

CMSI Consultation Response

Respondent Details

NAME

Anonymous

COUNTRY

China

PERMISSION

Yes, CMSI can disclose my anonymous feedback.

STAKEHOLDER

Industry (upstream)

ORGANISATION

Anonymous

COMMENTS & QUESTIONS BY DOCUMENT

Document:
Governance

QUESTION 1

The governance principles that guided the development of the governance model are inclusive, effective, credible, impact-driven, pragmatic and efficient. From your perspective, does the proposed governance model meet expectations for consistency with these principles?

Response: 4: Exceeds expectations

QUESTION 2

Does the proposed governance model ensure no single group is able to unduly influence decisions?

Response: yes

Document:
Assurance

4. Consolidated Standard External Assurance Process

COMMENT:

Given that the forensic process mainly examines electronic or paper-based negative documents, is it necessary to have to conduct a site visit? If an on-site visit is conducted, what are the main areas that can be presented that cannot be covered by the online inspection information? Are the on-site interviews duplicated with the interviews conducted during the ESG report preparation process? Does the on-site interview have any impact on the issuance of the assurance report? And what is the difference in process between the on-site interview and the external organization audit commissioned by the client, and can the results of the ESG report interview or external audit interview be referred to avoid the enterprise facing multiple repetitions of the interview content?

Appendices

COMMENT:

For some special areas, audit agencies refuse to participate in assurance project, because of the geopolitics. so how to address this problem to confirm the global application of assurance?

We recommend to add assurance agencies from the host country, so that if audit agencies from other countries refuse to make assurance, audit agencies from host country can do it.

QUESTION 1

From your perspective, does the Assurance process meet your expectations of a robust, credible, replicable and transparent approach?

Response: **2: Below expectations**

please check out the special feedback

Document:
Standard

Performance Area 1: Corporate Requirements

SECTION: 1.3 Transparency of Mineral Revenues, Foundational Practice, 1

COMMENT:

Given that China, Australia and Chile are not currently EITI implementing countries.

We recommend to add: within the base practice, for non-implementing countries, it cannot be contrary to local laws and and government policies.

SECTION: 1.3 Transparency of Mineral Revenues, Foundational Practice, 2

COMMENT:

Question: Depending on the regulation requirements of some host countries, companies are unable to disclose relevant financial data earlier than the government.

Recommendation: please confirm the scope of material payment, such as tax, Mining rights purchase costs, and so on

SECTION: 1.4 Risk Assessment

COMMENT:

please make sure the difference between 1.4 Risk Assessment and 1.5 Crisis Management and Communications. Because the requirement seems a little abit overlapping.

Performance Area 11: Security Management

COMMENT:

some countries and international organizations not engage in the initiative: Implement the Voluntary Principles on Security and Human Rights to prevent, please consider the applicability of all requirements below

Performance Area 2: Business Integrity

SECTION: 2.2 Business Ethics and Accountability, Good Practice, 1

COMMENT:

Governments are also identified as stakeholders , and the occurrence of non-financial/normal contacts should not be identified as an ethics and integrity risk

SECTION: 2.2 Business Ethics and Accountability, Good Practice, 5

COMMENT:

Some companies have thousands of strategic suppliers/counterparties. it will result in high due diligence and time costs. Therefore, we recommend that this be done in the form of signing a corporate code of ethical business conduct or statement of intent

Performance Area 20: Climate Action

SECTION: 20.2 Climate Change Management (Facility Level), Foundational Practice, 2

COMMENT:

please confirm the definition of high-level analysis

Performance Area 21: Tailings Management

SECTION: 21.1 Tailings Management, Foundational Practice

COMMENT:

we recommend to add the definition of riverine tailings

Performance Area 3: Responsible Supply Chains

SECTION: 3.1 Responsible Supply Chain (applicable to all facilities), Good Practice, 1

COMMENT:

we recommend to add the definition of value added activities

SECTION: 3.1 Responsible Supply Chain (applicable to all facilities), Good Practice

COMMENT:

For action planning for identification, assessment and management, we recommend the establishment of governance or designated task forces/heads, while approval and oversight needs to be aligned with OECD

SECTION: 3.2 Responsible Mineral Sourcing

COMMENT:

please confirm the difference between 3.1 Responsible Supply Chain and 3.2 Responsible Mineral Sourcing. Because we think responsible mineral sourcing is parts of responsible supply chain, and all polices from supply chain are available

Performance Area 6: Child Labour and Modern Slavery

SECTION: 6.1 Risk, Mitigation and Operating Performance, Leading Practice

COMMENT:

Some countries define child labor as being 16 years of age and under. Will a higher age requirement being considered in leading practice?

Performance Area 7: Rights of Workers

SECTION: 7.1 Workers' Rights Risk, Mitigation and Operational Performance, Good Practice, 9

COMMENT:

we recommend not to clarify the specific hours, but to recognize working hours and overtime according to the labor laws of each country.

SECTION: 7.2 Grievance Mechanism for Employees and Contractors (Workers), Foundational Practice, 4

COMMENT:

The disclosure of the grievance mechanism should be clear and accessible, and should be communicated in a language and manner understandable to employees.

QUESTION 1

Does the scope, content, and narrative style of the consolidated standard meet your individual expectations and the collective industry expectation for responsible production practices?

Response: 4: Exceeds expectations

QUESTION 2

Do the requirements meet your expectations for being sufficiently clear to support consistent and practical implementation and to achieve necessary performance improvement?

Response: 2: Below expectations

QUESTION 3

From your perspective, does the three-level performance structure (Foundational, Good, Leading) of the Consolidated Standard meet your expectations for providing an effective on ramp and clear articulation of good practice and effective path to continuous improvement?

Response: 5: Significantly exceeds

Document:
Claims

QUESTION 1

We would value perspectives on a few additional questions related to threshold of performance associated with achievement claims. Please click here/ see page 11 of Reporting and Claims Policy.

Response: No Response

For question 2, I don't think this is a good method to stimulate companies. The external environment would result in some limitation that they have to spend much time and cost to elevate some performance areas. We should not deny their performance they do well.