered, re-used, and/or recycled, and reduction targets.

Plans

- Development and implementation of plans to recover, re-use, and/or recycle materials to promote material stewardship.

Reporting & Communication

- Disclosure (website, annual reports, regulatory submissions) of third-party assurance of data on materials used, recycling rates, etc.

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 policies and procedures related to the stewardship of materials, such as to reduce scrap and increase re-use and recycling of materials;
  - describe Sites’ impact assessments related to the life cycle impacts of materials and demonstrate knowledge of the date from and results of assessments;
  - describe how the use of materials including scrap are monitored and measured;
  - describe efforts taken to reduce, re-use and recycle materials;
  - describe the results of consultation with stakeholders relating to the stewardship of materials;
  - describe clear lines of accountability and responsibility for the oversight and implementation of steps taken to steward materials throughout Sites’ operational lives.

- Workers can:
o describe which measures they take to reduce, re-purpose, re-use and
recycle materials;
o confirm they have received training on the policy and effective methods
for the stewardship of materials;
o describe the training received to implement such measures.

- Stakeholders can:
o confirm their perspective regarding the actual or potential impact on their
lives and environment from Sites’ materials stewardship policies;

- Assessors observe:
o the material flow and internal control measures, including how process
scrap is collected or materials are collected and recovered.

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:


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

- ICMM, Maximizing Value: Guidance on implementing materials stewardship
  in the minerals and metals value chain
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:
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.
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;
• Records of meetings with worker representatives and other relevant stakeholders.

Contracts & Agreements

• Terms of reference for an independent body to review the Sites’ tailings strategy and performance;
• Terms of reference or contract with a competent technical firm to confirm the appropriateness of the tailings’ disposal and storage strategy.

Reporting

• Public reports and recommendations from the independent tailings review body.

External Assurance & Inspections

• Third-party assurance of conformance with the GISTM.

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 from Criterion 1 on Management Systems and Criterion 2 on Impact Assessment should be considered:

• Management can:
  o Describe examples of key indicators used to monitor risks at tailings facilities;
  o Describe procedures for consulting with workers, organized labor groups, local authorities, and other external stakeholders on tailings management;
  o Describe the concerns of local stakeholders regarding tailings management;
  o Describe regulations in the country of operation regarding tailings, waste management, and emissions;
  o Demonstrate knowledge of industry best practices for tailings management, and especially the Global Industry Standard on Tailings Management.

• Employees can:
  o Demonstrate a thorough understanding of monitoring procedure, indicators, and internal and external reporting requirements on tailings management;
  o Demonstrate a thorough understanding of which external stakeholders are most affected by the potential or actual impacts from tailings.

• Stakeholders can:
  o Describe the frequency, content, and nature of consultation meetings with the Sites’ personnel as part of the planning for and design of tailings facilities or other forms of disposal;
  o Demonstrate awareness of the Sites’ tailings emergency response plan and have been trained in their participation and required response in the case of catastrophic failure;
o Confirm whether the Sites are conducting its operational activities in conformance with national and local regulations on tailings management;

o Describe whether there will be a lasting residual impact from closure from permanent structures related to tailing facilities or tailings disposal systems.

• Assessors observe:
  o The existence of the monitoring points and the process of collecting, recording, and reporting monitoring data related to tailings management;
  o The measures taken to prevent spills and leakage and avoid contamination of soil;
  o Whether there is no uncontrolled discharge from tailings and other waste impoundments, dams, or containment facilities.

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:


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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.

I. Implementation:

a. Relevance

Biodiversity is the term used to refer to the variety of living species, including plants, animals, bacteria, and fungi; the habitats where they flourish; and entire ecosystems that depend on species for healthy ecological functioning. The importance of biodiversity and its conservation is recognized by the UN Sustainable Development Goals and by the UN Convention of Biological Diversity.

While living species are found everywhere, the richness of biodiversity and its importance is unequally distributed. This means that while Sites' operational activities can adversely impact biodiversity in most locations, irrespective of their size, function, or position in the value chain, this Criterion is most relevant to Sites with operational activities that take place in natural environments. Natural environments include, but are not limited to, forests, plantations, wetlands, mountain ranges, deserts, rivers and lakes, the ocean, and farmlands.

