

Consolidation of Four Responsible Mining Standards

Terms of Reference for a Stakeholder Advisory Group

Introduction and context

1. Metals and minerals are essential to enable the transition to a low carbon economy. Demand for those commodities is rising, but so too are concerns about how responsibly they are produced. As a result, an increasing number of standards have emerged across the mining and metals industry against which companies can demonstrate that they are operating ethically and responsibly. However, the proliferation of standards has created some confusion for companies, investors, regulators, customers and other interested stakeholders. It has also led to many mining and metals companies assessing and disclosing conformance against multiple frameworks that often cover similar ground.
2. The [Copper Mark](#), [ICMM's Mining Principles](#), the [Mining Association of Canada's Towards Sustainable Mining \(TSM\)](#) and the [World Gold Council's Responsible Gold Mining Principles \(RGMPs\)](#) are four responsible mining Standards that set out the basis for certification (in the case of the Copper Mark) or requirements of membership for the other three organisations. As a contribution to simplifying the complicated mining standards landscape, the Copper Mark, ICMM, MAC and WGC (hereafter referred to as the 'four partners') are exploring the potential to consolidate their respective standards into a global standard and oversight system which can drive impact at scale. **This Terms of Reference (ToR) is for a Stakeholder Advisory Group to provide independent input to inform the development of a consolidated standard and oversight system.**
3. The decision to embark on this work was informed by conversations with a diverse set of almost 50 stakeholders including investors, civil society, downstream customers and intergovernmental organisations earlier this year to test the perceived value and desirable features of a consolidated standard and oversight system. This listening exercise confirmed a high degree of support for a simplified standards landscape, provided that any consolidated standard and oversight system:
 - Involves a diversity of stakeholders in the decision making on the terms of standard development, design and implementation the assurance framework, and the oversight or governance model for a consolidated standard.
 - Provides broad coverage of environmental, social and governance (ESG) topics while remaining commodity/geography agnostic, such that it provides a global standard for responsible mining.
 - Sets a high bar for performance and avoids defaulting to the lowest common denominator.

- Is accessible to companies of different sizes and operating across different geographies.
- Embodies a continuous improvement model.
- Considers the full mining life cycle and its applicability to the full value chain (if not at the outset, over time).
- Is underpinned by a credible independent assurance/audit process, with disclosures that balance the need for transparency and data accessibility.

The consolidated standard and assurance process would be informed by the experience of the four partners in developing their own standards and assurance frameworks and draw from the content produced by and learnings from those processes. One further important consideration is that the consolidated standard should not sit behind a 'paywall' of membership. While the membership organisations involved in its development would ultimately make a choice on prescribing adherence to the standard as a condition of membership, implementation and assurance should also be open to any mining company with the requisite commitment and capacity.

Purpose of the Stakeholder Advisory Group and related objectives

4. The purpose of the **Stakeholder Advisory Group** is to engage with the four partner organisations to provide independent input to shape and inform the development of a consolidated standard and oversight system that reflects a diversity of expert perspectives throughout the process. More specifically, the objectives are to provide insights and advice on developing the following:
 - i. The scope and technical content of the consolidated standard.
 - ii. The assurance / audit process, such that it helps to build the credibility of any conformance claims associated with the standard.
 - iii. The oversight and governance arrangements for a global standard for responsible mining, which should embody a power-sharing model between industry and stakeholders.

Composition and basis of engagement

5. The **Stakeholder Advisory Group** will comprise 12 – 15 individuals with relevant experience and expertise to support the development of points i – iii above. Individual members may have an organisational affiliation or be independent from any organisation, but all members of the **Stakeholder Advisory Group** are expected to act in their individual capacity throughout the process. Industry participation will be through representatives of the four partners, who will convene and facilitate the group. In addition to the **Stakeholder Advisory Group**, the four partners will convene an Industry Advisory Group, drawn from representatives of companies who are members

of/participants in the four partners. There may be points of engagement with the Industry Advisory Group and the **Stakeholder Advisory Group**.

6. The following categories of organisations/expertise are expected to be covered by representatives of the **Stakeholder Advisory Group**:
- Climate, nature and environmental aspects
 - Indigenous issues, Human Rights and mining affected communities
 - Downstream customers
 - Investors and providers of finance
 - Labour
 - International institutions
 - Research institutes/academia

Ways of working and points of engagement

7. Most meetings will be virtual or hybrid and guided by a pre-agreed agenda and facilitated by a Chair. Pre-read material will be provided by the four partners at least a week in advance to ensure all members have time to prepare and can optimally contribute.
8. Meetings will be convened under the Chatham House rule¹ to support candid discussions, to which the following principles will apply:
- Mutual respect and openness to diverse opinions
 - Dialogue characterised by constructive and frank exchange
 - Transparency of process and information sharing
 - Trust between **Stakeholder Advisory Group** members
 - Working collaboratively to address issues in a constructive manner to advance progress on the three objectives.

A summary of key decisions and actions will be circulated to all participants for review after each meeting.

9. The **Stakeholder Advisory Group** will be expected to participate in an inaugural video-conference meeting with the four partners to discuss and if necessary refine this Terms of Reference or the overall timeline and process. In addition, the potential scope of a consolidated standard will be discussed. Thereafter, the points of engagement will be dictated by the key milestones on the timeline in Annex 1. For example, the **Stakeholder**

¹ When a meeting is held under the Chatham House Rule, participants are free to use the information received, but neither the identity nor the affiliation of the speaker(s), nor that of any other participant, may be revealed.



Advisory Group will be expected to review an initial draft zero of a consolidated standard in August 2023 and provide written comments for consideration in a refined version to be released for public consultation in June 2024.

Administrative and communication support

10. The four partners will provide administrative and logistics support for the process. The relevant contact information will be provided to the **Stakeholder Advisory Group** members once identified.

Reimbursement

11. Advisory Group members will be reimbursed in arrears for reasonable expenses (at cost). Although most meetings will be virtual, flights or accommodation for any in-person meetings will be arranged by the four partners. Where members are willing to accept it, an honorarium will be payable to **Stakeholder Advisory Group** members.