THE COPPER MARK — RESPONSIBLY PRODUCED COPPER

RRA v.3.0

November 2023

The RRA v3.0

Live as of 19 October!

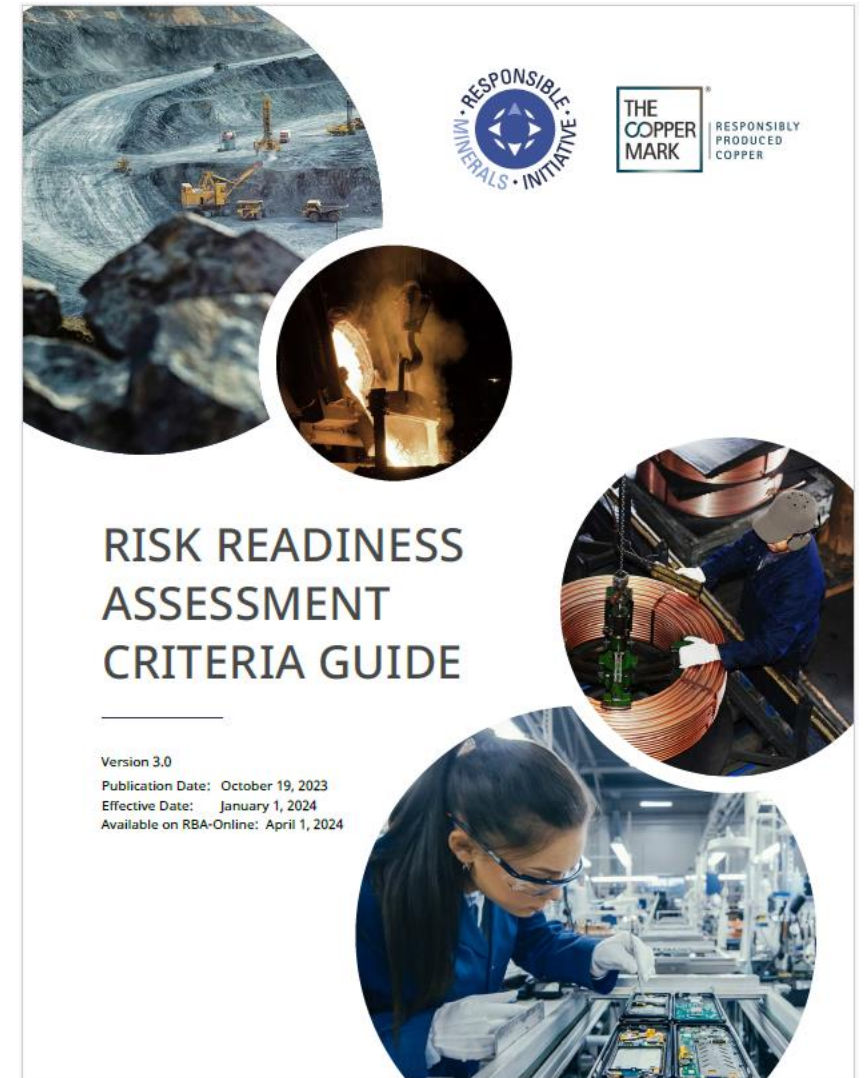The RRA Criteria Guide is available in:

English here   Chinese here
Spanish here   French here
Indonesian here

The RRA v.3.0

The RRA is a set of 33 criteria that serve as a **common standard of reference** for environmental, social and governance (ESG) performance **in mineral supply chains.**

The RRA Criteria Guide is a **guidance for users** and stakeholders that outlines **ESG management systems** and **due diligence practices** that Sites should implement to meet the Criteria. It includes explanatory text and frameworks of reference.

Brief History:

- First published in 2017 and first revised in 2019
- Second revision started in 2021 & conducted jointly by the RMI and the Copper Mark
- Over 80 users in the Copper Mark

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RRA v.3.0: The Revision Process

Objectives of the revision

| **Credibility** (ISEAL guided process)	**Auditability** (through third party verification)	**Comparability** (along supply chain)	**Regulatory preparedness**	**Clarity** (of wording)	**Responsiveness**
• Based on consultations with stakeholders, industry experts and a dedicated Technical Committee • Requirements meet stakeholder expectations and established norms of responsible business practice	• Requirements undergo a stress-test for clarity and auditability • Requirements can be met with reasonable sources of evidence	• One set of criteria that applies along the supply chain: mine to material processors • Based on dialogue and convergence of expectations between upstream and downstream supply chain actors	• Aligned with relevant regulatory frameworks, international conventions and global agreements	• Requirements for implementation and assurance clarified	• Responsive to findings of benchmarking with other responsible mining standards

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RRA revision process – Overview
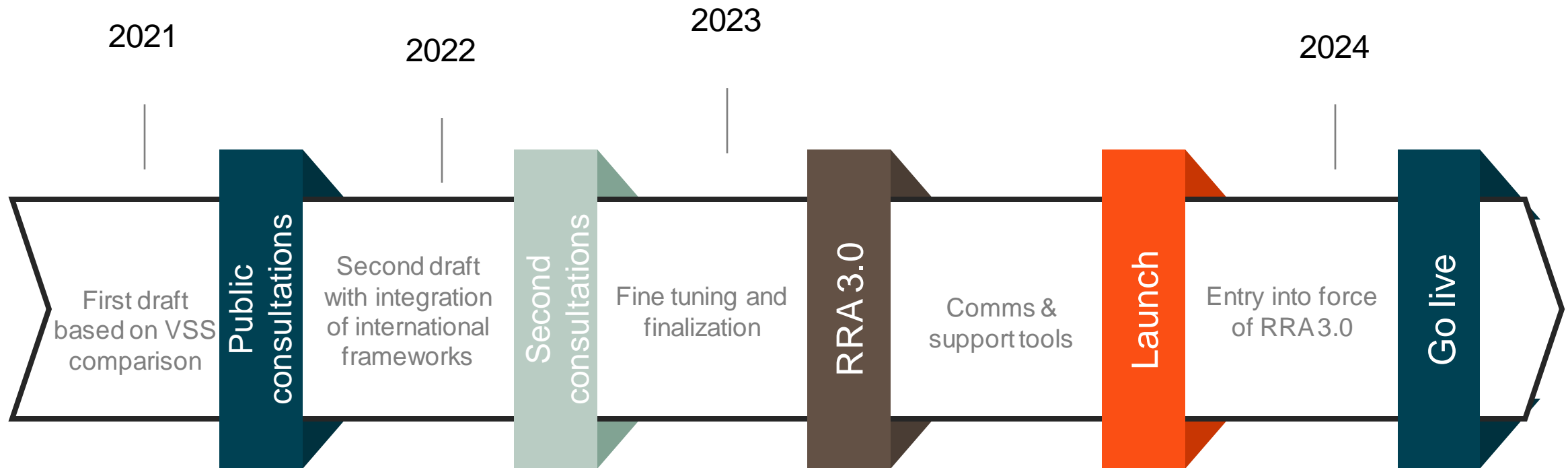
Standard Revision: Facts and figures

2 public consultations
10 public workshops
25 1-on-1 briefings for key stakeholders
676 formal comments received
23 Technical Committee meetings

Business Associations & Standards

Over 35 NGOs and International Organizations

RRA v.3.0: The highlights

RRA v.3.0: At a glance

33 Criteria

1 Criteria Guide

5 languages

E — Environmental criteria
(environmental stewardship, climate change)

S — Social criteria
(human rights, workers rights)

G — Governance criteria
(business transparency, integrity)

UNGP: Respect & Remedy

OECD: 6 step due diligence

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All Criteria restructured

Primary focus of the restructuring to **increase clarity, reduce prescriptiveness** and **provide consistency**

New structure

- **The commitment** – Highlights the overall policy commitment

- **The practice** – Defines actual practices expected to be in place

- **The management effort** – Defines level of effort expected to support the implementation of the practices e.g. resources, capacities, procedures etc.

