

CMSI Consultation Response

Respondent Details

NAME

Stephen Barrie

COUNTRY

United Kingdom

PERMISSION

Yes, CMSI can disclose my feedback, name, and organisation.

STAKEHOLDER

Investor

ORGANISATION

Church of England Pensions Board

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: 2: Below expectations

The multistakeholder nature of the governance model is commendable, however, it is not clear that investors will have any seat at the table.

QUESTION 2

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

Response: unsure

This will depend on details that have not yet been decided, principally in the 'reporting and claims' section.

Document:
Assurance

QUESTION 1

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

Response: 3: Meets expectations

Document:
Standard

Performance Area 1: Corporate Requirements

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

COMMENT:

Implementing applicable expectations for EITI reporting Companies should be good practice rather than leading practice.

Performance Area 13: Community Impacts and Benefits

SECTION: 13.1 Identify and Address Community Impacts, Good Practice, 1

COMMENT:

to engage with affected stakeholders and rights holders should be Foundational Practice.

Performance Area 14: Indigenous Peoples

SECTION: 14.1 Managing Engagement, Impacts and Opportunities with Indigenous Peoples, Good Practice, 6

COMMENT:

This good practice requirement to achieve and maintain agreement demonstrating consent is fundamental to FPIC, and should be necessary for 'good practice' to be achieved at the site.

Performance Area 19: Biodiversity, Ecosystem Services and Nature

SECTION: 19.1 Biodiversity and Ecosystem Services and Nature, Foundational Practice

COMMENT:

It should be made more clear that the biodiversity requirements include "no irrevocable harm" to World Heritage Sites, Protected Areas and Key Biodiversity Areas. "No Net Loss" may give the false impression that all biodiversity is replaceable.

SECTION: 19.1 Biodiversity and Ecosystem Services and Nature, Good Practice, 4

COMMENT:

This requirement should include the disclosure of the biodiversity management plan, not just its preparation.

Performance Area 2: Business Integrity

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

COMMENT:

Establishing systems to prevent bribery, corruption, fraud, money laundering and anti-competitive behaviour should certainly be foundational practice, rather than good practice.

SECTION: 2.2 Business Ethics and Accountability, Good Practice

COMMENT:

Good Practice should include responsible corporate lobbying practices, including conformance with the Global Climate Lobbying Standard. Suggested wording: Conduct a review and disclose direct and indirect corporate climate lobbying activities (including alignment). See <https://climate-lobbying.com/>

See previous shareholder resolutions at e.g. Rio Tinto, BHP on this topic.

Performance Area 20: Climate Action

COMMENT:

Climate Action disclosures should include baseline year, as well as medium and long term targets.

COMMENT:

Climate Action The section should align with the TPT Metals and Mining Sector Guidance.

COMMENT:

Suggest adding a requirement to publish a full GHG inventory as leading practice.

Performance Area 5: Human Rights

SECTION: 5.1 Human Rights, Leading Practice

COMMENT:

The Standard should require a rights holder centred approach to Remedy (See Corporate Human Rights Benchmark C.3), where users/affected people are involved in the design and performance evaluation of grievance mechanisms.

SECTION: 5.1 Human Rights

COMMENT:

Disclosing human rights policy aligned to the UNGPs, and establishing processes to support the same should be Foundational Level.

COMMENT:

Suggest including a specific requirement on the need for enhanced human rights due diligence for sites in or near conflict affected and high risk areas (CHARA). Cross reference to PA11.1.

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: 3: Meets 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: 3: Meets 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: 3: Meets expectations

Document:
Claims

2. General Requirements for all Consolidated Standard-Related Reporting & Claims

COMMENT:

The Consolidated Standard should more clearly set out the public disclosures that are required at a site and corporate level as part of ordinary transparency, as set out by ‘Good Practice’ requirements contained in the standard. This reporting and claims section focuses on reporting of use of the standard and audit and assurance related disclosures, rather than performance related disclosures themselves.

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

A logo claim should be supported by 100

Clearly this is critical to the credibility of the Standard. Our view is that many elements of ‘good practice’ across the Standard should be the norm, and would be uncomfortable recommending a standard that allows poor performance when a ‘Logo Claim’ is made. 100Claims are meaningful. A few examples of ‘Good Practice’ that we might find in the 20A) 1.4 GP1 1. Create a risk register of prioritised risks, with links to plans and activities to prevent and/or mitigate such risks (following the requirements of this standard where applicable) and that identifies risk owners. B) 2.1.GP2. Publicly disclose significant fines or regulatory actions. C) 5.1.GP1 Publicly disclose a human rights policy consistent with the UN Guiding Principles on Business and Human Rights (UNGPs). D) 7.1.GP4 Remunerate workers with fair wages and benefits that represent competitive remuneration within that job market, including for part-time workers E) 7.1.GP5 Provide equal remuneration, including benefits, for work of equal value F) 9.1.GP2 Implement and maintain (a) health and safety management system(s) to prevent and mitigate health and safety risks G) 14.1.GP2. Carry out due diligence to identify, prevent, mitigate and account for possible adverse impacts on Indigenous Peoples’ rights. H) 20.1.GP1 Establish and publicly disclose a corporate-level climate change strategy and commitment to address climate-related risks and opportunities I) 21.1.GP1 Implement and pursue conformance with the GISTM J) 24.1.GP1 Identify risks and impacts related to closure and rehabilitation in consultation with stakeholders and rights-holders, Etc. It is hard to see how a site could credibly achieve ‘logo status’ without meeting all of these ‘Good Practice’ requirements, and more.

The points made above in relation to the logo claim do not compromise the need for a careful ‘on ramp’ of the kind envisioned by the co-convenors. Sites would need a ‘working towards’ the Standard grace period as well as lower level non logo claims to demonstrate intent.