Also, governments designate some areas within their jurisdictions for their special importance for biodiversity – such as national parks, nature reserves, and zones of special scientific interest – and protect their natural features by law. Generally, in the minerals value chain, mining, mineral processing, and transport are the activities most often located in natural environments and most likely to be near to designated and protected areas. This Criterion therefore is most relevant to Sites involved in these activities.

b. Core Requirements

Sites are expected to avoid, minimize, restore, and compensate for adverse impacts...
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;
  o 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:
  o populations of individual species.
  o richness of biodiversity, which means the number of species found in an area.
  o evenness of distribution of biodiversity.
  o threats to individual and fragility of species, habitats, and ecological functioning.
  o historical trends of biodiversity and conservation status.
  o short- and longer-term impacts on biodiversity from climate change.
  o commercial and subsistence crop and tree species grown on productive lands.
  o 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.
  o 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.
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.

- 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:**
  o demonstrate an understanding of the Sites’ policies and procedures related
to operating in or near areas protected and designated for their conservation
values;
  o describe the proximity of Sites’ operational activities to areas of high
biodiversity conservation value.

• **Workers can:**
  o demonstrate a basic understanding of the Sites’ policy on biodiversity
management and protected areas and to whom to ask for more information
on the presence of such areas affected by or near Sites’ operational activities;
  o demonstrate knowledge on whether and where Sites’ operational activities affect or are near to a protected area.

- **Stakeholders can:**
  o confirm that their perspective regarding the actual or potential impact on biodiversity and protected areas from Sites’ operational activities do or potentially will affect their traditions, livelihood, and health;
  o confirm that options for alternatives to operational activities in critical habitats were explored with relevant planning authorities and conservation groups working locally, where applicable.

- **Assessors observe:**
  o that there are no operational activities taking place in protected areas or in the buffer zones of protected areas;
  o the presence of qualified personnel to conduct risk and impact assessments on biodiversity and to monitor the performance of the biodiversity management system.

### 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 International Finance Corporation (IFC) Performance Standard 6 (PF6) on Biodiversity Conservation and Sustainable Management of Living Natural Resources (2012)**
- **ISO 14001 on Environmental Management**

#### International Conventions and Treaties

- **The (Ramsar) Convention on Wetlands.**
- **The United Nations Convention on Biological Diversity**
- **UNESCO World Network of Biosphere Reserves**

#### Additional Reading

The following literature may be useful for guidance when implementing this criterion:
• The Akwé Kon Guidelines, developed under the Convention on Biological Diversity
• British Standards Institution, BS 8683 Process for designing and implementing Biodiversity Net Gain
• The Business and Biodiversity Offset Programme (BBOP)
• The Global Invasive Species Database (GISD)
• High Conservation Value Areas (HCVAs) Network
• The International Association of Impact Assessment principles on Biodiversity and Ecosystem Services in Impact Assessment
• The Integrated Biodiversity Assessment Tool (IBAT)
• International Council on Mining and Metals, The Good Practice Guidance for Mining and Biodiversity
• The International Union for Conservation of Nature (IUCN) Protected Area Categories
• The IUCN Red List of Threatened Species
• The IUCN Policy on Biodiversity Offsets
• Key Biodiversity Areas (KBAs) Partnership
• The UNEP World Database on Protected Areas
• SBTN Initial Guidance
• UNEP WCMC Biodiversity Indicators for Extractive Companies.
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 wildly 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 (SOx)
    - nitrogen oxides (NOx)
    - volatile organic compounds (VOCs)
  - pollutants to water, such as:
    - oil and fluids from machinery and production equipment
    - runoff from waste storage and facilities
human waste

- discharge of water from processing

- pollutants to soil and land, such as:

  - oil and fuel spills
  - hazardous substances and chemical spills

- light pollution, such as:
  - continual or intermittent lighting from buildings and in public spaces

- noise pollution, such as:
  - loud noises from operational activities, such as controlled explosions at mining Sites, sirens, or heavy traffic; and

- visual pollutants, such as:
  - single prominent or cumulation of many built features associated with Sites that interrupt landscape features and character and reduce visibility.

If baseline sampling was not completed before the start of operations, Sites should consider historical or synthetic data to establish an approximate baseline.