- **The remediation (if applicable)** – Defines requirements to remediate adverse impacts

- **The reporting** – Defines what should be publicly reported

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RRA v.3.0: The Criteria

E

Climate Action	GHG Emission Reduction	Water Stewardship	Waste Management
Circular Economy	Tailings Management	Biodiversity & Productive Land	Pollution

S

No Child Labor	No Forced Labor	Freedom of Association	Non-Discrimination	Diversity, Equity, Inclusion
Employment Terms	OHS	Emergency Preparedness	Community H&S	Community Development
ASM	Security & Human Rights	Indigenous Peoples Rights	Land Acquisition & Resettlement	Cultural Heritage

G

Management System	Risk Assessment	Business Integrity	Revenue Transparency	Legal Compliance
Sustainability Reporting	Grievance Mechanism	Stakeholder Engagement	Mine Closure & Reclamation	Responsible Supply Chains

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Applicability table – Mining and co-located metal processing

APPLICABILITY	
Criterion	Mining and co-located metal processing (e.g. smelting, refining, roasting)
1. Management Systems	Yes
2. Risk Assessments	Yes
3. Business Integrity	Yes
4. Revenue Transparency	Yes
5. Legal Compliance	Yes
6. Sustainability Reporting	Yes
7. Grievance Mechanism	Yes
8. Stakeholder Engagement	Yes
9. Mine Closure & Reclamation	Yes
10. Responsible Supply Chains	Yes
11. No Child Labor	Yes
12. No Forced Labor	Yes
13. Freedom of Association and Collective Bargaining	Yes
14. Non-Discrimination and Harassment	Yes
15. Diversity, Equity and Inclusion	Yes
16. Employment Terms	Yes
17. Occupational Health & Safety	Yes

APPLICABILITY	
Criterion	Mining and co-located metal processing (e.g. smelting, refining, roasting)
18. Emergency Preparedness	Yes
19. Community Health & Safety	Yes
20. Community Development	Yes
21. Artisanal & Small-Scale Mining	Yes
22. Security & Human Rights	Yes
23. Indigenous Peoples' Rights	Yes
24. Land Acquisition & Resettlement	Yes
25. Cultural Heritage	Yes
26. Climate Action	Yes
27. Greenhouse Gas Emissions' Reductions	Yes
28. Water Stewardship	Yes
29. Waste Management	Yes
30. Circular Economy	Yes
31. Tailings Management	Yes
32. Biodiversity and Land Management	Yes
33. Pollution	Yes

Applicability table – Stand-alone metal processing & downstream

APPLICABILITY		
Criterion	Stand-alone metal processing (e.g. smelting refining and roasting)	Downstream processing, manufacturing and recycling
1. Management Systems	Yes	Yes
2. Risk Assessments	Yes	Yes
3. Business Integrity	Yes	Yes
4. Revenue Transparency	X	X
5. Legal Compliance	Yes	Yes
6. Sustainability Reporting	Yes	Yes
7. Grievance Mechanism	Yes	Yes
8. Stakeholder Engagement	Yes	Yes
9. Mine Closure & Reclamation	X	X
10. Responsible Supply Chains	Yes	Yes
11. No Child Labor	Yes	Yes
12. No Forced Labor	Yes	Yes
13. Freedom of Association and Collective Bargaining	Yes	Yes
14. Non-Discrimination and Harassment	Yes	Yes
15. Diversity, Equity and Inclusion	Yes	Yes
16. Employment Terms	Yes	Yes
17. Occupational Health & Safety	Yes	Yes
18. Emergency Preparedness	Yes	Yes

APPLICABILITY		
Criterion	Stand-alone metal processing (e.g. smelting refining and roasting)	Downstream processing, manufacturing and recycling
19. Community Health & Safety	Yes	Yes
20. Community Development	X	X
21. Artisanal & Small-Scale Mining	Yes	Yes
22. Security & Human Rights	Yes	X
23. Indigenous Peoples' Rights	X	X
24. Land Acquisition & Resettlement	X	X
25. Cultural Heritage	X	X
26. Climate Action	Yes	Yes
27. Greenhouse Gas Emissions' Reductions	Yes	Yes
28. Water Stewardship	Yes	Yes
29. Waste Management	Yes	Yes
30. Circular Economy	Yes	Yes
31. Tailings Management	X	X
32. Biodiversity and Land Management	Yes	Yes
33. Pollution	Yes	Yes

DISCLAIMER

While the following slides represent the main differences between RRA 2.0 and 3.0, they do not show every change.

Participants need to refer to the Criteria Guide to implement RRA 3.0. and should not rely on this slide deck.

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Governance Criteria

Governance Criteria – Criteria 1-10

- The governance criteria are designed to be crosscutting. For example, every social and environmental criterion requires a management system and a risk assessment.

- They constitute sets of practices that underpin the effective implementation of the other criteria. These include a system:
    - For the effective identification, prevention, mitigation and remediation of risks and impacts related to ESG issues.
    - For assessing, prioritizing and taking action on ESG risks
    - For reporting at least annually on material ESG issues based on the principle of impact materiality
    - To identify and map (potentially) affected stakeholders, ensure inclusive and meaningful engagement processes, publicly disclose identified impacts on stakeholders and the measures taken for their mitigation
    - To implement a corporate or site-level, comprehensive, integrated, iterative, and risk-based due diligence process.

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Governance Criteria – Criteria 1-10 (continued)

- The governance criteria are principally grounded in four frameworks:
  - OECD Guidelines for Multinational Enterprises on Responsible Business Conduct, 2023 Edition
  - OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, Third Edition
  - ISO 14001: 2015 Environmental Management System
  - ISO 45001: Health and safety management

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Governance criteria with only minor or no changes from RRA 2.0

- Criterion 3: Business Integrity

- Criterion 5: Legal Compliance
  - A requirement to implement a whistleblower hotline is the main change from RRA 2.0 to RRA 3.0

- Criterion 9: Mine Closure and Reclamation
  - A requirement to disclose performance against implementation of the mine closure and reclamation plan is the main change from RRA 2.0 to RRA 3.0

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Management Systems – Criterion 1 (new criterion)

Current practice

Many sites use their ISO certifications for equivalency with the Copper Mark's management systems requirements. **This is no longer possible.**

RRA 3.0 requirement

One set of holistic ESG management systems that:

- May be at corporate or site-level i.e. Sites may participate in and apply the policies, procedures and practices of corporate management systems governed by a parent company or group.

- May constitute several stand-alone, topic-specific management systems or combine several topics into one or a few management systems.

- Is based upon the UNGP steps of identification, prevention, mitigation, and remediation of ESG issues.

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Management Systems – Criterion 1 (continued)

In practice this means that:

- The management requirements of the OHS, Environmental Risk Management and Human Rights norms in RRA 2.0 are pulled into one criterion.

