

# The Consolidated Standard

## Final Consultation Draft

October 2025

DRAFT

# Consolidated Standard

FINAL CONSULTATION DRAFT

October 2025

<b>Overarching Glossary .....</b>	<b>12</b>
<b>Performance Area 1: Corporate Requirements .....</b>	<b>17</b>
<b>Performance Area 2: Business Integrity .....</b>	<b>24</b>
<b>Performance Area 3: Responsible Supply Chains .....</b>	<b>29</b>
<b>Performance Area 4: New Projects, Expansions and Resettlement .....</b>	<b>35</b>
<b>Performance Area 5: Human Rights .....</b>	<b>42</b>
<b>Performance Area 6: Child and Forced Labour .....</b>	<b>47</b>
<b>Performance Area 7: Rights of Workers .....</b>	<b>53</b>
<b>Performance Area 8: Diversity, Equity and Inclusion .....</b>	<b>61</b>
<b>Performance Area 9: Safe, Healthy and Respectful Workplaces .....</b>	<b>67</b>
<b>Performance Area 10: Emergency Preparedness and Response .....</b>	<b>75</b>
<b>Performance Area 11: Security Management .....</b>	<b>80</b>
<b>Performance Area 12: Engagement .....</b>	<b>83</b>
<b>Performance Area 13: Community Impacts and Benefits .....</b>	<b>87</b>
<b>Performance Area 14: Indigenous Peoples .....</b>	<b>93</b>
<b>Performance Area 15: Cultural Heritage .....</b>	<b>102</b>
<b>Performance Area 16: Artisanal and Small-Scale Mining .....</b>	<b>106</b>
<b>Performance Area 17: Grievance Management .....</b>	<b>110</b>
<b>Performance Area 18: Water Stewardship .....</b>	<b>114</b>
<b>Performance Area 19: Biodiversity, Ecosystem Services and Nature .....</b>	<b>123</b>
<b>Performance Area 20: Climate Action .....</b>	<b>133</b>
<b>Performance Area 21: Tailings Management .....</b>	<b>142</b>
<b>Performance Area 22: Pollution Prevention .....</b>	<b>147</b>
<b>Performance Area 23: Circular Economy .....</b>	<b>156</b>
<b>Performance Area 24: Closure .....</b>	<b>160</b>

# Introduction

This section contains important contextual information about the Consolidated Standard for anyone wishing to review it. It provides an overview of the overall structure of the Consolidated Standard and how it will be applied and implemented.

## 1) Overview of the Consolidated Mining Standard Initiative (CMSI)

The vision for the Consolidated Mining Standard Initiative (CMSI) is for a sustainable society, enabled by the responsible production, sourcing and recycling of metals and minerals. The aim is for the Consolidated Standard to be adopted by a wide range of mining companies – large and small, across all commodities and locations – to drive performance improvement at scale.

The Consolidated Standard combines the best of four existing standards into one comprehensive and practical Standard supported by a robust Assurance Process, reducing complexity in the standards landscape and increasing adoption among companies seeking to follow a credible global benchmark. It establishes clear expectations for responsible practices that span multiple Performance Areas of concern to stakeholders that apply to all producers committed to responsible practices, regardless of size, commodity or location. The Consolidated Standard will help drive positive outcomes for both people and the environment along individual metals' value chains – from mining to smelting, refining and beyond.

The Consolidated Standard is to be governed by an independent Board that maintains a balanced representation of commercial and non-commercial interests from both the mining sector (upstream) and the broader value chain (downstream), ensuring no single group holds disproportionate influence. It reflects multi-stakeholder participation, reinforcing the principle of consensus-based decision making, combined with protections to ensure that decisions cannot be made without the support of all groups on the Board when voting is required.

## 2) Structure of the Consolidated Standard

The Consolidated Standard includes **24 Performance Areas** under the four **pillars** of: (i) ethical business practices; (ii) worker and social safeguards; (iii) social performance; and (iv) environmental stewardship (See Box1).

### Box 1 - Structure of the Consolidated Standard

 <b>Ethical Business Practices</b>	 <b>Worker &amp; Social Safeguards</b>	 <b>Social Performance</b>	 <b>Environmental Stewardship</b>
1. Corporate Requirements 2. Business Integrity 3. Responsible Supply Chains 4. New Projects, Expansions and Resettlement 5. Human Rights	6. Child and Forced Labour 7. Rights of Workers 8. Diversity, Equity and Inclusion 9. Safe, Healthy and Respectful Workplaces 10. Emergency Preparedness and Response 11. Security Management	12. Engagement 13. Community Impacts and Benefits 14. Indigenous Peoples 15. Cultural Heritage 16. Artisanal and Small-scale Mining 17. Grievance Management	18. Water Stewardship 19. Biodiversity, Ecosystem Services and Nature 20. Climate Action 21. Tailings Management 22. Pollution Prevention 23. Circular Economy 24. Closure

Each Performance Area has a common structure that includes the following:

- **Number and title** of the Performance Area (e.g. Performance Area 7: Rights of Workers).
- **Intent statement** that summarises what the Performance Area is trying to achieve.
- Links to **Other Relevant Performance Areas**, for ease of reference, recognising that there are strong and important linkages between different Performance Areas.
- A description of **Applicability**, whereby some Performance Areas are universally applicable to all Facilities, others are only applicable where certain conditions prevail (see also section 3 below). The applicability section may also include other relevant contextual information such as details on how the Performance Area is linked with other Performance Areas in the Standard.
- A set of **requirements** that specify the expectations of performance for any Facility<sup>1</sup> that is implementing the Consolidated Standard. These may specify a commitment, policy, procedure, process, or action required to meet the Standard. These requirements are often all contained under a single numbered **sub-section** (e.g. 19.1 Biodiversity, Ecosystem Services and Nature). In some cases, there may be two or more numbered sub-sections within a Performance Area (e.g. Performance Area 22: Pollution prevention, sub-section 22.6 Accidental Polluting Releases). These requirements are grouped under three distinct levels of performance (see section 2 below).
- The **Glossary and Interpretive Guidance** provides definitions and guidance for helping facilities and assurance providers interpret the requirements specific to the Performance Area. See section 6 below for further information.
- A list of key **References**, which have either been cited in the Performance Area, or which provide additional advice and guidance for implementation. These additional guidance documents are not included in the scope of the Assurance Process for the Standard.

<sup>1</sup> **Facility:** The term 'Facility' is used throughout the Consolidated Standard to cover a 'site' or 'operation'. Facility includes the footprint of all operational activities (i.e. mine, related infrastructure, ancillary facilities such as power plants, smelter, etc.) under the operational control of the company.

### 3) Levels of Performance

Each Performance Area has requirements that are grouped under three distinct Levels:

- ***Towards Good Practice***<sup>2</sup>: This is a starting position of conformance with an initial set of requirements intended to put Facilities on the path to reach Good Practice and on which a Facility can build and improve its performance. Companies at the *Towards Good Practice* Level have made a commitment to responsible mining but are still “on the road” to implementing Good Practice. **See more details in Box 2 below explaining the rationale for setting the requirements at this Level.**
- ***Good Practice***: This is a level of practice in line with industry standards and international norms, frameworks, and guidelines. *Good Practice* is the level of performance that all responsible mining companies should work to achieve.
- ***Leading Practice***: This is a level of practice which goes beyond responsible industry good practice and demonstrates leadership or best practice.

#### Box 2 – How and why the requirements at *Towards Good Practice* Level were set

- *Adoption at scale is a key objective: The design of the Consolidated Standard aims to encourage broad adoption by a wide range of mining companies, large and small, across all commodities and jurisdictions, to drive performance at scale.*
- *Towards Good Practice Level is deliberately below industry good practice: The intent is to provide an “on ramp” for companies to start or continue their “standards journey”. The requirements are preparatory in nature and are implemented as “stepping stones” on the way to Good Practice Level and beyond.*
- *Towards Good Practice Level is NOT a destination: There are no Performance Claims or “certifications” at Towards Good Practice Level, nor can companies “sit” at Towards Good Practice Level. A commitment to continuous improvement is the core of the CMSI’s Theory of Change.*
- *Transparency will help drive performance: Companies’ ‘scores’ against 24 Performance Areas (with improvement plans for gaps) will be publicly disclosed allowing stakeholders the ability to review and scrutinise performance levels.*

**Consistency across Performance Areas:** The number of requirements in each performance level for a single Performance Area, and across all the Performance Areas, vary due to the nature and diversity of the topics covered in the Consolidated Standard. What is the same for all Performance Areas is that the levels build upon one another. To reach a certain level of performance for any given Performance Area, the Facility needs to meet ALL the applicable requirements at that level, as well as all the requirement at lower levels. For example, to achieve Good Practice Level for any given Performance Area, the Facility would need to meet all requirements under Towards Good Practice and Good Practice Levels.

---

<sup>2</sup> **Towards Good Practice:** This was referred to as ‘Foundational Practice’ in the initial public consultation draft from October 2024. It was renamed as it was widely misunderstood as a level of performance that a *Facility* might be able to remain at indefinitely or be associated with performance claims, neither of which is correct.

#### 4) Implementation of the Consolidated Standard

In discussions with the Consolidated Mining Standard Initiative (CMSI) Advisory Groups, who have guided the development of the Consolidated Standard, several key points related to implementation have been discussed and clarified as follows.

***Implementation is principally at the Facility level, with some requirements at the corporate level***

The Standard is designed for implementation principally at the Facility level. However, there are also requirements aimed specifically at the corporate level, including those in Performance Area 1: Corporate Requirements, and in sub-sections of Performance Area 8: Diversity, Equity and Inclusion and Performance Area 20: Climate Action.

It is acceptable to implement a corporate level requirement at the Facility level and vice-versa, as long as the requirement is fully met (and can be verified through the Assurance Process). An example of a requirement which could be completed at either the corporate or the Facility level is the disclosure of mineral revenues (Performance Area 1: Corporate Requirements, sub-section 1.3 Transparency of Mineral Revenues). Many of the other corporate-level requirements, however, cannot be fully implemented at Facility level and therefore require implementation at the corporate level. For more information about the frequency of corporate-level assurance for multi-Facility companies, please see the Assurance Process (section 4.2.8.3).

