



RESPONSIBLY
PRODUCED
COPPER



Annual Report

2022



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The Copper Mark

2022 marked the final year of “phase 1” of the Copper Mark, during which we focused on building strong foundations of responsible production across the copper value chain. By the end of 2022, over 20% of globally mined copper was produced by Copper Mark-assured sites and 46 sites participated in the assurance framework.

Recognizing the rapidly evolving expectations from customers and investors, we took the opportunity in 2022 to review our strategy for the next three years. The Copper Mark’s priority is to accelerate the development of responsible value chains to respond to market developments, while maintaining our focus on the critical impacts of copper production on people and the environment.

With a view to building a full value chain approach to responsible production, the Copper Mark began more direct engagement with the copper semis-fabricator industry. This included the pilot implementation of our assurance framework for semis-fabricator sites. We also published the first version of the Copper Mark Chain of Custody Standard, setting the rules to support product-level claims related to “Copper Mark copper”.

In relation to our standards, we focused in 2022 on the revision of the core set of requirements of the Copper Mark – the Risk Readiness Assessment. The revision is managed together with the Responsible Minerals Initiative and seeks to ensure the recognition and acceptance of the Risk Readiness Assessment as a credible set of criteria for responsible mineral production. During the first public consultation on the revised criteria, the Copper Mark and the Responsible Minerals Initiative received close to 400 comments, demonstrating the level of interest in the standard.

Together with our partners, the International Molybdenum Association, the International Zinc Association and the Nickel Institute, we opened our assurance framework for molybdenum, nickel and zinc producers to participate. This collaboration is making use of our existing standards and assurance process to promote responsible production practices across the different metals, while minimizing administrative burden and costs.

On governance, we reached the milestone of an equal number of industry and non-industry representatives on the Board of Directors. Our three non-industry directors bring expertise in sustainability, climate and environment as well as indigenous peoples rights. The team was strengthened with the addition of our Director of Standards and Partnership.

As an organization, we always look for ways to improve. In 2022, we began work to implement the recommendations from the gap analysis of the Copper Mark against the United Nations Guiding Principles for Business and Human Rights by adopting our Human Rights Policy. We also partnered with the Danish Institute for Human Rights to deliver an in-depth training to all our assessors on a human-rights based approach to auditing.

After three years of implementation, we have built a solid foundation for responsible production of copper through the Copper Mark assurance framework. We are excited to continue building our momentum and growing participation in the Copper Mark as we seek to build a full value chain framework.