- Implementation of ISO 14001 on Environmental Management Systems and 45001 (on Health and Safety Management (or functionally equivalent) are required but not sufficient to meet this criterion. This is because:

  - Criterion 1 of RRA 3.0 is UNGP-based and so remediation is a key aspect of this criterion that is not covered in the ISO standards

  - The ISO commitment requirements are not grounded in international frameworks / conventions, nor do they require coverage of the ESG issues as defined in RRA 3.0

  - The ISO standards do not require a greater focus on individuals and groups that might be at greater risk of adverse impact due to marginalization, vulnerability or other circumstances, unlike RRA 3.0

  - The ISO management system approach is not rooted in the risk assessment approach used in RRA 3.0 which means that under ISO, it is acceptable for a site to prioritize risks to business and build its management system around that approach.

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Risk Assessment – Criterion 2 (new criterion)

Current practice

Most sites have a risk register that they use to prioritize risks, including ESG risks. This is usually assessed through a risk matrix (probability vs severity). However, those identified ESG risks are usually viewed through the lens of risks to the business, not risks to human rights or the environment.

RRA 3.0 requirement

Sites are required to carry out a scoping exercise to understand their ESG issues (defined as ESG risks and impacts, both actual and potential) and use that to prioritize based on 'impact'. An in-depth assessment should be carried out on those prioritized ESG issues.

- 'Impact' in this criterion does not mean impact on business but on human rights and the environment
- In addition to being a standalone criterion, as with other governance criteria, this criterion is embedded in all social and environmental criteria i.e. every criterion requires its own risk assessment.

In practice this means that:

Sites may continue to use their risk register but the lens that they use to view those risks may need to change. A risk may have minimal impact on the site but have significant impact on the human rights of affected stakeholders or on the environment

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Revenue Transparency – Criterion 4 **(significantly changed criterion)**

Current practice

Publicly support the implementation of the EITI and report in countries which implement the EITI.

RRA 3.0 requirement

- Publicly support the EITI principles regardless of the EITI status of the site's host country

- Publicly disclose payments in line with the EITI if the Site is located in an EITI implementing country and, if not, to disclose payments in line with one of the following:

  - The EITI
  - The Canadian Extractive Sector Transparency Measures Act
  - The European Union's Accounting (and Transparency) Directives
  - Section 1504 of the US Dodd-Frank Wall Street Reform and Consumer Protection Act

In practice this means that:

- A public statement, either at site-level or corporate level, supporting the EITI principles

- A site-level disclosure of **material** payments to governments including taxes, royalties, signature bonuses and all other forms of payment of benefits is required for all sites, not just those in EITI-implementing countries.

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Sustainability Reporting – Criterion 6 (significantly changed criterion)

Current practice

- Identify ESG issues that are material to the company

- Report annually on those issues and actions taken in line with internationally recognized standards (e.g. GRI)

- Establish targets for improvement over time

RRA 3.0 requirement

- Introduces the concept of '**impact materiality**' for identifying which ESG issues (defined as risks and impacts, both actual and potential) to report on. 'Impact' in this criterion does not mean impact on business but on human rights and the environment

- Sites should continue to utilize the internationally recognized standard or the combination of standards that is most appropriate e.g. GRI, SASB, TCFD etc.

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Sustainability Reporting – Criterion 6 (continued)

In practice this means that:

• Sites that do not implement GRI need to implement the concept of 'impact materiality' - a site's impact on the economy, environment and people for the benefit of multiple stakeholders. This differs from the 'financial materiality', required by ISSB and TCFD, and the 'double materiality' required by others e.g. the EU's new Corporate Sustainability Reporting Directive (CSRD).

• However, in RRA 3.0, sites should be assessing their risks using the same 'impact materiality' lens so reporting against those risks (and impacts) should be relatively straight forward

• Formal sustainability reporting may be implemented at Site or corporate level but sites are expected to generate, analyze data, and document results for all the material aspects of all Criteria.

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Grievance Mechanism – Criterion 7 (significantly changed criterion)

Current practice

The Employee Grievance Mechanism norm in RRA 2.0 focuses solely on employee grievances with non-employee grievances covered under stakeholder engagement and human rights

RRA 3.0 requirement

• Implement an operational-level grievance mechanism that covers all 'affected stakeholders' and is in line with the 'effectiveness criteria' defined in Principle 31 of the UNGPs (see Criteria Guide for explanation of effectiveness criteria)

• Provide, cooperate (or enable access) to remedy for adverse impacts that Sites have caused, contributed to, or been linked with.

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Grievance Mechanism – Criterion 7 (continued)

In practice this means that:

- There is a far greater emphasis on remedy in RRA 3.0

- Sites can meet this requirement by participating in a multi-stakeholder or institutional initiative that provides a grievance mechanism, if it is in line with Principle 31 of the UNGPs

- Sites may have more than one grievance mechanism i.e. one for employees and one for all others but any/all grievance mechanisms must meet this criterion

- A whistleblower hotline to report fraud/corruption is not sufficient to meet this criterion

Copper Mark trainings on grievance mechanisms (all in English):

- **Grievance Mechanisms Training Intro and Module 1**

- **Grievance Mechanisms Training Module 2**

- **Grievance Mechanisms Training Module 3 and Conclusion**

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Stakeholder Engagement – Criterion 8 (significantly changed criterion)

Current practice

Conduct and document a stakeholder mapping that is regularly updated and use it to develop an engagement plan.

RRA 3.0 requirement

Identify and map affected stakeholders, ensure inclusive and meaningful engagement and publicly disclose identified impacts on stakeholders and the measures taken for their mitigation

- Engagement needs to be timely, accessible, appropriate and safe for stakeholders, with special attention paid to engaging with stakeholders at heightened risk of vulnerability and marginalization
- Clarifies that where stakeholder engagement is the responsibility of the government, sites should collaborate with the responsible government agency

In practice this means that:

- The site's stakeholder mapping exercise may need to be updated if it does not identify and pay special attention to vulnerable and marginalized groups.
- Engagement cannot be 'one size fits all', each audience will have different needs that need to be considered, and could include, measures to address literacy, language and cultural-communication barriers.

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Responsible Supply Chains – Criterion 10 (significantly changed criterion)

Current practice

• In RRA 2.0, due diligence requirements are split between the Business Relationships norm and the Due Diligence in Mineral Supply Chains norm.

• In practice, sites often do not differentiate between their suppliers of minerals and metals and other goods and services in their due diligence systems

RRA 3.0 requirement

• Part 1: Grounded in OECD RBC, it expands supply chain due diligence requirements to all suppliers and all ESG risks (based on risk prioritization). It requires risk prevention and mitigation plans, remedy (where applicable), and outlines requirements for responsible disengagement as last resort.

• Part 2: Maintains the requirement to conduct mineral supply chain due diligence in line with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.

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Responsible Supply Chains – Criterion 10 (continued)

In practice this means that:

- Part 1:
    - This criterion requires that the same processes applied to the site for management systems and risk assessment are applied to the supply chain
    - Move from "significant suppliers" to **all** suppliers, though prioritization is still expected. Sites should prioritize based on the circumstances of their business e.g. types of business relations, risks related to geography or to sectors.
    - Due diligence must be conducted for **all** risks, including environmental risks (expanded from human rights and governance), though again, prioritization is expected. In line with the requirements of Criterion 2 Risk Assessment, the Site should prioritize based on severity and likelihood.
    - **Remedy** is required when adverse impacts actually occur and the site has caused, contributed, or is linked to that adverse impact
    - **Remedy** does not always mean financial compensation nor that a site is solely responsible. Collaboration in consultation with affected stakeholders is encouraged.
- Part 2, the requirement to conduct mineral supply chain due diligence in RRA 3.0, is dependent on where the site is in the supply chain
    - Mines, smelters, and refiners (and equivalent for other metals) are **required** to implement the Joint Due Diligence Standard for Copper, Lead, Molybdenum, Nickel, and Zinc or equivalent
    - Fabricators and other downstream manufacturers are **not** required to implement the Joint Due Diligence Standard, and should see guidance on how to embed mineral supply chain due diligence available here.