***Implementation is principally during the operational phase, with some requirements relevant to other stages including pre-operations and closure***

The Consolidated Standard is designed for implementation principally during the operational phase of a mine life as the systems and processes covered by the requirements in the Standard would be insufficiently mature to assure against before operations commence. There are important Performance Areas and individual requirements throughout the Standard, however, which require implementation at the pre-operational phase of a mine life (including Performance Area 4: New Projects, Expansions and Resettlement; Performance Area 12: Engagement; Performance Area 14: Indigenous Peoples, etc.). While some requirements in these Performance Areas may not apply if the Facility has passed the relevant stage of the mine life (i.e. they cannot be applied retrospectively), the Standard often includes requirements covering the same topics (such as managing ongoing adverse impacts) during the operational phase.

The expectation is that once the final Consolidated Standard is approved by the Board of the CMSI, the requirements relating to new projects would apply to any Facility that pursues conformance with the Standard, if the construction phase for the Facility commenced following Board approval of the Standard. The intent is that the requirements in the standard related to new projects (e.g. Performance Area 4: New Projects, Expansions and Resettlement) are in scope for one assurance cycle, after which the 'new project' becomes an existing Facility and these requirements are no longer applicable.

While the Standard is not directly applicable to the exploration phase, individual requirements, such as those related to engagement, Indigenous relations, respecting human rights and managing social and environmental impacts are extremely important to get right in the early stages of a mine life, including exploration. The Standard should therefore be a useful guide to what is required during exploration as projects develop and move towards the operational phase of a mine life. The Consolidated Standard is designed to assess performance and management systems of a Facility against its requirements at a particular point in time, regardless of when the Facility commenced

operations or when certain decisions were made. It should also be noted that a number of the requirements in Performance Area 24: Closure are to be applied during the operational phase of the mine (or earlier).

### ***Applicability of the Performance Areas***

Before specifying detailed requirements in all 24 Performance Areas, there is a description of the applicability of that Performance Area, and how the requirements connect to other Performance Areas. Some Performance Areas are not applicable due to the specific context, prevailing conditions, demographic or operational characteristics of the Facility. For example:

- Absence of a specific activity at a Facility (e.g. PA 4: New Projects, Expansions and Resettlement, sub-section 2 Land Acquisition and Resettlement would not be applicable to a Facility which has not undertaken resettlement).
- Absence of specific conditions or potentially affected stakeholders and rights-holders at a Facility (e.g. PA 14: Indigenous Peoples would not apply if Indigenous Peoples were verifiably not present or affected by the Facility's operations).
- Presence of technological or operational characteristics at a Facility (e.g. PA 23: Circular Economy, sub-section 2 Additional Requirements for Smelters would only apply to Facilities with smelting operations).
- Stage of the project lifecycle at a Facility (e.g. PA 4: New Projects, Expansions and Resettlement, sub-section 1 Environmental and Social Impact Assessments includes pre-operational requirements that may not apply to an existing, long-established operational mine that has passed that stage).

Certain Performance Areas also have applicability “screens” which require the Facility to assess whether certain conditions are met to determine applicability. For example, Performance Area 11: Security Management. In all cases, the rationale for the Facility’s determination of non-applicability will need to be verified by the assurance provider, based on evidence provided by (and discussions with) the Facility during the Assurance Process, and publicly disclosed in the assurance report.

Throughout the Consolidated Standard, certain requirements may include phrases such as “if applicable,” “where applicable,” “if necessary” or “as appropriate.” These phrases signify that the requirement is not universal but depends on the specific context, prevailing conditions, demographic or operational characteristics of the individual Facility. It is the Facility's responsibility to clearly determine and document the rationale for why a particular Performance Area, sub-section or requirement is deemed “not applicable”. This determination must be based on objective evidence, relevant data and a clear understanding of the requirement's intent.

### ***Similar requirements across different Performance Areas***

There are certain requirements in the Standard that are very closely related, or overlap, or in a few cases, appear the same in more than one Performance Area. For example, a requirement related to Indigenous Peoples’ cultural heritage appears in Performance Area 14: Indigenous Peoples and in Performance Area 15: Cultural Heritage. This overlap/duplication is intentional to ensure completeness of each Performance Area and to reflect the importance of certain requirements across related Performance Areas. However, where the requirements of two Performance Areas are the same or similar, the intent is that they are implemented as one.

## 5) Management system approach

Management system requirements are embedded into the individual Performance Areas of the Standard. This provides a targeted and tailored approach to the implementation of management systems across a wide range of diverse subject areas. The Performance Areas are intended to follow a Plan-Do-Check-Act approach aligned with the approach commonly found in ISO standards.

Beginning with the requirements set out in the *Towards Good Practice* Level of each Performance Area, the Standard lays out the essential elements of a management system relevant to the subject matter being addressed. In general terms, the *Towards Good Practice* Level contains requirements focussed on establishing commitments or policies, assigning accountabilities and responsibilities, assessing risks and establishing management plans. These actions generally correspond with the Planning stage in the Plan-Do-Check-Act cycle. As a Facility moves on to the *Good Practice* Level, it must show evidence of implementation of its management plans, which addresses the Do stage of the cycle. The Check is addressed through a combination of the CMSI Assurance Process that Facilities must undertake to be a part of their participation in the Standard as well as a number of requirements throughout the Standard which require the conduct of internal or external reviews and/or effectiveness assessments to determine whether the systems are meeting the established expectations. The Act stage of the cycle is addressed through the expectation that Facilities that do not full meet the *Towards Good Practice* or *Good Practice* Level requirements of any of the Performance Areas develop and publicly report on a continuous improvement plan and subsequently progress implementation of that plan.

Through adherence to the Plan-Do-Check-Act process and due to the comprehensive nature of the subject matter coverage of the CMSI Performance Areas which addresses, at an industry level, the identification of significant environmental (and social) aspects, it is the intent of the CMSI that Facilities have comprehensive management systems aligned with the expectations of *ISO 14001:2015 Environmental Management Systems*. Beyond alignment with ISO 14001, specific Performance Areas have also been developed in a manner consistent with various other ISO standards such as Performance Area 9: Safe, Healthy and Respectful Workplaces, which is intended to align with *ISO 45001:2018 Occupational Health and Safety* and Performance Area 20: Climate Action, which is intended to align with *ISO 50001:2018 Energy Management Systems*.

## 6) Performance scoring and claims

The details of performance scores, reporting and claims are explained in full in the *Assurance Process* and *Claims Policy*. An overview is provided here to convey the overall design and application in relation to the Consolidated Standard.

Based on either a self-assessment or an independent assurance review, depending on where a Facility is in the 3-year cycle, each Facility will have a “score” to indicate their performance level for each Performance Area, or each sub-section where there is more than one sub-section in the Performance Area. A performance level (*Towards Good Practice*, *Good Practice*, *Leading Practice*) is reached only when ALL applicable requirements in that performance level have been met by the Facility, as well as ALL the applicable requirements in any lower levels of performance. For example, to meet *Good Practice* Level in PA19: Biodiversity, Ecosystem Services and Nature, all six of the requirements at *Good Practice* Level must be met and all seven requirements at *Towards Good Practice* Level must be met (assuming all are applicable). If one or more of the applicable *Good Practice* requirements are not met, then the score for that Performance Area is *Towards Good Practice*.



There are 24 Performance Areas in the Standard, and many have more than one sub-section. There are a total of 48 sub-sections in the Standard so up to 48 performance scores will be publicly disclosed. Where a Performance Area (or sub-section) is designated as not applicable by the Facility, the Facility's the independent assurance provider is required to review the rationale provided as part of the **Assurance Process**, and the reasons must be disclosed as part of the Assurance Report. Performance scores will be publicly reported, included an aggregate Facility level performance score, as per the **Claims Policy**.

Claims will only be issued as per the details in the **Claims Policy**. **No claims will be issued unless the Facility has achieved ALL of the following:** i) an aggregate score of at least 80%; ii) all applicable Performance Areas are at least at the *Towards Good Practice* Level; iii) 80% of all applicable Performance Areas are at *Good Practice* Level and; iv) at least four Performance Areas per Pillars of the Consolidated Standard have been met at *Good Practice* Level. To maintain the Performance Claim, the Facility must close any gaps to achieve *Good Practice* Level in ALL applicable Performance Areas, within one assurance cycle. For more details, see the **Claims Policy**.

## 7) Glossary and interpretive guidance

Words and phrases which are italicised in the Consolidated Standard are included in the **Glossary and interpretive Guidance** section at the end of each Performance Area. Many of the most frequently used words are also included in the **Overarching Glossary** at the beginning of the Consolidated Standard instead of the definition being repeated in each Performance Areas where they are used.

Where possible, consistency across terminology and definitions has been applied. However, there are cases where terms or phrases have deliberately been applied differently to reflect the specific context of a Performance Area or the wording of a requirement. For example, "systems" is used in some cases; "processes" in others. "Avoid" is used synonymously with "prevent" depending on the context. The use of the term "mitigation hierarchy" is also slightly different depending on the context, as explained below.

## 8) Key Terms and Guidance

Several key terms are defined or clarified below to assist with the review of the Standard.

- a. **Legal compliance** – Legal compliance is covered in Performance Area 2: Business Integrity. Where a conflict arises between *applicable law* and the requirements of the Consolidated Standard, the *Facility* is required to follow *applicable law* or the *standard*, whichever is more stringent without violating *applicable law*. Requirements across different Performance Areas in the Standard do not include phrases such as "in compliance with local law" or similar as this would be duplicative.
- b. **Requirements that require recurring action** - With rare exceptions, we have not specified the frequency required to address requirements that involve recurring actions (e.g., testing, updating, monitoring, reviewing, etc.). Instead, we use the term "at defined intervals" which requires the Facility to pre-determine the frequency of the recurring action. If the requirement is a "one-off" or an ongoing process (such as community engagement) then "at defined intervals" is not used.
- c. **Requirements that cover processes already in place** - Where a requirement calls for the establishment or design of a system, mechanism, policy or plan (e.g. "establish a grievance mechanism," "develop a management plan"), and an equivalent system or process already exists that demonstrably meets the intent and specific requirements of the Consolidated Standard, the Facility is not required to create a new one. Instead, the Facility must provide evidence that the existing system or process is operational, effective, and aligns with the relevant requirement in the Standard.