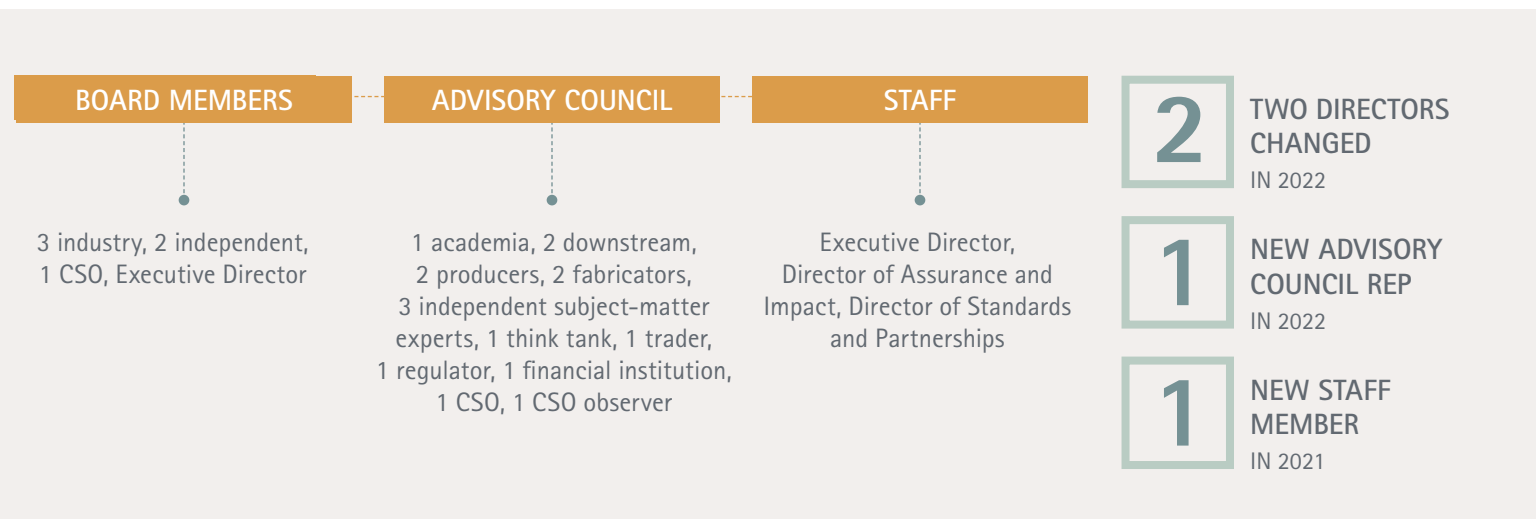


Over 20% of global mined copper now comes from Copper Mark-assured sites.

GOVERNANCE

In 2022, the Copper Mark achieved equal representation of non-industry and industry representatives in its Board of Directors. Non-industry representatives are Ian Cooke, independent sustainability and climate expert, Marielle Canter Weikel, Senior Director at Conservation International, and Cate Ballantyne, Chief Executive Officer of one of Australia's largest and most successful Native Title representative bodies.

The Copper Mark adopted a **Human Rights Policy**, aligned with the UN Guiding Principles for Business and Human Rights, formalizing our commitment to respect all internationally recognized human rights as relevant to our operations. It is supported by the **Copper Mark Due Diligence Procedure**, which defines the process, procedures and tools used by the Copper Mark staff to implement its Human Rights Policy.



COPPER PRODUCERS

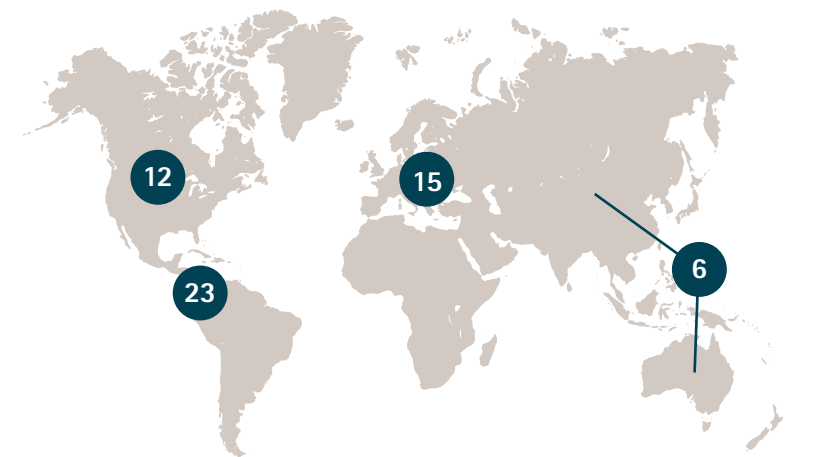
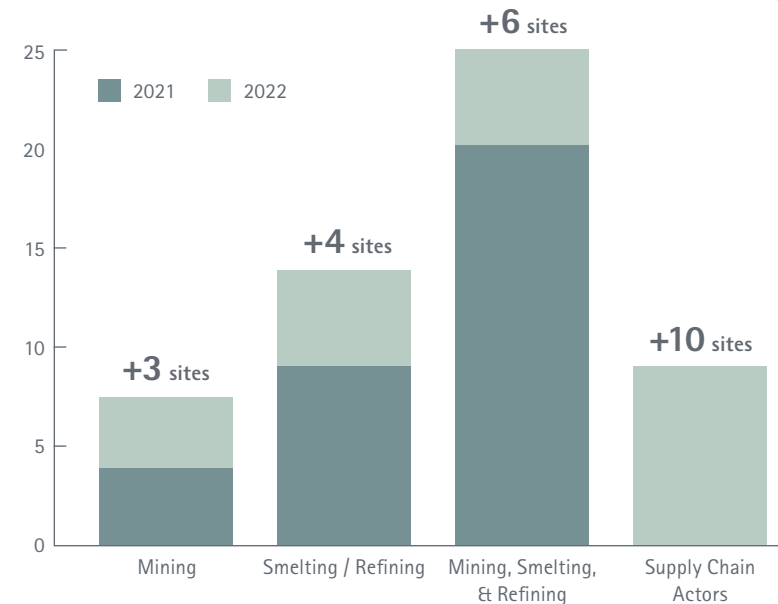
Participation in the Copper Mark grew by 42% in 2022, from 33 sites to 46 sites. Of the total participants, 17 sites received the Copper Mark. The Copper Mark began a pilot to implement its assurance framework with interested semi-fabricator sites. Listed as "supply chain actors," 10 semi-fabricator sites initially signed up for the pilot implementation.