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Social Criteria

Social Criteria – Criteria 11- 25

- Social criteria refer to the respect and enhancement of the human rights and labor rights of workers, communities, and other affected stakeholders in line with internationally recognized frameworks.

- The social criteria are principally grounded in three frameworks:
  - The United Nations Guiding Principles for Business and Human Rights
  - The ILO Fundamental Conventions
  - The Voluntary Principles on Security and Human Rights

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Social criteria with only minor or no changes from RRA 2.0

- Criterion 11: No Child Labor
  - A requirement to remedy adverse impact is the main change from RRA 2.0 to RRA 3.0

- Criterion 13: Freedom of Association and Collective Bargaining
  - The remedying of adverse impact is the main change from RRA 2.0 to RRA 3.0

- Criterion 14: Non-Discrimination and Harassment
  - Greater detail provided on the types of discrimination and harassment to be prohibited and prevented

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Social criteria with only minor or no changes from RRA 2.0 (continued)

- Criterion 19: Community Health & Safety
  - A requirement to disclose impacts, planned actions, progress and results related to community health and safety is the main change from RRA 2.0 to RRA 3.0

- Criterion 22: Security and Human Rights
  - Requirements to remediate security-related impacts on affected stakeholders, caused by security staff or provider misconduct and to publicly disclose risks, planned actions, progress and results are the main changes from RRA 2.0 to RRA 3.0

- Criterion 24: Land Acquisition and Resettlement
  - A requirement to disclose impacts, planned actions, progress and results is the main change from RRA 2.0 to RRA 3.0

- Criterion 25: Cultural Heritage
  - A requirement to disclose impacts, planned actions, progress and results is the main change from RRA 2.0 to RRA 3.0

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No Forced Labor – Criterion 12 (significantly changed criterion)

Current practice

Implement policies, procedures and practices (a management system) to prevent any forms of forced labor or participate in the acts of human trafficking.

RRA 3.0 requirement

- A requirement to remedy any identified instances of forced labor

- A requirement to prohibit, prevent and remedy instances of prison labor

- Adherence to internationally recognized responsible recruitment principles (see Criteria Guide for an explanation of these principles) are the main changes.

In practice this means that:

Responsible recruitment principles are defined as hiring workers lawfully, and in a fair and transparent manner that respects their dignity and human rights. Those sites implementing RRA 2.0 should already be doing this through the implementation of norms on legal compliance, human rights, employment terms, remuneration, freedom of association and employee grievance mechanism.

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Diversity, Equity and Inclusion – Criterion 15 (new criterion)

Current practice

The Gender Equality norm in RRA 2.0 is the norm that most closely resembles this criterion but represents just one small part of the DEI criterion

RRA 3.0 requirement

- Sites are expected to

  - Ensure equity for all persons in the workplace

  - Respect the diversity of all workers

  - Foster an organizational culture of inclusivity and respect for fundamental rights and dignity.

In practice this means that:

- Identify gaps and needs and develop an action plan based on those to promote diversity, equity and inclusion so that all workers and suppliers feel respected, included, valued and treated fairly. For example, are religious practices accommodated and if not, are there reasonable adjustments that can be made to do so?

- This criterion is the positive counterpart to Non-Discrimination and Harassment – Criterion 14.

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Employment Terms – Criterion 16 **(new criterion)**

Current practice

Some of the requirements in the Employment Terms criterion are in either the norms on working hours or remuneration

RRA 3.0 requirement

- Expands the requirements contained in the norms on working hours and remuneration to include social benefits, disciplinary actions, accommodation and provisions of worker contracts.
  - Requires a commitment to respect limits to working hours and overtime, meet or exceed minimum legal wages and provide paid holidays, and provide adequate and decent accommodation.
- Copper Mark guidance on working hours is now incorporated into RRA 3.0

In practice this means that:

- Sites should provide written employment agreements that are mutually agreed upon
- Sites should determine the living wage in their region or country of operation, assess the gap to minimum paid wages and develop a plan towards the payment of the living wage to all workers
- Sites should explain to workers how to access a grievance mechanism in the instance they feel they have been subjected to unfair employment terms

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Occupational Health & Safety – Criterion 17 (significantly changed criterion)

Current practice

An internal management system that is aligned with a recognized occupational, health and safety framework e.g. ISO 45001

RRA 3.0 requirement

Sites are required to implement ISO 45001 (or functionally equivalent) but it is not sufficient to meet this criterion. RRA 3.0 also requires:

- Sites to establish a baseline on relevant OHS data and information
- Sites to provide for or participate in remedy if an incident arises in its operations
- Sites to publicly disclose impacts, planned actions, progress and results related to OHS

In practice this means that:

- The implementation of ISO 45001 (or functionally equivalent) will mean that sites will meet the vast majority of the requirements in this criterion
- The remediation of adverse impacts e.g. the implementation of a procedure or process to evaluate effective remediation steps in consultation with impacted workers and their representatives is likely already occurring but must be confirmed to meet this criterion.

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Emergency Preparedness – Criterion 18 **(new criterion)**

Current practice

Some, but not all, of the requirements in the Emergency Preparedness criterion are in the norms on Tailings Management, Occupational Health and Safety and Community Health and Safety.

RRA 3.0 requirement

Sites are expected to enable workers and affected stakeholders to keep themselves and others safe in the event of an emergency. This means that sites should:

- Identify potential emergency scenarios
- Implement an action plan to manage emergency response
- Implement a management system for emergency response
- Remediate adverse impacts
- Publicly disclose risks, planned actions, progress and results related to emergency repose

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Community Development – Criterion 20 (significantly changed criterion)

Current practice

The Community Development norm is focused predominantly on economic development and is broad in scope with few specific requirements.

RRA 3.0 requirement

- Sites are expected to contribute to the economic and social development of affected communities through the implementation of a system to positively contribute to community needs

- Sites are expected to disclose progress on community development and addressing community needs

- Sites are specifically expected to implement a strategy for local procurement.

In practice this means that:

Sites should review and ensure that their strategy includes social development and local procurement and, if necessary, update the strategy and implement it.

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Artisanal & Small-Scale Mining – Criterion 21 **(significantly changed criterion)**

Current practice

Facilitate the formalization of legitimate ASM in the sphere of influence of the site

RRA 3.0 requirement

- Sites are expected to:
  - Identify the risks of adverse impacts on ASM, which means to assess human rights and environmental risks and impacts associated with ASM in the Site operational activities **or within its supply chain**
  - Implement an action plan to prevent and mitigate adverse impacts on ASM, including through the professionalization and formalization of ASM operators
    - For Sites that are directly or indirectly sourcing from ASM, this means to implement supply chain due diligence in line with Criterion 10 on Responsible Supply Chains

In practice this means that:

Depending on circumstances, engagement with ASM may be best undertaken via 3rd party initiatives, including multi-stakeholder ones, that support the formalization of ASM.