- d. **Requirements are framed in the negative such as “avoid” or “prevent”** - For requirements that relate to avoiding or preventing impacts (e.g. "avoid relocation," "avoid significant impacts to critical habitats"), an existing Facility can demonstrate conformance by providing evidence that such avoidance was effectively undertaken in the past and continues to be maintained. This may include:
- a. Documented decision-making processes that demonstrate avoidance was considered and implemented where feasible (e.g., site selection, infrastructure routing to avoid sensitive areas, or design decisions that prevented resettlement).
  - b. Ongoing monitoring and management to demonstrate that original avoidance strategies remain effective under current conditions.
  - c. Where complete avoidance was not possible, evidence of the effective implementation of the mitigation hierarchy at the time the decision was made, and ongoing management of any residual impacts.

For both existing systems and past actions, the burden of proof lies with the Facility to demonstrate to the assurance provider that the intent of the Standard's requirements are met through existing practices or historical decisions.

- e. **Policy commitments** - Where requirements of the Standard stipulate the need to have a policy in place, or make a public commitment, this can be done at either the corporate or Facility level. Policies can also be stand-alone or part of an integrated or existing commitment/policy.
- f. **Publicly disclose** – This is disclosure made available to the public, such as a corporate website, or local disclosure. Requirements for disclosure at the Facility level can be met through corporate level disclosure, unless otherwise specified in the requirement (for example when the disclosure is targeted at a particular stakeholder group like the local community – see for example Performance Area 13: Community Impacts and Benefits, sub-section 13.2 Community Development and Benefits, Good Practice, requirement 9). Disclosures may be restricted where required to maintain data privacy, meet data protection regulations or ensure commercial confidentiality and legal professional privilege.
- g. **Use of mitigation hierarchy** – adapted as necessary from the environmental convention which seeks in the first instance to prevent impacts, then to minimise, then mitigate, then compensate. However, there are instances (such as for human rights) where compensation is not appropriate which is clearly stipulated in the authoritative point of reference, the UN Guiding Principles on Business and Human Rights.
- h. **New Project** - A “project” in the mining context refers to the pre-operational or the “development” stage of the mining life cycle, which follows the exploration stage and ends with a mining operation beginning its operational life. Projects which are not connected to, or part of an existing operation or expansion are “new projects”. This distinction is important for the applicability of certain Performance Areas and requirements, particularly those related to project development, baseline studies, and initial stakeholder engagement. Some Performance Areas (e.g. Performance Area 4: New Projects, Expansions and Resettlement) have specific applicability considerations based on the Facility's status as "new" or "existing."
- i. **Existing Operations** - A mine site or operation that has commenced and is actively engaged in commercial production. This includes operations that may undergo expansions, re-openings, or significant modifications. However, significant changes to existing operations may trigger new project requirements, in particular in Performance Area 4: New Projects, Expansions and Resettlement and PA 13: Community Impacts and Benefits. Significant changes include major expansions and other operational changes which create potentially significant adverse impacts on the local community, workers or the environment.
- j. **Corporate-Level Requirements** - These are requirements that pertain to the overall policies, strategies, governance, and oversight functions of the parent company or corporate entity. They

reflect commitments, systems, or disclosures that are established at a group-wide level and may apply across multiple Facilities or sites. Examples include overarching corporate policies, enterprise risk management frameworks, and consolidated sustainability reporting. While the Standard is principally designed for Facility-level implementation and assurance, certain requirements, as specified in their respective Performance Areas (e.g. Performance Area 1: Corporate Requirements), are explicitly corporate-level and are to be assured at the corporate level (unless the organisation consists of only one site).

- k. **Facility-Level Requirements** - These are requirements that are directly implemented, managed, and assured at the individual operation (Facility). They address Facility-specific activities, impacts, performance, and monitoring. Examples include Facility-specific environmental management plans, local community engagement processes, worker safety procedures within a particular mine, and localised monitoring of environmental performance.
- l. **Requirements that apply over the Project Lifecycle** - These refer to requirements that are continuous, ongoing, or evolve through the various stages of a mining project, from early exploration through operations, closure, and post-closure. These requirements necessitate sustained effort, adaptive management, regular monitoring, and a long-term commitment. They acknowledge that impacts and responsibilities may change over time and require continuous attention and management. For example, PA 19 Biodiversity, Ecosystem Services and Nature, requires applying the mitigation hierarchy from the earliest feasible stage of exploration and continuing throughout the project lifecycle. Other examples include ongoing engagement with affected communities in Performance Area 6 Engagement; continuous monitoring of water quality in Performance Area 18 Water Stewardship; and progressive rehabilitation in Performance Area 24 Closure). These requirements are in contrast to obligations that are typically met or assessed at a specific, definable moment or when a particular condition or milestone is reached. Such requirements often involve a discrete action such as conducting an environmental and social impact assessment, establishing a policy or procedure, or publicly disclose.

# Overarching Glossary

## Consolidated Standard Terms

**Assurance process:** Establishes minimum requirements for *Assurance Providers* conducting external *assurance* and defines the process to be followed. It also identifies the requirements and expectations for facilities to ensure they follow a clear and consistent process for hiring qualified and accredited *Assurance Providers* (see CMSI Assurance Process).

**Assurance provider:** An independent party accredited to carry out *assurance* activities to verify a *Facility's* conformance with the Consolidated Standard (see CMSI Assurance Process).

**Performance Area (PA):** The 24 individual numbered topics covered by the Consolidated Standard.

**Levels of performance:**

- **Towards Good Practice.** This is a starting position of *conformance* with minimum industry standards, on which a *Facility* can build and improve their performance. Companies at *Towards Good Practice Level* have made a *commitment* to responsible mining but are still “on the road” to implementing *Good Practice* and industry standards.
- **Good Practice.** This is a level of practice in line with industry standards and international norms, frameworks and guidelines. *Good Practice* is the level of performance that all responsible mining companies should eventually achieve.
- **Leading Practice.** This is a level of practice which goes above and beyond responsible industry *Good Practice* and demonstrates leadership or best practice.

**Requirements:** Within each level of achievement are numbered *requirements* reflecting the specific *commitment*, policy, procedure, process, or action required to meet the Standard. Where the *requirements* of two PAs are the same or similar, the intent is that they are implemented as one.

## General Glossary terms

**Adverse impacts:** Negative effects, including those related to social, environmental or human rights, that the *Facility* could cause, contribute to, or to which it is directly linked. Actual *adverse impacts* indicate adverse effects that have already occurred or are occurring; potential *adverse impacts* indicate an adverse effect that could occur.

**Affected stakeholders:** Any individual, group of individuals or organisation, or their legitimate representatives, who are affected by a *Facility's* operations, actions and decisions. (See also ‘*Stakeholders*’.)

**At defined intervals:** Where a *defined interval* is required, the frequency must be defined in a relevant procedure or related document. The document will include a rationale for why the frequency was set and is usually informed by risk.

**Audit:** A formal, systematic, and documented examination of *conformance* with explicit, agreed upon prescribed criteria. *Audits* evaluate and report on the degree of *conformance* with stipulated criteria, based on the systematic collection and documentation of relevant evidence. *Audits* involve some degree of judgment but are not designed to determine the root cause of deficiencies. *Audits* can be conducted by internal or external professionals. An internal *audit* is conducted by employees of the *company* with appropriate knowledge and competencies. These employees must be impartial and objective with respect to the management of the *Facility* being audited. For example, they could work at another *Facility* or at the *corporate level*. An *independent audit* is conducted by *auditors* that are

external to the entity being audited. These *auditors* maintain an objective viewpoint throughout the *audit* process to ensure that findings and conclusions are based only on the evidence.<sup>3</sup>

**Auditor:** An individual or firm that conducts *audits* to verify compliance with a set of criteria. *Audits* can be conducted by internal or external professionals. An internal *audit* is conducted by employees of the *company* with appropriate knowledge and competencies. These employees must be impartial and objective with respect to the management of the *Facility* being audited. For example, they could work at another *Facility* or at the *corporate level*. *Independent auditors* should be independent from the entities they *audit* to ensure impartiality and to avoid conflicts of interest. *Auditors* must possess relevant qualifications, expertise, and training specific to the standards they are auditing. *Auditors* may be accredited by recognised certification bodies or standard-setting organisations.

**Baseline data:** A description of existing conditions (or those that existed at a defined point in time) to provide a starting point (e.g. pre-project condition) against which comparisons can be made (e.g. post-impact condition), allowing the change to be quantified.<sup>4</sup>

**Business partners:** An entity with whom the *Facility* has a contractual relationship. *Business partners* include *contractors*, agents, *suppliers*, local and international intermediaries or traders, and joint venture partners. They also include entities that provide services, such as security providers and recruitment agencies, or any other third parties subject to *due diligence* within the scope of the Consolidated Standard. *Business partners* do not include customers and end consumers.<sup>4</sup>

**Business relationship:** Relationships with *business partners*, sub-contractors, franchisees, investee companies, and joint venture partners, entities in the *supply chain* which supply products or services that contribute to the *Facility's* own operations, products or services. *Business relationships* include relationships beyond contractual, 'first tier' or immediate relationships. The ability of a *Facility* to identify, prevent and mitigate actual and potential *adverse impacts* vary across different types of *business relationships*, as well as due to other factors.<sup>5</sup>

**Collaborate/Collaboration:** Engage constructively with one or more organisations, groups or individuals to work together (e.g. on an action, activity or plan), with the aim of achieving better outcomes that might be achieved by working alone.

**Commitment:** One or more publicly available statements of a *company's* responsibilities, *commitments* or expectations with regard to the performance of its activities and *business relationships*.