PARTICIPATING SITES

2022 Participating Sites by Geography and Operational Type

Geography	Mining	Smelting / Refining	Mining, Smelting, & Refining	Supply Chain Actors
N. America	1	1	8	2
Latin America	4	2	16	1
Europe	—	8	—	7
Asia / Australia	2	3	1	—
Africa	—	—	—	—
Total	7	14	25	10

Growth in Participating Sites by Operational Type



17 sites received the Copper Mark in 2022 For a total of 35 sites.

▶ [VIEW THE FULL LIST OF COPPER PRODUCERS](#)

FINDINGS

In 2022, the criterion on Due Diligence in Mineral Supply Chains continued to show the most “partially meets”, followed by the criterion on Tailings Management.

Number of Sites that had a 'Partially Meets' for each of the following Criteria

Criterion 31: Due Diligence in Mineral Supply Chains.....	24	Criterion 4: Business Partners.....	9
Criterion 19: Tailings Management.....	12	Criterion 15: Greenhouse Gas (GHG) Emissions.....	6
Criterion 24: Community Development.....	9	Criterion 28: Indigenous Peoples Rights.....	6

JOINT DUE DILIGENCE

In 2022, molybdenum was added to the list of 'principle covered materials,' changing the name of the Joint Due Diligence Standard to 'The Joint Due Diligence Standard for Copper, Lead, Molybdenum, Nickel and Zinc.' 8 sites agreed to undergo an assessment against this standard in 2022, up from just 1 site that had a stand-alone assessment in 2021.

2022 Joint Due Diligence Standard Participation

Geography	Metals in Scope		
	Copper Only	Copper + Lead	Lead, Nickel, Zinc (no Copper)
N. America	–	2	1
Latin America	–	–	–
Europe	–	2	3
Asia / Australia	–	–	–
Africa	–	–	–
Total		4	4

COPPER PARTNERS

The Copper Mark welcomed 9 partners in 2022, signifying a growth in market demand for responsible produced and sourced copper. Many of the new partners come from different levels of the supply chain, closing the gap between the mine and end-user.

With the addition of nine partners in 2022, the Copper Mark now has **25 partners.**



Program

STANDARDS

The revision of the Risk Readiness Assessment (RRA) was the primary focus for standards in 2022. As part of the **Standard Setting Procedure**, the Copper Mark and the Responsible Minerals Initiative worked with a multi-stakeholder Technical Committee to release the draft RRA for the first of two public consultations. This was followed by intensive workshops and one-on-one conversations to receive stakeholder feedback to the draft, which was ultimately incorporated into the next iteration.

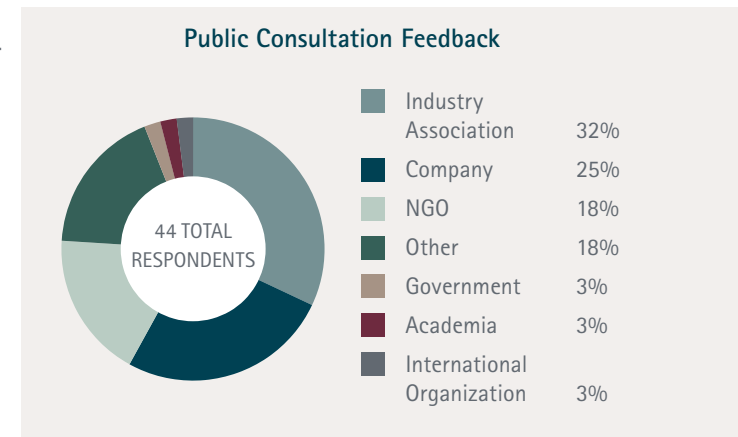
RISK READINESS ASSESSMENT

There are 18 members of the RRA Technical Committee and they can be roughly split between representatives of upstream, midstream, downstream/consumer-facing, SME consultants, civil society and academia. In 2022, the committee met 10 times.