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Indigenous Peoples' Rights – Criterion 23 (significantly changed criterion)

Current practice

Implementation of a management system to respect the rights of Indigenous Peoples FPIC; avoid adverse impacts on Indigenous Peoples' lands, livelihoods, resources, and cultural heritage; and develop and implement an Indigenous Peoples' engagement plan.

RRA 3.0 requirement

- Sites are expected to:
  - To identify risks to and impacts on Indigenous Peoples' lands, livelihoods, resources, and cultural heritage through consultation with relevant Indigenous Peoples.
  - To implement an action plan to respect Indigenous Peoples' rights (including the right to FPIC)
  - To remediate adverse impacts on Indigenous Peoples
  - To publicly disclose risks, planned actions, progress and results related to Indigenous Peoples' rights

In practice this means that:

If a site's management system for Indigenous Peoples does not explicitly have a process for ensuring remediation of adverse impacts, that should be included.

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Environmental Criteria

Environmental Criteria – Criteria 26 - 33

- Environmental criteria address alignment with global climate goals and circularity principles as well as the implementation of environmental management practices informed by the mitigation hierarchy.

- The environmental criteria are principally grounded in four frameworks:
    - The Paris Agreement, 2015
    - The GHG Protocol
    - The Global Industry Standard on Tailings Management
    - The Mitigation Hierarchy

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Climate Action – Criterion 26 (new criterion)

Current practice

Some of the requirements in the Climate Action criterion are in either the norms on Greenhouse Gas Emissions and Energy Consumption

RRA 3.0 requirement

Implement a comprehensive integrated climate change mitigation and adaptation strategy and plan, including:

1. Demonstrate a commitment to taking climate action that includes meeting the goals of the Paris Agreement and protecting facilities and stakeholders from the adverse impacts of climate change

2. Identify and assess all material causes and effects of climate change linked with the Sites' operational activities

3. To communicate commitment and assign responsibilities for implementation

4. Design and implement a Site-wide plan to mitigate and adapt to the adverse biogeophysical and social impacts of climate change

5. To publicly disclose impacts, planned actions, targets, progress and results related to climate change, at least annually

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Climate Action – Criterion 26 (new criterion)

In practice this means that:

- It is likely that sites that are implementing the norms on Greenhouse Gas Emissions and Energy Consumption are meeting the vast majority of the mitigation requirements in this criterion.

- Much of this criterion draws upon the requirements of other criteria within RRA 3.0. For example, climate mitigation measures can be found in:
  - Criterion 27 on Greenhouse Gas Emissions Reductions
  - Criterion 30 on Circular Economy and
  - Criterion 32 on Biodiversity and Productive Land.

- Adaptation measures can be found in :
  - Criterion 28 on Water Stewardship,
  - 31 on Tailings Management,
  - 32 on Biodiversity and Productive Land, and
  - 33 on Pollution.

- Carbon offsets are an acceptable mitigation measure when compensating for significant greenhouse gas emissions that cannot be avoided. However, 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.

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GHG Emissions' Reductions– Criterion 27 (significantly changed criterion)

Current practice

Quantify, establish reduction targets for and disclose CO2 equivalent emissions in line with established international reporting protocols (e.g. Intergovernmental Panel on Climate Change or GHG Protocol).

RRA 3.0 requirement

1. To identify and quantify GHG emissions and energy - **including material Scope 3 GHG emissions**

2. To engage with key stakeholders on progress related to the implementation of action plans and measurement of targets

3. Calculate and disclose site-level carbon emissions data

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GHG Emissions' Reductions– Criterion 27 (significantly changed criterion)

In practice this means that:

- The Copper Mark recognizes there is no established, credible framework for calculating Scope 3 emissions and that data may be incomplete or unspecific. Sites should be transparent on how they quantify and report their Scope 3 emissions and clearly state the assumptions that they have used in doing so.

- Goals that are aligned with the Paris Agreement are goals that meet the Paris Agreement objective of achieving net-zero GHG emissions (Scopes 1–3) by 2050 at the latest, in order to limit global warming to 1.5°C above pre-industrial levels.

- Targets should be science-based and developed using a recognized, robust and credible target setting methodology. Sites may use the Science Based Targets Initiative (SBTI) but are not required to do so.

- Targets are considered 'science-based' if they are in line with what the latest climate science deems necessary to meet the goals of the Paris Agreement.

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Water Stewardship – Criterion 28 (significantly changed criterion)

Current practice

Conduct a comprehensive assessment of water-use impacts and risks in collaboration with relevant stakeholders and to implement measures to ensure that water consumption does not restrict availability/access for other water users or reduce the range and populations of fauna and flora in the catchment area of the site / facility.

RRA 3.0 requirement

- Extends the scope of the requirements to seabed and marine environments (if applicable)

- Explicit requirement to implement the mitigation hierarchy to address risks related to water use and quality

- A requirement to 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

- Explicit requirement to remediate adverse impacts associated with a site's operational activities, whether current or historic

- Publicly disclose risks, planned actions, progress and results related to water stewardship

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Water Stewardship – Criterion 28 (continued)

In practice this means that:

- If a site's water management strategy does not include seabed and marine environments, the strategy should be reviewed to see whether changes need to be implemented

- It is likely that sites are implementing the mitigation hierarchy (to avoid, minimize, rectify, or compensate for adverse impacts), or a version of it, already to meet RRA 2.0. However, if they are not, management systems will need to be revised to ensure that the hierarchy is followed. Note, the Criteria Guide has an "Explanatory note" on the mitigation hierarchy.

- The requirement to 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 is premised on the basis that those are identified risks for the site.

- Remediation in this context means restoration to people. For example, if the operational activities of a site means that a community can no longer fish in a body of water, that would be an adverse impact for the site to remediate, either by ensuring that the community's ability to fish there is restored or by remediating the community for their loss.

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Waste Management – Criterion 29 (significantly changed criterion)

Current practice

Implement a risk-based waste management system that includes a commitment to the 'waste hierarchy' and is applicable to all waste types

RRA 3.0 requirement

- For hazardous waste, compliance with the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal.

- Establish a waste management baseline for impact associated with Site operational activities

- Document a program to monitor progress towards meeting waste management goals

- To remediate adverse impact associated to a Site's operational activities

- To publicly disclose risks, planned actions, progress and results related to waste management

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Waste Management – Criterion 29 (continued)

In practice this means that:

- A site should first assess whether it transports any hazardous waste across boundaries and if yes, whether it is doing so in compliance with the Basel Convention

- If goals for waste reduction are not part of a site's management system, the site should calculate a baseline and then develop goals that are measurable, credible and can be tracked

Circular Economy – Criterion 30 **(new criterion)**

Current practice

There is a small amount of overlap between the norm on Waste Management and this criterion

RRA 3.0 requirement

- Assess the circularity of materials and include credible targets for circular economy

- Implement a management system for circular economy to minimize the amount of pre-consumer scrap and waste generated in production process

- To implement a system to manage, as relevant to the scope of Sites' operations, the collection and recycling of materials at end-of-life.