**Company:** A legal entity engaging in business activities.

**Corporate level:** The term '*corporate level*' is used throughout the Consolidated Standard to cover the overall *company* entity. It differs from the '*Facility*' level defined below.

**Environmental and social impact assessment (ESIA):** A process for predicting and assessing the potential environmental and social impacts of a proposed project, evaluating alternatives and designing appropriate preventative, *mitigation*, management and monitoring measures and plans.

**Establish:** Set up and/or define (e.g. accountability, a mechanism, a policy, a process, practices, a system, a baseline, objectives and/or targets, etc.).

**Facility:** The term '*Facility*' is used throughout the Consolidated Standard to cover a 'site' or 'operation'. *Facility* includes the footprint of all operational activities (i.e. mine, related infrastructure, ancillary

---

<sup>3</sup> Adapted from [ISO 19011](#) (2018) and [TSM Safe Healthy and Respectful Workplaces](#) (2023)

<sup>4</sup> Adapted from [Copper Mark Criteria Guide](#) (2023)

<sup>5</sup> Adapted from [Organisation for Economic Co-operation and Development \(OECD\) Due Diligence Guidance for Responsible Business Conduct](#) (Version 2018)

facilities such as power plants, *smelter*, etc.) under the operational control (i.e. management and oversight) of the *company*.

**Implement:** To give practical effect to and ensure fulfilment of intent of plans, programmes, systems, and policies through putting in place concrete measures and actions that include planning, communication, training, defining and carrying out processes and practices, monitoring, and evaluating the effectiveness of these activities in comparison to the intent.

**Independent audit/auditor:** See *audit* definition above.

**Independent review:** Independent assessments conducted by an external party that are intended to ensure continual improvement by evaluating the status of actions from the previous review and the effectiveness of concerned actions. The *independent review* process should identify opportunities for improvement and describe associated action plans. The *independent review* should also provide a summary of significant issues related to the overall performance of the *Facility* and its *management system*, including compliance with legal requirements, *conformance* with standards, policies and *commitments* and the status of corrective actions.

**Independent review of effectiveness:** Independent assessments conducted by an external party of whether the *management system* under review is achieving the intended results. It considers both the extent to which planned activities have been realised, and the extent to which performance objectives and indicators have been achieved. Results to be examined will depend on the scope of the review but could include in addition to the above the fulfilment of *conformance* obligations, non-conformities and corrective actions, surveillance results, adequacy of resources to support achievement of performance objectives; feedback from practitioners and end users; and any additional *relevant information* or feedback from *stakeholders*.

**Internal review:** *Internal reviews* are intended to ensure continual improvement by evaluating the status of actions from the previous *internal review* and the effectiveness of concerned actions. The *internal review* process should identify opportunities for improvement and describe associated action plans. The *internal review* should also provide a summary of significant issues related to the overall performance of the *Facility* and its *management system*, including compliance with legal requirements, *conformance* with standards, policies and *commitments* and the status of corrective actions.

**Internal review of effectiveness:** Internal assessments of whether the *management system* under review is achieving the intended results. It considers both the extent to which planned activities have been realised, and the extent to which performance objectives and indicators have been achieved. Results to be examined will depend on the scope of the review but could include in addition to the above the fulfilment of *conformance* obligations, non-conformities and corrective actions, surveillance results, adequacy of resources to support achievement of performance objectives; feedback from practitioners and end users; and any additional *relevant information* or feedback from *stakeholders*.

**Management system:** A set of operational procedures, practices, plans, and related documents that are established to implement policies and fulfilment of tasks required to achieve an objective, including the avoidance and management of *adverse impacts* related to the areas covered by the Standard, or “aspects” associated with a *Facility*’s activities. For these areas, the steps involved in a *management system* typically include identification and assessment of issues; setting of objectives, developing action plans and assigning responsibilities; implementing action plans through establishing procedures, communication, and training; monitoring and tracking progress; and taking action to correct and prevent identified issues. The final step is a review of the aspects and objectives, adjusting the action plans as needed and recording ‘lessons learned’ for future training. *Management systems*

may be integrated and address more than one aspect. For example, an environmental *management system* could address *biodiversity*, GHG emissions, energy efficiency, waste management, etc.<sup>6</sup>

**Monitoring:** Specific defined methods and/or metrics to inform baseline assessments or conduct an *internal review of effectiveness* of implemented measures. (e.g. regular, consistent data collection and feedback from various sources).

**Publicly disclose:** Make publicly available through a website or other format. Disclosures may be restricted where required to maintain data privacy, data protection requirements or legal professional privilege. Public disclosure can be done at the Corporate or *Facility* level, but should be disaggregated to include *Facility* level information, unless the requirement specifies “*corporate-level* disclosure”.

**Reasonable:** May relate to steps, efforts, or actions that a *Facility*, acting with due care and diligence, would be expected to take – based on current knowledge and available data - that is proportionate, practical, and aligned with current standards, laws, and stakeholder expectations.

**Relevant information:** When a *Facility* publicly reports *relevant information*, the information should include relevant data as well as the results of any relevant analysis and contextualisation.

**Remedy:** Refers to the process of providing *remedy* for an *adverse human rights impact* and the substantive outcomes that can counteract or make good the adverse impact. These outcomes may take a range of forms such as apologies, restitution, *rehabilitation*, financial or nonfinancial compensation, and guarantees of non-repetition. The state may also play a role in providing *remedy* through punitive sanctions (whether criminal or administrative), as well as prevention of the harm through, for example, injunctions.

**Report:** Convey information on the policies and performance associated with a particular PA in a format that is aligned with international reporting frameworks, published at least annually.

**Risks:** Potential *adverse impacts* that a *Facility* could cause, contribute or be directly linked to. Risk may be defined as the combination of the likelihood and potential scope and severity of harm. Thus, risk combines a) probability, b) scope of the harm (e.g. number of people affected) and c) severity of harm (type of damage).

**Rights-holders:** *Rights-holders* are individuals or social groups that have particular entitlements in relation to specific duty bearers (e.g., state or non-state actors that may have a particular obligation or responsibility to respect, protect and fulfil human rights and abstain from human rights violations). In general terms, all human beings are *rights-holders* under the Universal Declaration of Human Rights. In particular contexts, there are often specific social groups whose human rights are not fully realised, respected or protected, such as *Indigenous Peoples*.<sup>7</sup> It can also include individuals or groups who have a traditional or historical connection, attachment, and/or relationship to an area of land, sites and values.

**Significant adverse impacts:** The significance of an adverse impact is a function of its severity and duration. Severity of impacts is influenced by their scale, scope and irremediable character. Scale refers to the size/extent of the adverse impact. Scope concerns the reach of the impact, for example the number of individuals affected or the extent of environmental damage. Irremediable character relates to limits on the ability to mitigate the adverse impact. The duration of an impact (short or longer term) is a key factor that influences impact severity.<sup>8</sup>

**Stakeholders:** Any individual, group of individuals or organisation, or their legitimate representatives, such as interest groups, government agencies or corporate entities who have rights or interests related

---

<sup>6</sup> Adapted from [Copper Mark Criteria Guide](#) (2023)

<sup>7</sup> Adapted from [ICMM Human Rights Due Diligence Guide](#) (2023)

<sup>8</sup> Adapted from [OECD Due Diligence Guidance for Responsible Business Conduct](#) (2018)

to the Performance Areas covered by the Consolidated Standard that are or could be affected by *adverse impacts* associated with the *Facility's* operations. They could include politicians, commercial and industrial enterprises, labour unions, academics, religious groups, national social and environmental groups, public sector agencies, the media and communities. Legitimate representatives include trade unions, as well as civil society organisations and others with experience and expertise related to business impacts on *human rights*.<sup>9</sup>

**Supplier:** An entity in the *supply chain* that supplies products and services that contribute to the *Facility's* own operations, products and services.

**Sustainability risks:** *Sustainability risks* are those risks related to the environmental, social and governance practices. At a minimum, risks covered include:

- Those related to *human rights*, as defined by the UNGPs,
- Those related to armed conflict, as defined in Annex II of the OECD Due Diligence Guidance for Responsible supply Chains of Minerals from Conflict-Affected and High-Risk Areas,
- Those defined in Parts 1 and 2 of the Annex of the [Directive \(EU\) 2024/1760 of the European Parliament and of the Council of 13 June 2024 on corporate sustainability due diligence and amending Directive \(EU\) 2019/1937 and Regulation \(EU\) 2023/2859](#)
- Those defined in Annex X of the [Regulation \(EU\) 2023/1542 of the European Parliament and of the Council of 12 July 2023 concerning batteries and waste batteries](#).

**Unavoidable impacts:** Significant impacts that will arise from the action and where *mitigation* is impractical.

**Vulnerable and underrepresented stakeholder and rights-holders:** Groups and/or individuals that are characterised by their higher risk and reduced ability to cope with *adverse impacts*. Such vulnerability could be based on socio-economic conditions, such as gender, age, disability, ethnicity, indigeneity, religion, historical exclusion or marginalisation or other criteria that influence people's ability to access resources and development opportunities<sup>10</sup>

---

<sup>9</sup> Adapted from [Copper Mark Criteria Guide](#) (2023)

<sup>10</sup> Adapted from [Copper Mark Criteria Guide](#) (2023)



## Performance Area 1: Corporate Requirements

**Intent:** Define clear accountabilities and decision-making for sustainability at the board level and *report* annually on sustainability performance, including payments to governments, to enhance transparency and accountability of business practices. Maintain an up-to-date *sustainability risk register and Corporate Crisis Response Plan* to prepare for, mitigate and manage potential risks and crises.

Other Relevant Performance Areas:

- 2 Business Integrity
- 4 New Projects, Expansions and Resettlement
- 8 Diversity, Equity and Inclusion
- 10 Emergency Preparedness and Response
- 12 Engagement
- 20 Climate Action
- 23 Circular Economy

**Applicability:** The requirements in this Performance Area are intended to be implemented and assured at the *corporate level*. In certain circumstances (e.g. organisations with only one site) some *requirements* such as the disclosure of mineral revenues (sub-section 1.3) can be implemented and assured at the *Facility level*.