STAKEHOLDER FEEDBACK: DRAFT RISK READINESS ASSESSMENT

Between 11 May and 17 June, RMI and the Copper Mark co-hosted 6 public workshops and 17 1-on-1 briefings with the aim of introducing interested stakeholders to the revised draft of the RRA and to receive feedback on the proposed revisions. Nearly 200 people participated.

RMI and the Copper Mark received 44 formal feedback submissions from 35 separate organizations during the public consultation period.



CRITERIA

All of the feedback received was discussed by the Copper Mark and RMI teams. Substantive feedback was further discussed with the Technical Committee. The Criteria that received the most comments during the public consultation period were as follows:

- Greenhouse Gas Emissions' Reductions (24 comments)
 - Climate Action (22 comments)
 - Impact Assessments (19 comments)
 - Responsible Supply Chains (19 comments)
 - Management Systems (16 comments)
 - Sustainability Reporting (12 comments)
 - Material Stewardship (12 comments)
 - Biodiversity and Land Management (12 comments)
 - Artisanal and Small-Scale Mining (11 comments)
- [▶ VIEW THE PUBLIC SUMMARY REPORT](#)

CHAIN OF CUSTODY

The Copper Mark Chain of Custody Standard sets the rules to support product-level claims related to “Copper Mark copper.” It seeks to increase transparency in copper supply chains and to bring responsibly sourced copper to the market. The Chain of Custody Standard is a voluntary add-on option to an assessment against the Copper Mark Criteria. It defines the requirements for a system of control and transparency for copper-containing products that move through a supply chain.

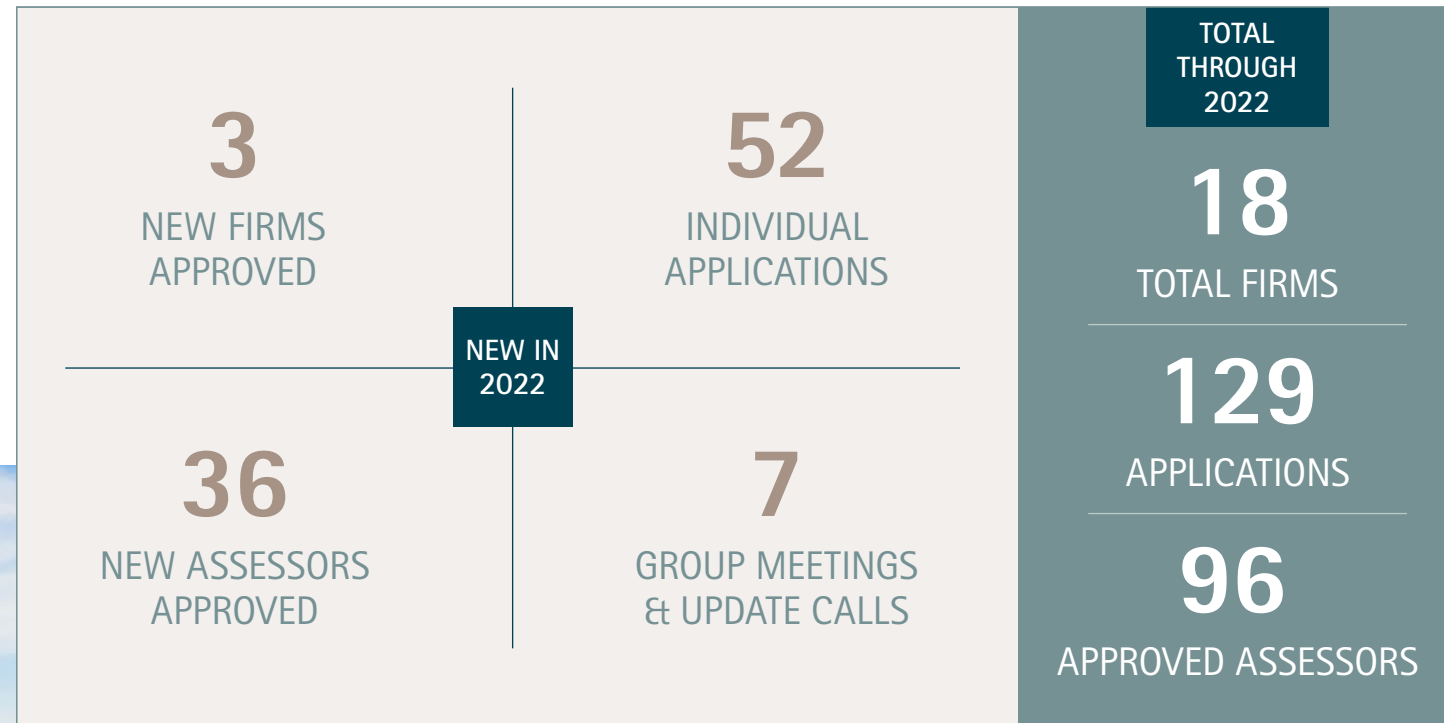
In 2022, the Copper Mark published the first version of the Chain of Custody Standard. Initial adoption and implementation by the Copper Mark participants started in late 2022.