- Sites are <u>encouraged</u> to monitor market expectations and regulatory requirements regarding supply chain due diligence on all types of scrap. Sites should <u>consider</u> implementing supply chain due diligence on scrap

- Review the effectiveness of the management systems by monitoring progress towards meeting internal circular economy targets

- Publicly disclose at least annually all relevant information needed clearly to inform stakeholders of the Sites' circular economy-targets, planned actions, progress and results

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Circular Economy – Criterion 30 (continued)

In practice this means that:

- In order for a site to better understand its specific circular economy context, it should start by conducting a cradle-to-gate analysis on the circularity of its materials. For example, mine sites should cover the extraction process and associated impacts to the mine gate, whereas a smelter/refiner or processing site should draw on information from upstream suppliers then include impacts from their own production.

- Given how context specific the issue of circular economy is, many of the sub-requirements in this criterion start with the words 'where applicable' or 'where possible'.

- Life Cycle Assessments (LCAs) are not required by this criterion but are considered useful tools to assess the adverse impacts of material production. Sites are encouraged, where appropriate, to participate in customer, corporate or industry association efforts to develop LCAs.

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Tailings – Criterion 31 **(clarified)**

Current practice

- Follow the Copper Mark "Interim Guidance on Tailings Management" requiring implementation of the Global Industry Standard for Tailings Management and provides specific guidance for riverine, lake, and ocean tailings systems

RRA 3.0 requirement

- Follow the revised Copper Mark Guidance on Tailings Management, requiring implementation the Global Industry Standard for Tailings Management or equivalent and and provides specific guidance for riverine, lake, and ocean tailings systems

- Currently, the only "equivalent" system is the Toward Sustainable Mining Tailings Management Protocol (if all protocols and guidance are implemented)

- New Sites operating riverine tailings disposal systems are not able to receive the Copper Mark. A "New Site" is a Site starting to operate a riverine tailings disposal system after 1st January 2024.

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Tailings – Criterion 31 (continued)

- **In practice this means that:**
- Participants using the TSM Tailings Management Protocol must adhere to the TSM requirements to determine conformance.
- For all others, the Copper Mark assessors will **not** assess full implementation of GISTM, but will adhere to the chart milestones and activities

Milestone	Deadline for assessment		Copper Mark Assessor activities
Completed self-assessment with "meets" *	Consequence classification of extreme or very high	31 December 2023	Administrative verification of the self-assessment for completeness, ensuring that all applicable criteria are self-assessed as "meets," by August 2023.
	All others	31 December 2025	Administrative verification of the self-assessment for completeness, ensuring that all applicable criteria are self-assessed as "meets," by August 2025.
Public disclosure	Consequence classification of extreme or very high	31 December 2023	Administrative verification of the public disclosure for completeness, alignment with the GISTM requirements, by August 2023, and with annual disclosure thereafter.
	All others	31 December 2025	Administrative verification of the public disclosure for completeness, alignment with the GISTM requirements, by August 2025, and with annual disclosure thereafter.
3rd party validation of implementation by qualified expert	Consequence classification of extreme or very high	As soon as reasonably practicable	Administrative verification of the 3rd party validation has been complete as soon as reasonably practicable by an independent, qualified, 3rd party auditor and confirms that all applicable criteria are "fully meets".
	All others	As soon as reasonably practicable	

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Tailings – Criterion 31 (continued)

Special note for ICMM Member Companies: Where a participant uses a "meets with a plan" rating in their self-assessment, the following applies:

- The Copper Mark assessor shall **review each self-assessment rating of "meets with a plan"** to determine whether the practices correspond to a "partially meets" or "fully meets" rating using the Copper Mark Assurance Process' definitions.

- An extension of the timeline to "fully meet" an applicable requirement of GISTM beyond those deadlines defined in "Issue 2" above are **limited to Requirements 4.7 and 5.7** of GISTM.

- For GISTM Requirements 4.7 and 5.7, a "partially meets" rating can be accepted beyond the deadlines defined in "Issue 2" above, where the original rating in the self-assessment is "meets with a plan".

- All requirements (with the exception of 4.7 and 5.7 as described above) must be determined to be **fully meets** for criterion 31 to be considered **fully meets**

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Biodiversity & Productive Land – Criterion 32 (significantly changed criterion)

Current practice

To implement the mitigation hierarchy to avoid, minimize, reduce and compensate for adverse impacts on biodiversity; to avoid adverse impacts to Critical Habitats or Endangered Species; and to prevent operational activities in World Heritage sites or in designated protected areas unless specifically and legally permitted.

RRA 3.0 requirement

- Demonstrate a commitment to no net-loss with an ambition for net gain

- Set targets that are aligned with the commitment to achieve no net loss

- Explicit requirement to establish a baseline on the conservation status of the biodiversity and the productive value of land in scope

- Publicly disclose impacts, planned actions, progress and results related to biodiversity conservation

In practice this means that:

- Assuming that sites are implementing RRA 2.0, the first action to take to meet the requirements of RRA 3.0 is to establish a baseline; from there, targets to achieve no net loss can be set and the commitment be made public.

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Pollution – Criterion 33 (significantly changed criterion)

Current practice

To implement the mitigation hierarchy to avoid, minimize, reduce and compensate for the adverse impacts of pollution on human health and the environment.
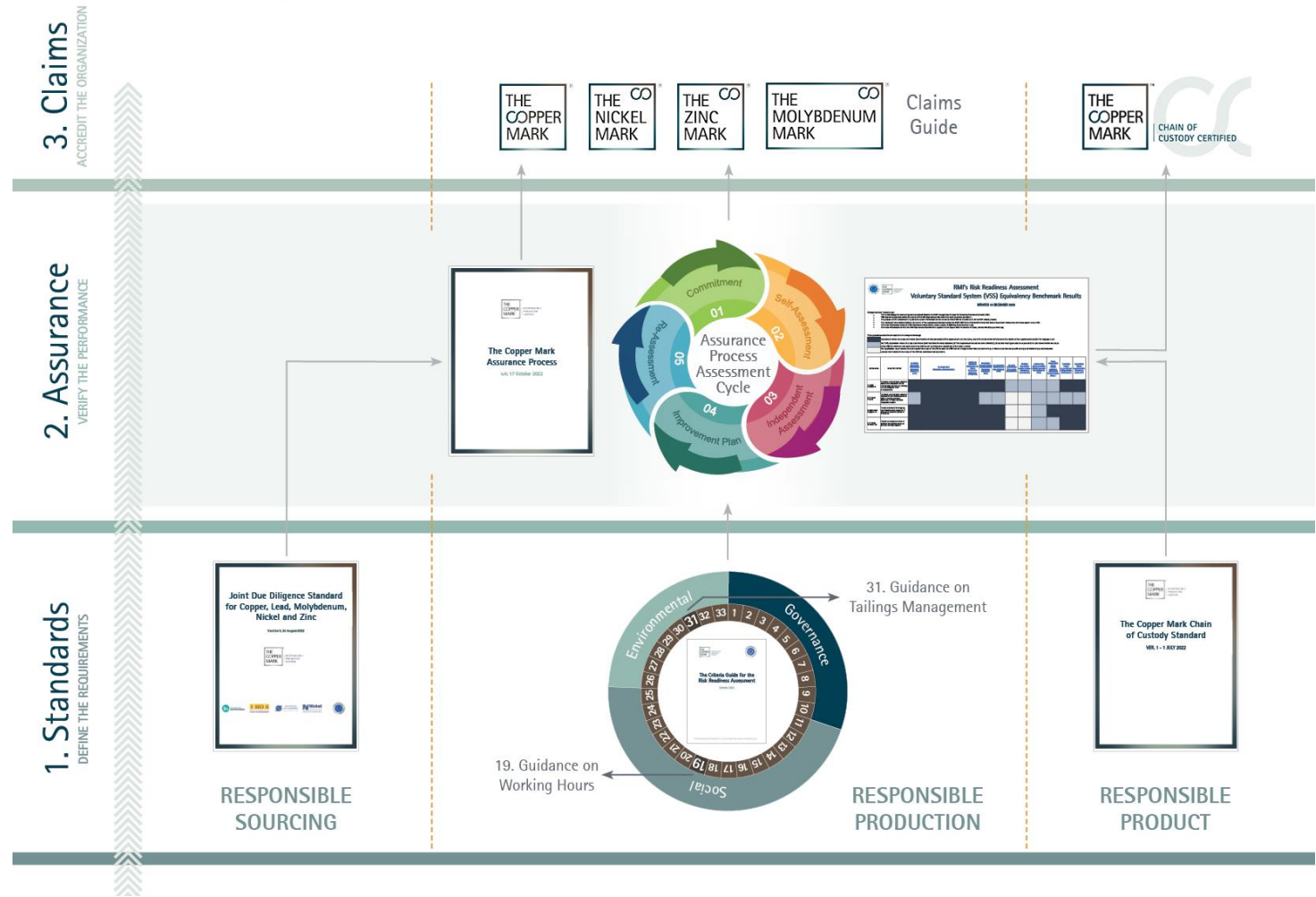
RRA 3.0 requirement