The requirements under sub-section 1.4 can be implemented at the *Facility level* or the *corporate level* as part of an enterprise risk *management system*. The process of assessing, prioritising and addressing risks should be integrated with similar, and more specific, requirements related to risk management in the individual Performance Areas.

Sub-section 1.5 Corporate Crisis Management covers requirements related to *corporate-level crisis* preparedness and response. Performance Area 10: Emergency Preparedness and Response, covers *Facility-level* emergency preparedness and response.

LEVEL	REQUIREMENT
<b>1.1 Corporate Accountability</b>	
Towards Good Practice	1. Designate an individual(s) from senior management to be accountable for corporate-wide sustainability practice and performances.
	2. <i>Publicly disclose</i> , at the corporate and/or <i>Facility level</i> , applicable <i>policies or commitments</i> covering the Performance Areas in this Standard.
Good Practice	1. Establish board and senior management-level accountability and internal reporting processes for the risk management, governance and <i>oversight</i> of corporate-wide sustainability practices and performance.
	2. Demonstrate that applicable Performance Areas in this Standard have been integrated into corporate strategy and investment decision-making, including those related to the design, operation and <i>closure</i> of facilities and to mergers, acquisitions and divestments.

	3. Integrate sustainability metrics into senior executive compensation.
Leading Practice	1. Integrate sustainability metrics linked to meeting the Good Practice or Leading Practice of this Standard into senior executive compensation.
	2. Establish a Committee of the Board dedicated to sustainability matters.

LEVEL	REQUIREMENT
<b>1.2 Sustainability Reporting</b>	
Towards Good Practice	1. Identify material <i>sustainability-related risks</i> , impacts and opportunities for inclusion in external <i>company</i> disclosure.
	2. <i>Publicly disclose</i> annually a <i>report</i> on corporate-wide sustainability <i>policies</i> , practices and performance.
Good Practice	1. <i>Publicly disclose</i> an annual corporate-wide sustainability or integrated <i>report</i> in line with an internationally recognised reporting standard that addresses <i>impact materiality</i> .
Leading Practice	1. <i>Publicly disclose</i> an annual corporate-wide sustainability or integrated <i>report</i> in line with an internationally recognised reporting standard that addresses <i>double materiality</i> .
	2. Complete <i>independent assurance</i> on the material topics in the annual sustainability report.

LEVEL	REQUIREMENT
<b>1.3 Transparency of Mineral Revenues</b>	
Towards Good Practice	1. <i>Publicly disclose support for the responsible management of mineral revenues</i> , consistent with the principles of the Extractive Industries Transparency Initiative (EITI).
	2. <i>Publicly disclose material payments</i> to governments at a country and project level.
Good Practice	1. For facilities in an EITI implementing country, <i>publicly disclose</i> annually in line with EITI requirements: i) <i>material payments</i> to governments, by country and by project and ii) other relevant disclosures as agreed within the context of national EITI implementation.

	2. For facilities that are not in an EITI implementing country, <i>publicly disclose material payments</i> to governments, by country and by project, in line with EITI or with national regulations where they exist.
	3. <i>Publicly disclose</i> new mineral development <i>contracts</i> with host governments or disclose a link to where they are publicly available.
Leading Practice	1. Implement applicable <i>Expectations for EITI Supporting Companies</i> .
	2. <i>Publicly disclose beneficial owners</i> of the <i>Facility</i> in line with the EITI Standard, recognising that listed companies will disclose the name of the stock exchange(s) and otherwise do what is required by applicable regulations and listing requirements.
	3. For facilities in non-EITI implementing countries and where no equivalent regulations exist, <i>encourage the host government</i> to join/implement EITI and/or support local efforts designed with the same objective or purpose.
	4. <i>Publicly disclose</i> existing mineral development <i>contracts</i> with host governments or disclose a link to where they are publicly available.
	5. Include payments to governments in the scope of the <i>independent assurance</i> of sustainability or financial disclosures.

LEVEL	REQUIREMENT
<b>1.4 Risk Assessment</b>	
Towards Good Practice	1. Identify an individual(s) to be responsible to assess risks associated with the <i>Facility's</i> activities, including those that impact local <i>stakeholders</i> and <i>rights-holders</i> , <i>workers</i> and the environment.
	2. Assess and prioritise key risks associated with the <i>Facility</i> , including at a minimum, those identified in the applicable Performance Areas in this Standard.
Good Practice	1. Create a risk register of prioritised risks, with risk owners, and links to <i>management systems</i> or plans to prevent and/or mitigate such risks (following the requirements of this Standard where applicable).
	2. Include relevant internal teams in the risk assessment process.
	3. Conduct an <i>internal review</i> and update the risk register, at least annually.
Leading Practice	1. Engage external <i>stakeholders</i> and <i>rights-holders</i> in the risk assessment process.

	2. Report key risks and associated <i>mitigation</i> plans to the Board or Committee of the Board, <i>at defined intervals</i> .
--	--

LEVEL	REQUIREMENT
<b>1.5 Corporate Crisis Management</b>	
Towards Good Practice	1. Identify credible potential <i>crisis</i> scenarios that are likely to arise that could significantly impact the <i>company</i> , its <i>stakeholders and rights-holders</i> and the environment.
	2. Develop a draft <i>Corporate Crisis Response Plan</i> (CCRP) that addresses identified scenarios to support <i>crisis</i> response.
	3. Designate a senior executive to be accountable for the <i>crisis</i> response and communications planning.
Good Practice	1. Complete a <i>Corporate Crisis Response Plan</i> , endorsed by the CEO, that: <ul style="list-style-type: none"> <li>a. identifies a <i>crisis</i> response team with defined roles, responsibilities and reporting structures.</li> <li>b. describes how corporate will support and coordinate with facilities in the event of a <i>Facility-based crisis</i>.</li> <li>c. establishes <i>crisis control centres</i> at corporate.</li> <li>d. includes a mechanism to maintain effective and up-to-date communications with relevant <i>stakeholders and rights-holders</i>, including employees and the media, during a <i>crisis</i>.</li> <li>e. includes contact information including for the <i>crisis</i> response team, media and other relevant <i>stakeholders and rights-holders</i>.</li> </ul>
	2. Test notification mechanisms that activate the <i>Corporate Crisis Response Plan</i> and conduct a “ <i>table-top</i> ” exercise with the <i>crisis</i> response team annually.
	3. Conduct a full <i>crisis simulation exercise</i> every three years.
	4. Conduct an <i>internal review</i> and update the <i>Corporate Crisis Response Plan</i> : <ul style="list-style-type: none"> <li>a. when there is a change of personnel associated with implementation of the plan to update contact details,</li> <li>b. when there is a material change to the identified emergency and <i>crisis</i> scenarios, and/or,</li> <li>c. at least every two years.</li> </ul>
Leading	1. Conduct a full <i>crisis simulation exercise</i> every two years.

Practice	2. Review and update the <i>Corporate Crisis Response Plan</i> at least every year and incorporate improvements or changes based on the simulations as needed.
----------	--

## Glossary and Interpretive Guidance

**Assurance:** In the context of this Performance Area, sustainability report *assurance* is the process of verifying the accuracy, completeness, and reliability of an organisation's sustainability information. It involves an independent third-party evaluating an organisation's sustainability performance and providing *assurance* on the reported data (also see below: *Independent assurance of the annual sustainability report*). Sustainability *assurance* is related to but different to the *assurance process* conducted by an accredited independent party to verify a *Facility's* conformance with the Consolidated Standard (see CMSI Assurance Process). Sustainability *assurance* is also distinct from *financial assurance* which is defined in Performance Area 2: Business Integrity.

**Beneficial owners:** Refers to the natural person(s) who ultimately own or control a corporate entity, either directly or indirectly. For more details see Guidance Note on EITI Requirement 2.5.

**Contracts:** See [EITI Guidance Note](#) on *Contracts* for guidance on contract disclosure. Also see *Disclosure of Contracts* below.

**Corporate Crisis Response Plan:** A plan which outlines how the *company* will respond if a *crisis* occurs. The *crisis* plan should be a controlled document that identifies the *crisis* management teams at corporate with defined roles and responsibilities. The plan should identify and have protocols to respond to identified threats and risks, establish communication protocols, include key media and stakeholder contact information, and describe mechanisms to alert employees to a *crisis* and to provide updates.<sup>11</sup> The plan should also describe how the *corporate level* will support and coordinate with facilities in the event of a *Facility*-based *crisis* and test the mechanism *at defined intervals*.

**Corporate level:** Refers to the legal entity that has ultimate operational control over the *Facility* implementing the standard.

**Crisis:** A sudden event that could significantly affect a *company's* ability to carry out its business, or that poses a significant threat to the public, *workers* and/or the environment. In this context, a *crisis* requires corporate, senior management involvement and action and can be distinguished from an emergency, which can and should be handled by the *Facility* in accordance with its *Emergency Response Plans*. A *crisis* exists or is developing if one or more of these apply:

- The emergency poses a significant threat to the public or employees.
- The emergency provokes government scrutiny.
- A *Facility* no longer has full control of the situation - other agencies are taking charge.
- The situation has caused national or international media interest.
- The situation is likely to escalate and there is no immediate resolution in sight.
- The corporation's reputation could be damaged and/or there is a threat to the bottom line or share value.

Incidents that are subject to *crisis* management may include industrial emergencies, natural disasters, medical emergencies in jurisdictions where local medical care is inadequate, accidental releases of materials, missing person incidents related to criminal or non-criminal circumstances, political and security risks such as kidnaps, extortions, bomb threats, bombings, political or civil unrest, illegal detention by local authorities, and any other unexpected event that could threaten the safety of *Company* or *contractor* employees or the local community.

<sup>11</sup> Adapted from [TSM Crisis Management and Communications Planning Protocol](#) (2018)

***Crisis control centre:*** A *crisis* response centre includes a combination of both physical and virtual facilities, or solely virtual facilities, that enable an organisation to keep lines of communication open during *crisis* events. Communications channels will include communications between *crisis* team members and between the *crisis* team and emergency responders as required. This is different from *emergency control* facilities which focus more on facilitating communications between emergency responders, such as an emergency dispatcher.