ASSESSOR APPROVAL

Interest in becoming an approved assessor for the Copper Mark grew over the reporting period as implementation among producers gained traction. Applying a rigorous methodology, the Copper Mark approved, partially approved, or did not approve applications from across geographies and firms.

[▶ VIEW THE ASSESSOR MANAGEMENT PROCEDURE](#)

APPLICATIONS



RECOGNITION

STATUS

The Copper Mark was recognised by the following existing systems as being partially or fully equivalent:



The International Council on Mining and Minerals



London Metal Exchange Conditionally Approved Recognized "Track A" Standard, approved for "ISO 14001 / 45001 or equivalent"



Design for Freedom Toolkit Relevant Certification



The U.S. Green Building Council Company Standards for the Social Equity Pilot Credit

Copper producers' conformance with the Copper Mark Criteria is independently verified by approved assessors.

ASSURANCE PROCESS

HUMAN RIGHTS BASED APPROACH TO ASSESSMENTS

The Copper Mark strengthened the human rights based approach to its assessments:

- Detailed guidance for the engagement with stakeholders during the onsite assessment has been added to the Copper Mark Assurance Process in October 2022.
- Developed in a workshop with human rights experts, assessors, and participants, the guidance ensures the voices of rights-holders are sufficiently heard in a safe and respectful manner.
- The Copper Mark collaborated with the Danish Institute for Human Rights to deliver a 2 day, in-depth training course to its assessors and staff on how to apply a human-rights based approach to the assessment. The training was delivered in two sessions of two days for Europe / Americas as well as Asia / Europe time zones.



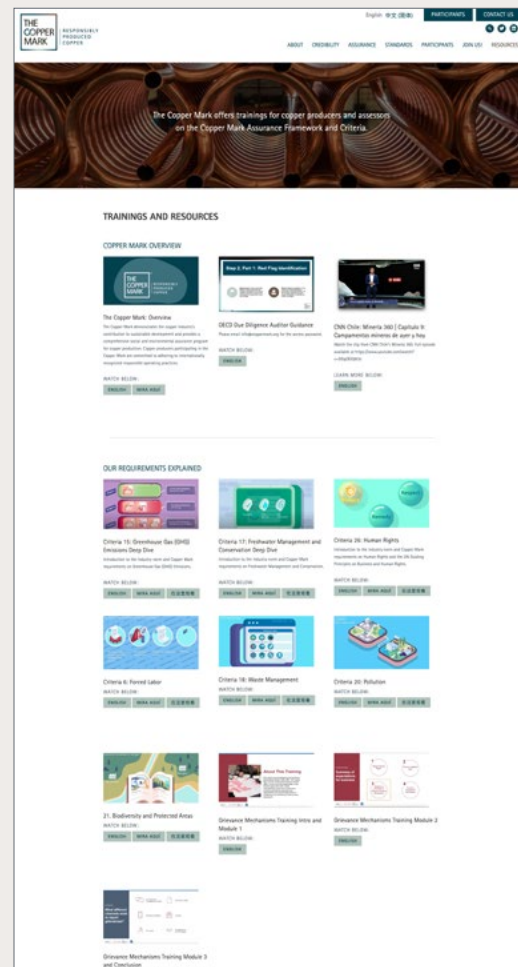
CAPACITY BUILDING

The Copper Mark continues to invest in training and capacity building. Online modules related to the Joint Due Diligence Standard for Copper, Lead, Nickel and Zinc as well as additional modules for the Copper Mark Criteria are available on the website in English, Spanish, and Chinese.