- Explicit inclusion of noise, light, and visual pollution in the scope of the criterion

- Explicit requirement to establish a baseline

- Publicly disclose risks, planned actions, progress and results related to pollution

In practice this means that:

- Sites should review their management systems for pollution to assess if noise, light and visual pollution are included and, if not, ensure that they are going forward

- If baseline sampling was not completed before the start of operations, sites should consider historical or synthetic data to establish an approximate baseline. If these are not available, the baseline may be taken from the time of the assessment.

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RRA v.3.0: In practice

How will the Copper Mark use RRA v.3.0?

Emerging regulation

- A comprehensive gap analysis was conducted against the due diligence requirements of:
  - The EU Corporate Sustainability Due Diligence Directive (CSDDD)
    - See here for an overview of the CSDDD (note that the final language of the directive is still being negotiated)
  - The EU Battery Regulations
    - See here for the final language of the EU Battery Regulations

- Where due diligence gaps were identified e.g. on the topics of soil pollution and erosion and the marine and seabed environment, these were included in RRA v.3.0 to ensure strong alignment

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Equivalency

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Equivalency

The Copper Mark Assurance Process "recognizes existing standards systems, reporting frameworks, and certifications in order to avoid redundancy and to promote the use of these initiatives."

The systems below are some of the systems that were previously benchmarked against RRA v.2.0. and are currently under consideration to be benchmarked against RRA v.3.0. The systems in bold will definitely be part of the benchmark against RRA v.3.0, which is scheduled to be available in early 2024.

- **Initiative for Responsible Mining Assurance (IRMA) Standard for Responsible Mining**

- **International Council for Mining & Metals (ICMM) Performance Expectations**

- ISO 14001 Environmental Management Systems

- ISO 45001 Occupational Health and Safety Management Systems

- **Mining Association of Canada Towards Sustainable Mining (TSM) Guiding Principles**

- **World Gold Council Responsible Gold Mining Principles (RGMPs)**

- International Finance Corporation (IFC) Performance Standards

Have we missed any critical responsible production systems that you think we should consider benchmarking against?

The Copper Mark Recognition Process
v.3 February 2023
Can be accessed here

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Equivalency continued

- Recognition of the Copper Mark assurance framework by Responsible Steel is a priority for recipients of the Molybdenum Mark, Nickel Mark and Zinc Mark.

- Copper Mark staff have begun the process of seeking Responsible Steel recognition of the Copper Mark framework

- Responsible Steel recognition is expected in late 2024
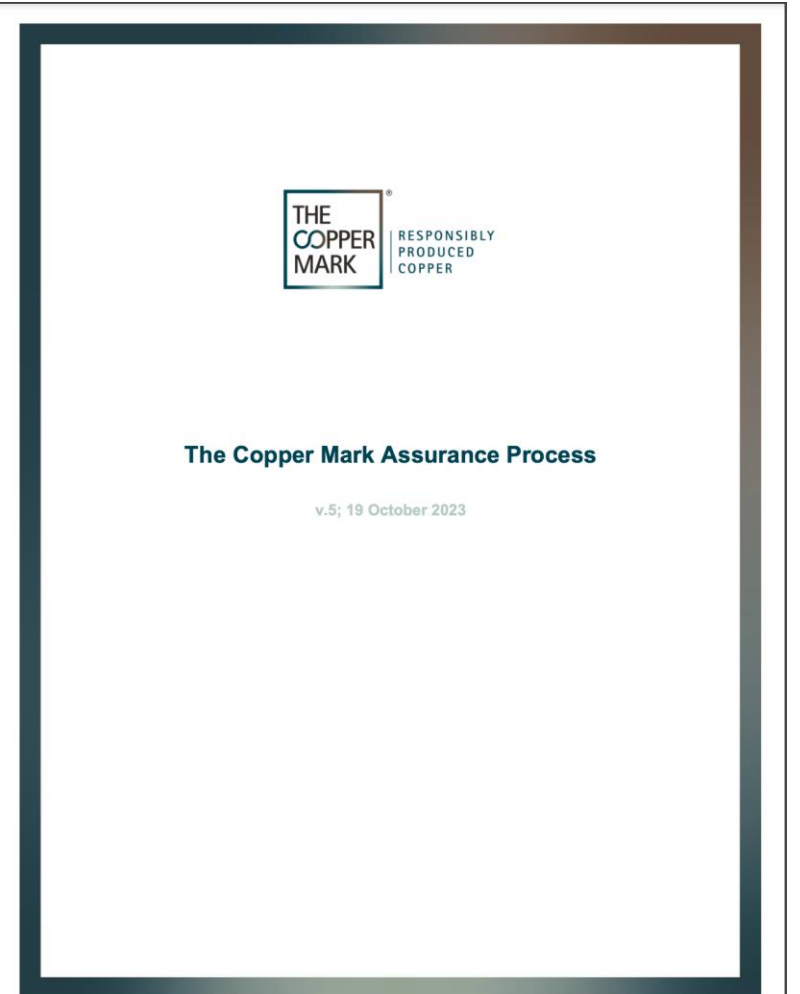
The End of (Full) ISO Equivalency

- In RRA 2.0, ISO 14001 for Environmental Management Systems (or functionally equivalent) and 45001 for Health and Safety Management (or functionally equivalent) were sufficient to meet the norms on Environmental Management Systems and OHS.

- In RRA 3.0, ISO 14001 and 45001 (or functionally equivalent) are required but not sufficient to meet this criterion. This is because:

  - Criterion 1 of RRA 3.0 is UNGP-based and so remediation is a key aspect of this criterion that is not covered in the ISO standards

  - The ISO commitment requirements are not grounded in international frameworks / conventions, nor do they require coverage of the ESG issues as defined in RRA 3.0

  - The ISO standards do not require a greater focus on individuals and groups that might be at greater risk of adverse impact due to marginalization, vulnerability or other circumstances, unlike RRA 3.0

  - The ISO management system approach is not rooted in the risk assessment approach used in RRA 3.0 which means that under ISO, it is acceptable for a site to prioritize risks to business and build its management system around that approach.