4. **To implement a system to manage adverse impacts caused by pollution,**

   which means to incorporate pollution into a management system in line with Criterion 1 on Management Systems.

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

   - ensure that the air, soil, water quality; noise and lights levels; and infrastructure and buildings’ plans and final construction associated with operational activities and in scope of Sites’ impact assessments comply with relevant national or international standards in line with Criterion 5 on Legal Compliance.

   - set and integrate pollution prevention and mitigation targets within project design and operational activities through a documented mitigation plan, which means Sites should:

     - ensure that workers’ personal protective equipment is appropriate and commensurate with prevailing noise levels in line with Criterion 21 on Occupational Health and Safety;

     - ensure that all light pollution prevention and mitigation methods take into consideration occupational health and safety and security requirements for appropriate lighting in line with Criterion 21 on Occupational Health and Safety;

     - ensure measures are taken to avoid and minimize impacts of vibration, including by:

       - using active vibration reduction systems that help isolate excessive vibration;
substituting high vibration tools with lower vibration ones;
performing regular maintenance on equipment;
minimize visual pollution by taking particular care to avoid visual impacts on landscapes and views; and,
where there are permitted exceptions to ambient quality, noise, and light levels, agree and document agreement with appropriate regulatory bodies.

- compensate for residual adverse impacts from pollutants from operational activities when all other measures have been taken to avoid, minimize and rectify such impacts. Compensation may take different forms including, but not limited to:
  - providing stakeholders with alternate land or resources providing equal or greater benefits;
  - financial provisions to maintain a standard living sustained prior to the impacts from pollution.
- set, document, and incorporate into management systems measurable, credible targets for avoiding and minimizing adverse impacts from pollution.
- establish monitoring procedures and protocols to track progress towards meeting the targets set out in the plans to avoid and minimize adverse impacts from pollution.
- assign qualified managers and workers to implement monitoring responsibilities.

5. To Publicly Disclose performance, which means to disclose at least annually all relevant information needed to inform stakeholders clearly of the Sites’ pollution-related risks and impacts, plans, actions, goals and targets, and performance to mitigate such impacts 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 committing to the implementing of processes for avoiding, minimizing, and compensating for adverse impacts on human health and the environment from pollution.
- Procedures for avoiding and minimizing adverse impacts on air, land, and water and from noise, light and visual pollution.

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;
o describe measures taken to protect them where relevant from pollutants, excessive noise levels, vibration.

- **Stakeholders can:**
  o community members that are affected by Sites’ operational activities are able to demonstrate a basic understanding of Sites’ procedures for pollution reduction;
  o community members that are affected by Sites’ operational activities are able to describe how Sites engage with them on issues relating to pollution.

- **Assessors observe:**
  o measures are taken to avoid and minimize adverse impacts from 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)

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**

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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


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).

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“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


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

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**

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).


\(^{16}\) 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:

- 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.

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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

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20 Adapted from Joint Due Diligence Standard for Copper, Lead, Nickel and Zinc, p. 40
A method used to evaluate the environmental impact of a product through its life cycle encompassing extraction and processing of the raw materials, manufacturing, distribution, use, recycling and final disposal.

**Light pollution**
The presence of unwanted, inappropriate, or excessive artificial lighting.

**Living Wage**
Remuneration received for a standard work week by a worker in a particular place sufficient to afford a decent standard of living for the employee and his or her family. Elements of a decent standard of living include food, water, housing, education, health care, transport, clothing and other essential needs including provision for unexpected events.

**Management System**
A management system is a set of operational procedures, practices, plans, and related documents that are established to implement policies and fulfilment of tasks required to achieve an objective, including the avoidance and management of adverse issues related to the areas covered by the Criteria, or "aspects" associated with a business’s activities. For these areas, the steps involved in a management system typically include identification and assessment of issues; setting of objectives, developing action plans and assigning responsibilities; implementing action plans through establishing procedures, communication, and training; monitoring and tracking progress; and taking action to correct and prevent identified issues. The final step is a review of the aspects and objectives, adjusting the action plans as needed and recording 'lessons learned' for future training. Management systems can be integrated and address more than one aspect. For example, an environmental management system may address biodiversity, GHG emissions, energy efficiency, waste management, etc.