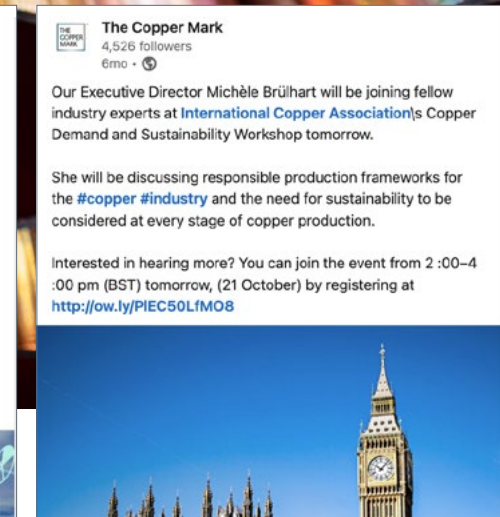
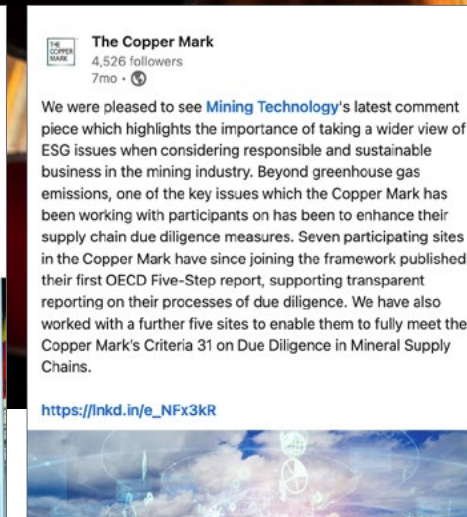
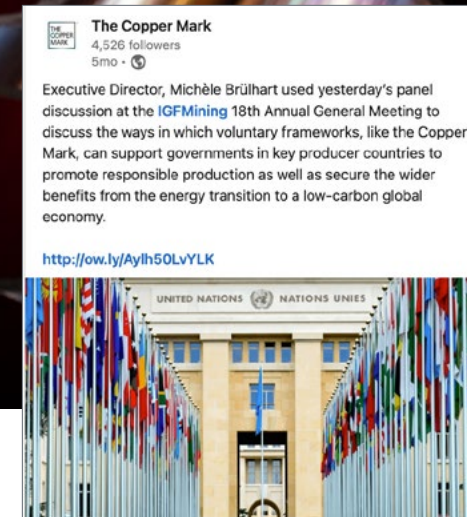
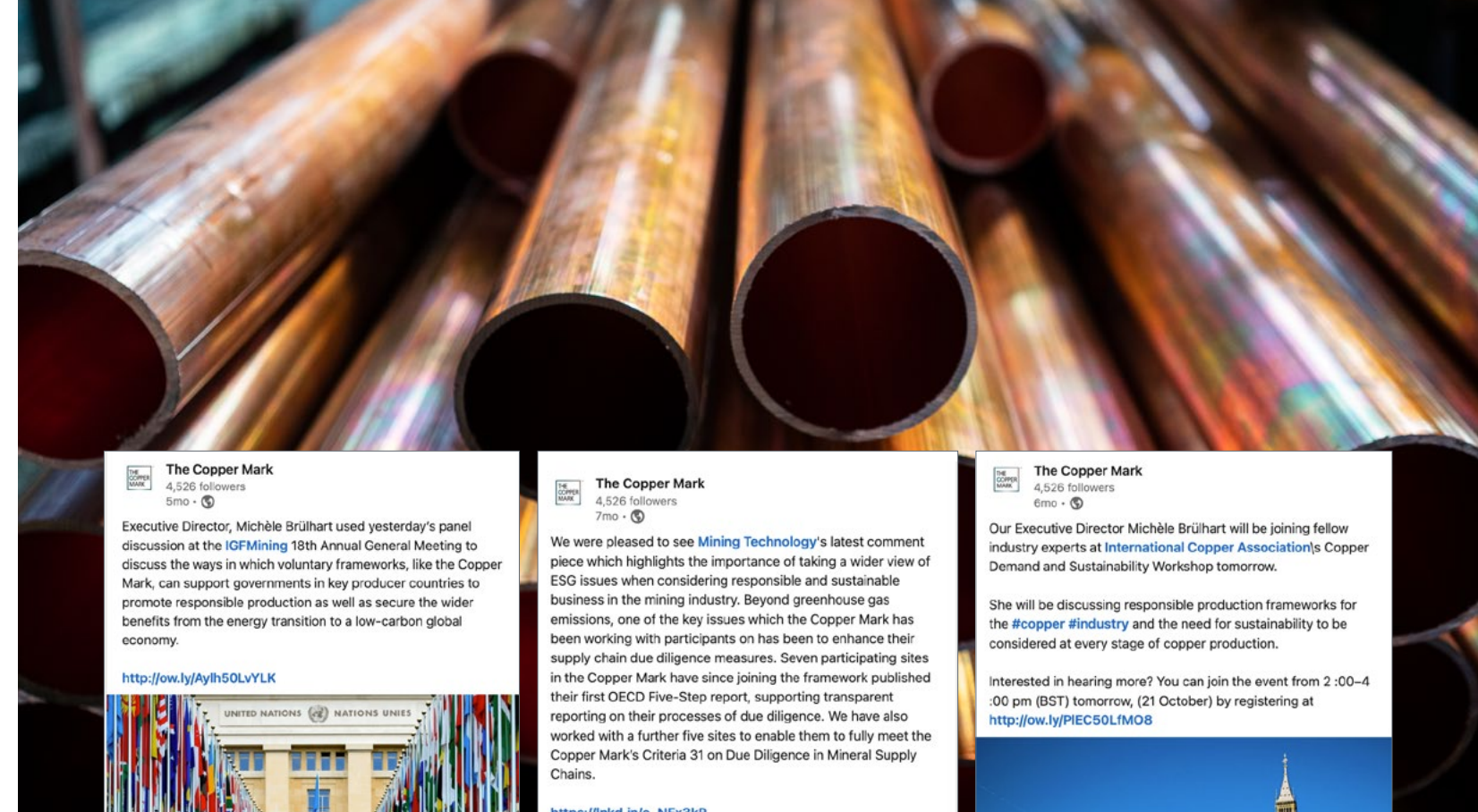
2022 Training Sessions