***Crisis simulation exercise:*** A *crisis simulation exercise* is a fictional event designed to test an organisation's preparedness and response to real-life *crisis* situations. It simulates a *crisis* scenario, allowing participants to practice their roles and communication protocols in a controlled environment, helping identify strengths and weaknesses in their plans and procedures.

A real-life *crisis* can meet the requirement of a *crisis simulation exercise* if the CCRP was implemented, a post-*crisis* review was conducted and modifications to the plan were made, if necessary.

***Disclosure of contracts:*** In jurisdictions where regulation is used to define fiscal, non-fiscal and administrative terms instead of individual *contracts* with facilities, requirements 1.3 G3 and L2 do not apply. If the *Facility* is in a country where it is not feasible to disclose *contracts*, the country-specific legal or practical barriers to disclosure should be *publicly disclosed*. This reason(s) will also be reviewed by the *assurance provider* and noted in the *assurance* report. Otherwise, contract disclosure should follow the [EITI Guidance Note on Contracts](#).

***Double materiality:*** This approach to materiality expands on *impact materiality* by also considering how sustainability-related topics may pose a material risk or opportunity that could affect a *company's* financial performance and position over the short, medium and long term, often referred to as "financial materiality".

***Encourage the host government:*** This requirement can be met through direct engagement or indirectly through national or regional mining associations.

***Expectations for EITI Supporting Companies:*** *Expectations for EITI Supporting Companies* are outlined in the 2023 EITI Standard.<sup>12</sup> With reference to requirement 1.3 LP1, an example of where the *Expectations for Supporting Companies* do not apply is *Expectation 1 if the Facility has no footprint in an EITI country*.

***Impact materiality:*** Process to define the sustainability-related topics that represent the organization's most significant impacts (positive and negative) on the economy, environment, and people, including impacts on their human rights. *Impact materiality* should consider the perspectives of multiple *stakeholders*, such as investors, employees, customers, *suppliers* and local communities.

***Independent assurance of the annual sustainability report:*** The scope of the independent *assurance of the sustainability report* should be determined in *collaboration* with the independent *assurance provider* and according to international standards for assuring sustainability reports such as ISAE3000, AA1000, etc. The intent is not necessarily to provide *assurance* over every aspect of the Sustainability report.

***Material payments:*** Payments and revenues are considered material if their omission or misstatement could significantly affect the comprehensiveness of the disclosures. Payment could include taxes, royalties, signature bonuses or any other payment or benefit to governments.

***Policies/commitments:*** Required *policies and commitment* statements can be adopted at the *corporate level* or at the *Facility* level and should cover the applicable Performance Areas of the standard.

---

<sup>12</sup> [Extractive Industries Transparency Initiative \(EITI\) EITI Guidance on the Expectations for Supporting Companies \(2022\)](#)

**Publicly disclose support for the responsible management of mineral revenues:** A Facility can satisfy this requirement by reporting to EITI or equivalent national regulations.

**Rights-holders:** Rights-holders are individuals or social groups that have particular entitlements in relation to specific duty bearers (e.g., state or non-state actors that may have a particular obligation or responsibility to respect, protect and fulfil *human rights* and abstain from *human rights* violations). In certain contexts, there are often specific social groups whose *human rights* are not fully realised, respected or protected, such as *Indigenous Peoples*.

**Stakeholders:** Any individual, group of individuals or organisation, or their legitimate representatives, such as interest groups, government agencies or corporate entities who have rights or interests related to the Performance Areas covered by the Consolidated Standard that are or could be affected by *adverse impacts* associated with the Facility's operations. They could include politicians, commercial and industrial enterprises, labour unions, academics, religious groups, national social and environmental groups, public sector agencies, the media and communities. Legitimate representatives include trade unions, as well as civil society organisations and others with experience and expertise related to business impacts on *human rights*.

**Table-top exercise:** A table-top or round-table exercise is a useful, cost-effective tool for honing *crisis* management and communications skills and for helping the *crisis* response team identify any weaknesses or gaps in their *crisis* response planning. Working from a schedule of events, a facilitator offers the *crisis* team or management group a series of situations to be analysed and discussed before decisions are made and actions taken. Pressure is exerted through ever-increasing complexity and frequency of problems, with the facilitator raising issues from the perspectives of outside audiences.

## References:

- [Corporate Sustainability Reporting Directive \(CSRD\)](#)
- [Extractive Industries Transparency Initiative \(EITI\) EITI Guidance on the Expectations for Supporting Companies](#)
- [Extractive Industries Transparency Initiative \(EITI\) EITI Standard 2023](#)
- [Extractive Industries Transparency Initiative \(EITI\) Guidance Note 2.4 on Contracts](#)
- [Extractive Industries Transparency Initiative \(EITI\) Guidance Note on EITI Requirement 2.5: Beneficial Ownership.](#)
- [Global Reporting Initiative \(GRI\)](#)
- [International Financial Reporting Standards \(IFRS\) Sustainability Disclosure Standards](#)

## Performance Area 2: Business Integrity

Intent: Establish systems to maintain compliance with *applicable laws*, conduct business ethically and with integrity and implement policies and practices to prohibit and prevent *bribery* and *corruption*, *money laundering* and *anti-competitive behaviour*.

Other Relevant Performance Areas:

- 1 Corporate Requirements
- 3 Responsible Supply Chains
- 7 Rights of workers
- 17 Grievance Management

**Applicability:** This Performance Area is applicable to all *facilities*.

LEVEL	REQUIREMENT
<b>2.1 Legal Compliance</b>	
Towards Good Practice	1. Establish processes to comply with <i>applicable laws</i> , including <i>monitoring</i> existing and emerging <i>applicable laws</i> and identify key legal risks for the <i>Facility</i> .
	2. Maintain a <i>register of material legal obligations</i> , to be updated <i>at defined intervals</i> .
Good Practice	1. Conduct an <i>internal review</i> of any significant non-compliance with <i>applicable laws</i> , including the cause, and implement corrective action(s).
	2. <i>Publicly disclose significant regulatory action or fines</i> and related corrective actions taken or planned.
Leading Practice	1. Conduct an <i>internal review of effectiveness</i> at <i>defined intervals</i> to assess performance of processes, practices and <i>controls</i> for managing regulatory compliance, implement and track corrective actions.

LEVEL	REQUIREMENT
<b>2.2 Business Ethics and Accountability</b>	
Towards Good Practice	1. <i>Publicly disclose</i> a policy that specifies ethical and integrity business practices.
	2. Develop a <i>Code of Conduct</i> to communicate the ethical and integrity standards required of <i>workers</i> .
	3. Prohibit <i>bribery, corruption, fraud, money laundering and anti-competitive behaviour</i> in the ethics and integrity policy and <i>Code of Conduct</i> .



	4. Establish an internal process to confidentially receive and resolve ethical and integrity-related complaints from <i>workers</i> .
Good Practice	1. Identify and address key ethical and integrity risks in the <i>Code of Conduct</i> including <i>bribery, corruption, fraud, insider trading, facilitation payments, privacy, gifts, conflict of interest</i> , lobbying and engagement with government officials.
	2. Establish and implement <i>management systems</i> to comply with the ethical and integrity policy and <i>Code of Conduct</i> .
	3. Train <i>workers</i> on the <i>ethical and integrity policy</i> and <i>Code of Conduct</i> and maintain training records <i>at defined intervals</i> .
	4. Conduct an annual <i>internal review</i> of the risks and issues associated with <i>business ethics</i> and integrity.
	5. Implement a <i>Know Your Counterparty (KYC)</i> procedure and conduct <i>due diligence</i> commensurate with the level of risk and business interaction with the counterparty.
	6. Where political donations are permissible, establish guidance on their use and <i>publicly disclose</i> any donations.
	7. Establish and communicate a <i>whistle-blower mechanism</i> that respects <i>confidentiality</i> and anonymity where requested and protects those raising grievances from <i>discrimination</i> and/or retaliation and implement remedial actions on substantiated <i>whistle-blower</i> complaints in a timely manner.
Leading Practice	1. Conduct a review of compliance with the <i>Code of Conduct</i> and <i>whistleblower mechanism at defined intervals</i> and make improvements as required.
	2. <i>Publicly disclose</i> any material breaches of the <i>ethical and integrity policy</i> and the <i>Code of Conduct</i> while protecting the privacy of individuals involved.
	3. Identify priority <i>supply chain</i> businesses and <i>collaborate</i> to improve their ethical and integrity risk management and practices.
	4. <i>Publicly disclose</i> the number and nature of any substantiated <i>whistle-blower</i> complaints, trends and the type of remedial actions taken, while protecting the <i>confidentiality</i> of the complainants.
	5. <i>Publicly disclose</i> the organisation's position on significant issues in public policy and lobbying, noting any differences. Detail its membership to representative bodies, including the nature of its role and any material differences in their positions.

## Glossary and Interpretive Guidance

**Anti-competitive behaviour:** A situation where businesses agree to prevent, restrict or distort competition to affect trade, for example by fixing prices for goods and services, limiting or preventing production or supply, dividing markets or customers and rigging bids, and/or the abuse of a dominant position by one or more businesses.<sup>13</sup>

**Applicable laws:** All the supra-national, national, state and local laws relevant and applicable in place where a *Facility* operates. This could include, but is not restricted to, acts, regulations and statutory policies. Where a conflict arises between *applicable law* and the requirements of the Consolidated Standard, the *Facility* is required to follow *applicable law* or the *standard*, whichever is more stringent without violating *applicable law*.<sup>14</sup>

**Bribery:** Requesting, agreeing to or accepting a financial or other advantage in connection with the 'improper performance' of a position of trust, or a function that is expected to be performed impartially or in *good faith*.<sup>15</sup>

**Business ethics:** The application of ethical values to business standards and behaviour.

**Code of Conduct:** Statement of principles and values that establishes a set of expectations and standards for how *workers* will behave, including minimal levels of compliance and disciplinary actions for the organisation, its staff and other personnel. This can be tailored to jurisdiction risk profile and the operating context and the communication needs (including language, culture and other aspects) of *workers*.<sup>16</sup> The code should include expectations on engagement with government officials. This may be a standalone document or integrated into other documents as long as it satisfies the intent to set and communicate expectations to *workers*.