RISK READINESS ASSESSMENT CRITERIA GUIDE

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Assurance

Launched!

- [Available](#) in English, Spanish, and Chinese
- Comes into effect 1 January 2024
- Aligns with the revised RRA

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The Copper Mark Assurance Process

v.5; 19 October 2023

Main Changes Overview

- Adoption of the revised Performance Determinations

- Inclusion of a standardized reporting template

- Addition of Annex II: Managing Allegations in the Assessment Process

- Update of the title of the Joint Due Diligence Standard to include Molybdenum

- Clarification that the assurance process applies regardless of the outcome (e.g., Molybdenum Mark, Nickel Mark, Zinc Mark)

- Inclusion of the Copper Mark Extensions Procedure

Criteria for Responsible Production				
10. Responsible Supply Chains	FM	19. Emergency Preparedness	PM	28. Water Stewardship
11. Climate Action	FM	20. Community Health and Safety	FM	29. Waste Management
12. Child Labor	FM	21. Community Development	FM	30. Material Stewardship
13. Forced Labor	FM	22. Artisanal and Small-Scale Mining	NA	31. Tailings Management
14. Freedom of Association and Collective Bargaining	DNM	23. Security and Human Rights	FM	32. Biodiversity and Land Management
15. Non-discrimination and Harassment	PM	24. Indigenous Peoples' Rights	FM	33. Pollution
16. Diversity, Equity, and Inclusion	PM	25. Land Acquisition and Resettlement	NA	
17. Employment Terms	DNM	26. Cultural Heritage	DNM	
18. Occupational Health and Safety	PM	27. Greenhouse Gas Emissions Reductions	PM	

Performance determination

Does not meet	Fully meets	Partially meets
• We do not have a management system in place that aligns with the core requirements of this criterion, OR • We have a management system designed but it does not align with the core requirements of the criteria, OR • We are not able to demonstrate consistent implementation of the management system.	• We have a management system designed that aligns with all of the core requirements of the criteria, AND • We are able to demonstrate effective, consistent implementation of the system, AND • We monitor and track the implementation of the management system, AND • We review the effectiveness of the management system and update as appropriate.	• Anything that does not fall into the "does not meet" or "fully meets" category

Major change: a policy or plan without an implemented system is no longer "partially meets," but a "does not meet"

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Partially meets in practice

- "Catch all" for when neither "does not meet" or "fully meets" is appropriate

- Used when there are practices in place but the system is not fully implemented (e.g., "training **will** take place…")

- Used when not all core elements are met (e.g., "no public report **yet**")

- Used when effectiveness of the system has not been reviewed or verified and/or cannot be corroborated through triangulation (e.g., "workers are not aware of the grievance mechanism")

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Considerations

- Public reporting requirements are only applicable where specified

- Within the different core requirements there is flexibility to have some gaps within the sub-bullets for a "partially meets" (but not for a "fully meets")

- Participants should not be penalized on more than one criteria for the same issue, though the relevant criteria should be referenced in the criterion where the gap is ultimately considered the most suitable

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Governance criterion example – Criterion 6: Sustainability Reporting

Does not meet

- There is no system to identify material ESG issues, report on them at least annually using internationally recognized reporting standards, in accordance with the requirement for good reporting, and in line with regulatory reporting requirements (where applicable); OR
- There is a system, but it either does not include identifying material ESG issues, results in an at least annual report, use recognized reporting standards, meet the requirements for good reporting, or align with regulatory reporting requirements (where applicable); OR
- There is a plan to meet the above, but there is no public report that meets these elements as of yet.

Fully meets

- There is a system to identify material ESG issues, report on them at least annually using internationally recognized reporting standards, in accordance with the requirement for good reporting, and in line with regulatory reporting requirements (where applicable); AND
- It is actually done consistently; AND
- It is regularly reviewed to ensure it is meeting the goal of "enabling corporate transparency and accountability and promote informed decision-making"; AND
- Where the system is found to not meet the goal, plans are in place to improve the sustainability reporting.

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Examples of how this might be "partially meets"

- Participant reports at least annually in accordance with the requirements for good reporting and regulation but not in line with internationally recognized standards. For example, it is not externally verified.

- Participant does not review the annual report to ensure it has the right elements to "ensure corporate transparency and accountability and promote informed decision-making."

- Participant does review the annual report, but has not made any changes based on the outcomes where the review demonstrated a need for change.

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Social criterion example – Criterion 11: Child Labor

Does not meet

- There is no commitment to prohibit child labor and hazardous work for workers under 18, process to identify and assess risks related to child labor, communication and assignment of responsible persons, action plan to prevent and mitigate risks in place, implement the plan, remediate cases of child labor, and publicly disclose; OR
- There is a commitment, process to identify risks, communicate and assign responsible persons, and an action plan, but it is not aligned with the requirements; OR
- There is a commitment, process to identify risks, communicate and assign responsible persons, and an action plan, but it is not implemented; OR
- There are cases of child labor and they have not been remediated.

Fully meets

- There is a commitment to prohibit child labor and hazardous work for workers under 18, process to identify and assess risks related to child labor, communication and assignment of responsible persons, action plan to prevent and mitigate risks in place, implement the plan, and remediate cases of child labor; AND
- It is demonstrably implemented consistently; AND
- It is regularly reviewed to ensure it is meeting the goal of preventing child labor / hazardous work for workers under 18 and remedying cases where child labor or hazardous work are identified; AND
- Where the system is found to not meet the goal, plans are in place to improve the system.

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Examples of how this might be "partially meets"

- Participant has all the processes in place to, for example, verify age, but records indicate this is not done for every worker.

- Interviews with relevant personal indicate they are not trained to, for example, verify the age of workers.

- Cases of child labor are identified, and even though they are remedied, there are no changes to the system to prevent child labor.

- There is no public disclosure related to child labor.

Note: if the policy is to have no workers under 18, it is not expected the policy also talks about no hazardous work for workers under 18.

Environmental criterion example – Criterion 29: Waste Management

Does not meet

- There is no commitment to manage waste responsibly, process to identify waste streams and risks of adverse impacts, implement the waste mitigation hierarchy, remediate adverse impacts, and publicly disclose; OR
- There is a commitment to manage waste responsibly, process to identify waste streams and risks of adverse impacts, implement the waste mitigation hierarchy, remediate adverse impacts, and publicly disclose, but it is not aligned with the requirements; OR
- There is a commitment, process to identify waste streams and impacts, implement the waste mitigation hierarchy, remediate adverse impacts, and publicly disclose, but it is not implemented consistently.

Fully meets

- There is a commitment to manage waste responsibly, process to identify waste streams and risks of adverse impacts, implement the waste mitigation hierarchy, remediate adverse impacts, and publicly disclose; AND
- It is demonstrably implemented consistently; AND
- It is regularly reviewed to ensure it is meeting the goal of avoiding and reducing adverse impacts of waste disposal and increase the quantity of waste diverted from disposal; AND
- Where the system is found to not meet the goal, plans are in place to improve the system.

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Examples of how this might be "partially meets"

- The policy does not include hazardous waste, where applicable.
- There is a baseline waste stream identification and risk assessment, but it has not been reviewed and updated since new / changed operations were put into place or does not capture all waste streams or potential adverse impacts.
- The processes are not effective to reduce waste.
- No remediation plan is in place for when adverse impacts occur.

Q&A

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