- Joint Due Diligence Standard training and exam
- Human rights-based approach to the assessment with the Danish Institute for Human Rights
- Grievance Mechanism Training with Aluminium Stewardship Council, Business for Social Responsibility, and Responsible Minerals Initiative

[▶ VIEW ALL TRAININGS AND RESOURCES](#)



The Copper Mark continues to invest in training and capacity building.




Stakeholder Engagement

In 2022, the Copper Mark spent significant time on stakeholder engagement. This included a workshop with representatives from civil society, human rights experts, assessors and participants to discuss how to strengthen the stakeholder engagement aspects of the assurance process. Staff also traveled to Chile and Peru to meet with representatives from industry and local civil society organizations in Santiago, Antofagasta, Arequipa and Cusco. The Copper Mark also hosted two supplier training sessions for partner organizations, and was a speaker at 16 events. For more information on how the Copper Mark engaged with stakeholders, see the section on RRA revision.

 16 Speaking Engagements

 1500+ Number of people reached

 Conversations with 900+ organizations

Driving Impact

MONITORING & EVALUATION SYSTEM

In 2022, we conducted a baseline study to be used in the Monitoring and Evaluation Report. The baseline data is used to measure progress over time. As part of this process, we looked at 63 producers, 165 end users, and 188 investors

The M & E System has the following objectives

To inform the Copper Mark leadership of opportunities to:

- 1 Modify the organization's **strategic goals** to reach the desired impact.
- 2 Improve organizational **processes** and implementation to achieve the strategic goals.
- 3 Be aware of potential negative impacts so that the organization can proactively **prevent and mitigate** them.
- 4 Incentivize participation in the Copper Mark, contributing to the critical industry mass necessary to **achieve** the intended impacts.
- 5 Provide transparency of the M & E System and its results, building external stakeholder **recognition and the credibility** necessary to achieve the long-term objectives and intended impacts.