**Conflict of interest:** A *conflict of interest* occurs when an organisation or individual has competing interests including personal interests which could compromise their judgment, decisions, or actions in the workplace.

**Corruption:** *Corruption* is any unlawful or improper behaviour that seeks to gain a private or commercial advantage through illegitimate means. Any kind of *bribery* is a form of *corruption*; but *corruption* also includes abuse of power, extortion, *fraud*, deception, collusion, cartels, embezzlement and *money laundering*.<sup>17</sup>

**Facilitation payment:** A small, unofficial payment made to secure or expedite the performance of a routine or necessary action to which the payer has legal or other entitlement.<sup>18</sup>

**Fraud:** Wrongful or criminal deception or misrepresentation intended to result in financial or personal gain or cause loss to another.

**Gifts:** *Gifts* are items of nominal value such as prizes, small thank you *gifts* and culturally recognised gestures/offerings. *Gifts* such as major charitable contributions, sponsorships, community payments and any significant *hospitality* expenses that are offered in commercial circumstances increase *bribery* risks.<sup>19</sup>

**Hospitality:** Meals with third parties, functions and celebrations involving entertainment, sporting events, cultural events, fundraising events, concerts, plays, etc.

---

<sup>13</sup> Adapted from [Copper Mark Criteria Guide](#) (2023)

<sup>14</sup> Adapted from [RJC Code of Practices](#) (2019) and [ASI Glossary](#) (2022)

<sup>15</sup> Adapted from [Copper Mark Criteria Guide](#) (2023)

<sup>16</sup> Adapted from [ASI Glossary](#) (2022)

<sup>17</sup> Adapted from [Copper Mark Criteria Guide](#) (2023)

<sup>18</sup> Adapted from Transparency International [Corruptionary](#) (no date)

<sup>19</sup> Adapted from [RJC Code of Practices](#) (2019)

**Insider trading:** Buying or selling a security, in breach of a fiduciary duty or other relationship of trust and confidence, based on material, non-public information about the security. *Insider trading* violations could also include 'tipping' such information, securities trading by the person 'tipped,' and securities trading by those who misappropriate such information.<sup>20</sup>

**Know your Counterparty (KYC):** KYC principles established to combat *money laundering* and finance of terrorism, require businesses to identify every organisation that they deal with, to understand the legitimacy of their *business relationships* and, within reason, to identify and react to unusual or suspicious transaction patterns.<sup>21</sup>

**Legal compliance:** Where *applicable law* differs from the requirements in this Standard, facilities will comply with local laws while also seeking to follow the higher standard. Requirements across different Performance Areas in the Standard do not include phrases such as "in compliance with local law" or similar as this would be duplicative.

**Money laundering:** All forms of handling or possessing proceeds from a criminal activity are disguised to conceal their illicit origins.<sup>22</sup>

**Process to apply with applicable laws:** A documented, systematic approach to ensure legal obligations are integrated into *Facility* planning, risk identification and operational activities. These may include regular review. These include *monitoring* and compliance checks and supporting access for regulatory compliance *monitoring*.

**Register of material legal obligations:** The *Facility's* identification of legal obligations and the evaluation of their materiality associated with the activities, operations, products or services. The register should consider requirements such as:

- *Applicable laws*,
- Permits, licences or other forms of authorisation,
- Orders, rules or guidance issued by regulatory agencies,
- Compliance obligations related to ESG performance, including agreements and *commitments* to community groups or non-governmental entities, public authorities and customers.<sup>23</sup>

Registers could include broader *company commitments* to international standards, where applicable. The register should be structured in any way that enables it to be completed and easy to use. It may be a single document or multiple modules that address specific topics. Modular mechanisms should consider how they are kept up to date and managed as part of an overall *management system*.

**Regulatory actions:** A finding of wrongdoing by a governmental authority, including investigations, formal complaints and sanctions.

**Responsible lobbying:** Public policy advocacy that is transparent, evidence-based, consistent with an organisation's values and considers the interests and perspectives of *stakeholders and rights-holders*.

**Significant regulatory action or fine:** Is usually defined by corporate policy and processes. It should consider situations where the *Facility* has been subject to regulatory action or penalties for:

- Injury or illness to one or more people resulting in permanent partial impairment, disability and death;
- Long term irreversible impacts to the environment, sensitive species, *habitat*, ecosystems and areas of cultural importance); and

---

<sup>20</sup> Adapted from [U.S. Securities and Exchange Commission](#) (no date)

<sup>21</sup> Adapted from [RJC Code of Practices](#) (2019)

<sup>22</sup> Adapted from [Copper Mark Criteria Guide](#) (2023)

<sup>23</sup> Adapted from [ISO45001](#) (2018)

- Affecting large numbers of the local community (one stakeholder group or *rights-holder* group) or multiple *stakeholders* or *rights-holders*.<sup>24</sup>

**Whistle-blower:** Employees and others who report *bribery* and *corruption* concerns and mismanagement, *fraud*, illegality and other wrongdoing that is intended for financial or personal gain. This includes cases where persons know or have a reasonable suspicion of wrongdoing.<sup>25</sup>

**Whistle-blower mechanism:** The system for employees and others to confidentially or anonymously report *bribery* and *corruption* concerns and mismanagement, *fraud*, illegality and other wrongdoing that is intended for financial or personal gain. Operational aspects include assigning responsibility for the mechanism, multiple channels of reporting, following up of all reports and the provision of support and protections for *whistle-blowers*.

## References:

- [Bribery Prevention Network](#)
- [Global Reporting Initiative \(GRI\) 205: Anti-corruption Disclosures 2016](#)
- [Organisation for Economic Co-operation and Development \(OECD\) Guidelines for Multinational Enterprises on Responsible Business Conduct](#)
- [Responsible Lobbying: Responsible Lobbying Framework](#)
- [Transparency International: Internal Whistleblowing Systems](#)
- [Transparency International: Global Anti-Bribery Guidance](#)
- [United Nations \(UN\) Convention Against Bribery \(UNCAC\)](#)
- [United Nations \(UN\) Global Compact Principle Ten: Anti-Corruption](#)

---

<sup>24</sup> Adapted from [ASI Glossary](#) (2022)

<sup>25</sup> Adapted from [RJC Code of Practices](#) (2019)

## Performance Area 3: Responsible Supply Chains

**Intent:** Promote responsible business conduct in *supply chains* by implementing *risk-based due diligence* on *suppliers* to identify *sustainability risks* and impacts appropriate to the size and location of the *Facility*, the sector and the nature of the products or services involved.

Other Relevant Performance Areas:

- 2 Business Integrity
- 5 Human Rights
- 6 Child and Forced Labour
- 7 Rights of Workers
- 9 Safe, Healthy and Respectful Workplaces
- 11 Security Management
- 13 Community Impacts and Benefits
- 14 Indigenous Peoples
- 16 Artisanal and Small-Scale Mining
- 17 Grievance Management
- 19 Biodiversity, Ecosystem Services and Nature
- 20 Climate Action
- 23 Circular Economy

**Applicability:** Sub-section 3.1 is applicable to all *Facilities*. Note that the *due diligence* required should be commensurate with risk and appropriate to the *Facility's* specific circumstances and context. Sub-section 3.2 is applicable to any *Facility* that engages in, or plans to engage in, sourcing and *processing* of minerals or metals.

LEVEL	REQUIREMENT
<b>3.1 Responsible Supply Chain (applicable to all Facilities)</b>	
Towards Good Practice	1. <i>Publicly disclose</i> a responsible <i>supply chain</i> policy aligned with the OECD Due Diligence Guidance for Responsible Business Conduct.
	2. Communicate, and include in contracts, the <i>Facility's</i> requirements of <i>suppliers</i> related to responsible business conduct.
	3. Develop a system to screen <i>suppliers</i> for compliance related to responsible business conduct.
Good Practice	1. Develop and implement a risk-based <i>supply chain due diligence management system</i> aligned with the OECD Due Diligence Guidance for Responsible Business Conduct to identify, assess and prioritise the <i>sustainability risks</i> in the most significant parts or segments of the <i>Facility's supply chain</i> . Parts or segments of the <i>supply chain</i> refer to countries, value added activities, <i>suppliers</i> , commodities or others.
	2. When conducting <i>due diligence</i> , consider information raised through the <i>Facility's</i> early warning systems (e.g. hotline) and <i>grievance mechanisms</i> (see Performance Area 17: Grievance Management).