**Material**
The term is used to indicate all *mined*, and/or *recycled material* received, held and/or processed during the *assessment* period, and intended for the production of *metal products*. The term includes *minerals* and *metal products*.

**Material Payments**
Important or relevant revenue streams. The EITI requires that all material benefit streams be published. According to the EITI Validation guide, a benefit stream is "material if its omission or misstatement could materially affect the final EITI Report."

**Material Stewardship**
An informed approach to materials management that addresses the maintenance of a material throughout its lifecycle and provides a model for preserving and extending the 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.\(^\text{22}\)

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 environment\(^\text{23}\).

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


\(^{23}\) IFC PS 1, Assessment and Management of Environmental and Social Risks and Impacts.
Is the process by which proceeds from a criminal activity are disguised to conceal their illicit origins.\textsuperscript{24}

**Natural Resources**

Materials or substances that are found in nature and used in human activities. For example, coal, mineral oil, natural gas, water and forest products.

**Net gain**

A goal for a development project, policy, plan, or activity in which the impacts on biodiversity it causes are outweighed by mitigation measures leaving biodiversity in a better state than before. Biodiversity net gain relies on the application of the mitigation hierarchy to avoid, mitigate, or offset biodiversity losses.

**Nitrogen Oxides (NOx)**

A term for any of several oxides of nitrogen, most of which are produced in combustion and considered to be atmospheric pollutants.

**No net loss**

A goal for a development project, policy, plan, or activity in which the impacts on biodiversity it causes are balanced by measures taken to avoid and minimize the impacts, to restore affected areas and finally to offset the residual impacts, so that no loss remains.

**Noise pollution**

Unwanted or excessive sound that can have harmful effects on human health, wildlife, and environmental quality.

**Non-hazardous waste**

Waste which is not classified as hazardous waste (non-hazardous waste can also include inert waste).

**Non-replicable cultural heritage**

Cultural heritage that is unique or relatively unique for the period it represents, or cultural heritage that is unique or relatively unique in linking several periods in the same site\textsuperscript{25}.

**Occupational health and safety**

Health and safety as it relates specifically to employment and the workplace environment.


\textsuperscript{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
Reclamation
To return the land disturbed by operational activities to the state before the commissioning of the Site, or to a state that is agreed by affected stakeholders.

Recovery
Operation wherein products, components of products, or materials that have become waste are prepared to fulfill a purpose in place of new products, components, or materials that would otherwise have been used for that purpose.

Recycling
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.

Remediation
Remediation and remedy refer to both the processes of providing remedy for an adverse impact and to the substantive outcomes (i.e. remedy) that can counteract, or “make good”, the adverse impact.\(^{27}\)

Replicable cultural heritage
Tangible forms of cultural heritage that can themselves be moved to another location or that can be replaced by a similar structure or natural features to which the cultural values can be transferred by appropriate measures.\(^{28}\)

Responsible business conduct
Responsible business conduct entails above all conduct consistent with applicable laws and internationally recognized standards. Based on the idea that you can do well while doing no harm, it is a broad concept that focuses on two aspects of the business-society relationship: 1) positive contribution businesses can make to sustainable development and inclusive growth, and 2) avoiding negative impacts and addressing them when they do occur. Risk-based due diligence and value creation are at the heart of this process.\(^{29}\)

Retaliation
Where a Site punishes a worker for exercising their rights in the workplace, such as making a complaint.

Royalty
Refers specifically to the individual methods by which money comes into a company, organization and/or government.\(^{30}\)


\(^{28}\) Ibid.


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.

and responsiveness by all parties to enable them to discuss and manage matters with the potential to affect all concerned.\textsuperscript{34}

**Sulfur Oxides (SOx)**
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.\textsuperscript{35}

**Traceability**
Physical tracking of minerals at all points of the trading chain, from their mine of origin to their point of export.\textsuperscript{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.\textsuperscript{37}

**Transparency**
Openness and public disclosure of activities.\textsuperscript{38}


\textsuperscript{38} EITI, \textit{The EITI Glossary} \url{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.  

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.

Water balance
Refers to an approach used to identify and map the flow of water in and out of a Site. A Site’s water balance comprises three main components: water withdrawals,
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.