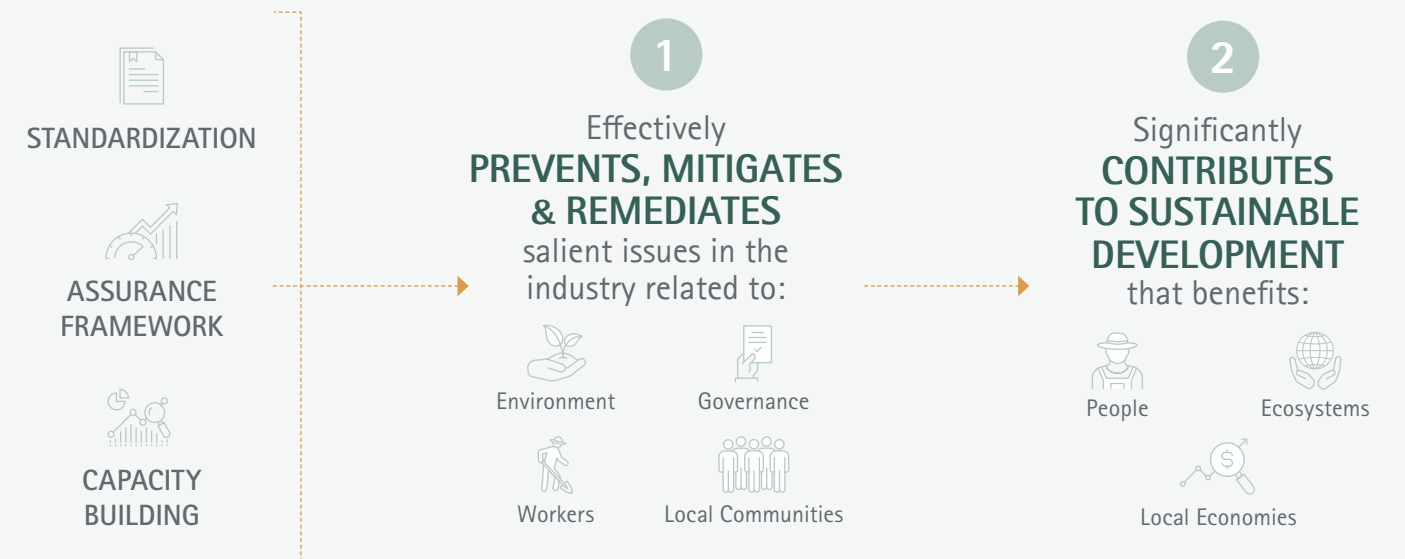
Short-Term Outcome	Indicators	Measurement Unit	2020
The market and investment community requires responsibly produced and sourced copper	Number of Copper Mark partners	Number of partners	6

Short-Term Outcome	Indicators	Measurement Unit	2020
Rights-holders confirm that conditions improve for people, ecosystems, and local economies	Number of Copper Mark partners	Number of Copper Mark partners from the financial sector	0
	Investor and other supply chain actor participation in the Copper Mark	Number of companies that are not partners / participants that engage in working groups	1

Measurement Unit	2020
Percentage of annual globally mined copper produced by sites with the Copper Mark	4%
Number of sites that have received The Copper Mark by EOY	5
Number of small and medium sites that have received The Copper Mark by EOY	0
Number of sites that have committed to a second (or more) assessment cycle	NA
Average number of "partially meets" per site in the first assessment of the cycle	1.6
% of sites that have achieved requirement to be "fully meets" within 24 months (includes those with granted extensions)	NA

THEORY OF CHANGE

The Copper Mark Theory of Change—developed in 2020—articulates the desired impact of the organization. It is intended to act as a guide to measure the effectiveness of the organization's activities.



[▶ VIEW THE THEORY OF CHANGE INFOGRAPHIC](#)

Grievances

In 2022, the Copper Mark received 1 grievance against a company and one specific site participating in The Copper Mark related to issues of environment and community relations. At the time of this release, the grievance is in the "4. Action" stage of the process.

Related Parties & Finance

The Copper Mark is financed primarily through annual fees of participating Copper Producers. The annual fee applies for each participating site and depends on the type and size of the operation. In addition, the Copper Mark benefits from a capital loan facility from the International Copper Association (ICA) and leverages funding through joint projects with partner organizations.

[▶VIEW THE 2022 AUDITED FINANCIAL REPORT | VIEW THE FEE SCHEDULE](#)


The Copper Mark works in an environment where open, honest communications are the expectation.



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