	3. Take <i>reasonable</i> action to prevent and/or mitigate prioritised <i>sustainability-related risks</i> in the <i>Facility's supply chain</i> .
	4. Conduct an <i>internal review of effectiveness</i> of actions to identify, prevent and/or mitigate <i>supply chain risks at defined intervals</i> .
	5. <i>Publicly disclose supply chain due diligence</i> processes, actual or potential risks identified, progress and actions related to prevention, <i>mitigation</i> and, where applicable, any <i>remedy</i> provided.
	6. Where appropriate, play a role in the <i>remediation process</i> where <i>adverse human rights impacts</i> have occurred that the <i>Facility</i> has not caused or contributed to, but which are directly linked to its operations, products or services by a <i>business relationship</i> (see Performance Area 5: Human Rights and Performance Area 17: Grievance Management).
Leading Practice	1. <i>Collaborate</i> with <i>supply chain</i> actors, government and other <i>stakeholders</i> to increase leverage over <i>suppliers</i> that are causing or contributing to <i>adverse impacts</i> , with due regard to applicable competition law.
	2. Encourage <i>suppliers</i> to establish a <i>grievance mechanism</i> in line with the UN Guiding Principles effectiveness criteria and a process to provide or support remediation in their operations or <i>supply chain</i> .
	3. Assist <i>suppliers</i> in building their capacities to improve their sustainability performance and <i>supply chain</i> practices, where possible.
	4. <i>Collaborate</i> with <i>business relationships</i> and other <i>stakeholders</i> to increase the effectiveness of <i>Facility's</i> engagement practices, including one or more of the following: <ul style="list-style-type: none"> <li>a. Assess <i>business relationships'</i> engagement practices as part of the <i>supply chain due diligence</i> risk assessment.</li> <li>b. <i>Collaborate</i> with <i>affected stakeholders</i> and <i>rights-holders</i> in the assessment of prioritised <i>sustainability risks</i>.</li> <li>c. <i>Collaborate</i> with <i>stakeholders</i> and <i>rights-holders</i> on the <i>internal review of effectiveness</i> of actions to identify, prevent and mitigate prioritised risk, as well as in the implementation of improvement measures in this regard.</li> </ul>

LEVEL	REQUIREMENT
<b>3.2 Responsible Mineral Sourcing</b> (applicable only to Facilities that engage in, or plan to engage in, sourcing and processing of minerals or metals)	
Towards Good Practice	1. Establish and implement a process to determine whether the <i>Facility</i> is operating within, sourcing <i>mined material</i> from, or transporting <i>mined material</i> through, a <i>conflict-affected and high-risk area (CAHRA)</i> .
	2. Using the <i>risk-based supply chain due diligence management system</i> established for Performance Area 3: sub-section 3.1, determine if there are “red flags” as defined by OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from <i>Conflict-Affected and High-Risk Areas</i> , Gold Supplement (gold) or 3T Supplement (all other minerals) and related Annex II risk categories.
Good Practice	1. Implement a <i>risk-based supply chain due diligence management system</i> aligned with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from <i>Conflict-Affected and High-Risk Areas</i> for mineral supply chains.
	2. Demonstrate that the <i>Facility</i> implements an OECD-aligned <i>due diligence</i> system, by completing an <i>independent audit</i> under an OECD-aligned programme* and disclosing the <i>independent audit</i> report.
	3. Publicly disclose the information required by Step 5 in the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from <i>Conflict-Affected and High-Risk Areas</i> , Gold Supplement (gold) or 3T Supplement (all other minerals). Facilities may do so as part of Good Practice 5 in Performance Area 3: sub-section 3.1.
	4. Retain all documentation, including records of payments, relating to the import and export of <i>mined materials</i> for a minimum of ten years.
Leading Practice	1. Expand the “red flag” determination requirement in Towards Good Practice 2, to include <i>sustainability risks</i> , including those covered by this Standard
	2. Demonstrate that the <i>Facility’s</i> minerals and metals <i>due diligence</i> system extends to include <i>recycled materials</i> , where relevant.

\* The requirements for the Consolidated Standard to recognise a programme as “OECD-aligned” are defined in a separate recognition document. The Consolidated Standard Secretariat will publish a list of recognised, OECD-aligned, programmes.

## Glossary and Interpretive Guidance

**Adverse impacts:** Negative effects, including those related to social, environmental or human rights, that the *Facility* could cause, contribute to, or to which it is directly linked. Actual *adverse impacts* indicate adverse effects that have already occurred or are occurring; potential *adverse impacts* indicate an adverse effect that could occur.

**Adverse human rights impacts:** In the context of business and *human rights*, an *adverse human rights impact* occurs when an action or omission by a business enterprise removes or reduces the ability of an individual to enjoy their *human rights*. This includes impacts caused directly by the business, those it contributes to, and those directly linked to its operations, products, or services through *business relationships*.

**Affected stakeholders:** Any individual, group of individuals or organisation, or their legitimate representatives, who are affected by a *Facility's* operations, actions and decisions (see also 'Stakeholders').

**Business partners:** An entity with whom the *Facility* or its corporate office on behalf of the *Facility* has a contractual relationship. *Business partners* include *contractors*, agents, *suppliers*, local and international intermediaries or traders, and joint venture partners. They also include entities that provide services, such as security providers and recruitment agencies, or any other third parties subject to *due diligence* within the scope of the Consolidated Standard. *Business partners* do not include customers and end consumers.<sup>22</sup>

**Business relationship:** Relationships with *business partners*, sub-contractors, franchisees, investee companies, and joint venture partners, entities in the *supply chain* which supply products or services that contribute to the *Facility's* own operations, products or services. *Business relationships* include relationships beyond contractual, 'first tier' or immediate relationships. The ability of a *Facility* to identify, prevent and mitigate actual and potential *adverse impacts* vary across different types of *business relationships*, as well as due to other factors.<sup>23</sup>

**Conflict-affected and high-risk areas (CAHRA):** Areas identified by the presence of armed conflict, widespread violence, including violence generated by criminal networks, or other risks of serious and widespread harm to people. Armed conflict takes a variety of forms, such as a conflict of international or non-international character, which involves two or more states, or could consist of wars of liberation, insurgencies, or civil wars. High-risk areas are those where there is a *high risk* of conflict or of widespread or serious abuses as defined in paragraph 1 of Annex II of the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. Such areas are often characterised by political instability or repression, institutional weakness, insecurity, the collapse of civil infrastructure, widespread violence and violations of national or international law.<sup>24</sup>

**Due diligence:** *Due diligence* is an on-going, proactive and reactive process through which a *Facility* can identify, prevent, mitigate, *remedy* and account for how they address environmental, social and governance risks and impacts associated with their operations and *business partners*, as an integral part of business decision-making and risk *management systems*.<sup>25</sup>

**High or very high risk:** The significance of an adverse impact is understood as a function of its likelihood and severity. Severity of impacts will be judged by their scale, scope and irremediable character.

- Scale refers to the gravity of the adverse impact.
- Scope concerns the reach of the impact, for example the number of individuals that are or will be affected or the extent of environmental damage.



- Irremediable character means any limits on the ability to restore the individuals or environment affected to a situation equivalent to their situation before the adverse impact.<sup>26</sup>

**Mined material:** *Mined material* refers to minerals or metals that originate from mines (medium and large-scale or artisanal and/or small-scale mines) and has never been processed.<sup>27</sup>

**Minerals or Metals Processing:** The process of receiving mined and / or *recycled material* and producing refined, smelted, treated, transformed, purified, or cleaned minerals or metals products for use in downstream manufacturing and other midstream or downstream processes.<sup>28</sup> *Minerals and Metals Processing* excludes on-site milling/processing of ore to concentrate and doré.

**Minerals or Metals Sourcing:** The receipt of minerals or metals (either mined or recycled) for processing into core products produced by a *company* at its production facilities.

**Recycled material:** *Recycled material* refers to minerals or metals that been previously processed, such as end-user, post-consumer, *scrap* and waste minerals or metals arising during *minerals or metals processing* and product manufacturing, which is returned to a minerals or metals processor or other downstream intermediate processor to begin a new *life cycle*.<sup>29</sup>

**Remediation process:** The process of providing a *remedy*.

**Remedy:** Refers to the process of providing *remedy* for an *adverse human rights impact* and the substantive outcomes that can counteract or make good the adverse impact. These outcomes may take a range of forms such as apologies, restitution, *rehabilitation*, financial or nonfinancial compensation, and guarantees of non-repetition. The state may also play a role in providing *remedy* through punitive sanctions (whether criminal or administrative), as well as prevention of the harm through, for example, injunctions.

**Risk-based due diligence:** Risk-based *due diligence* indicates that the measures that a *Facility* takes to conduct *due diligence* should be commensurate to the severity and likelihood of the potential adverse impact and tailored to the nature of the impact. Where it is not feasible to address all identified impacts at once, a *Facility* should prioritise the order in which it takes action based on the severity and likelihood of the adverse impact. Once the most significant impacts are identified and dealt with, the *Facility* should move on to address less significant impacts.<sup>30</sup>

**Stakeholders:** Any individual, group of individuals or organisation, or their legitimate representatives, such as interest groups, government agencies or corporate entities who have rights or interests related to the Performance Areas covered by the Consolidated Standard that are or could be affected by *adverse impacts* associated with the *Facility's* operations. They could include politicians, commercial and industrial enterprises, labour unions, academics, religious groups, national social and environmental groups, public sector agencies, the media and communities. Legitimate representatives include trade unions, as well as civil society organisations and others with experience and expertise related to business impacts on *human rights*.

**Supply chain:** The entities from which all materials, goods and services are procured by the *Facility*.

**Supplier:** An entity in the *supply chain* that supplies materials, goods or services that contribute to the *Facility's* own operations, products or services.<sup>31</sup>

**Sustainability risks:** *Sustainability risks* are those risks related to the environmental, social and governance practices. At a minimum, risks covered include:

- Those related to *human rights*, as defined by the UNGPs,
- Those related to armed conflict, as defined in Annex II of the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas,

- Those defined in Parts 1 and 2 of the Annex of the [Directive \(EU\) 2024/1760 of the European Parliament and of the Council of 13 June 2024 on corporate sustainability due diligence and amending Directive \(EU\) 2019/1937 and Regulation \(EU\) 2023/2859](#)
- Those defined in Annex X of the [Regulation \(EU\) 2023/1542 of the European Parliament and of the Council of 12 July 2023 concerning batteries and waste batteries](#) .

**References:**

- [Organisation for Economic Co-operation and Development \(OECD\) Due Diligence Guidance for Responsible Business Conduct](#)
- [Organisation for Economic Co-operation and Development \(OECD\) Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas \(3rd Edition\)](#)
- [United Nations \(UN\) Guiding Principles on Business and Human Rights](#)

## Performance Area 4: New Projects, Expansions and Resettlement

Intent: Assess environmental and social risks and impacts of *new projects* and *significant changes to existing operations*. Develop *management plans* in consultation with *affected stakeholders* and *rights-holders* to avoid or minimise harm to people and the environment. Avoid involuntary *physical or economic displacement* wherever possible. Where it is unavoidable, apply the *mitigation hierarchy* and engage *affected stakeholders* and *rights-holders* to limit *adverse impacts* and restore or improve the livelihoods and living standards of those affected.

Other Relevant Performance Areas:

- 5 Human Rights
- 12 Engagement
- 13 Community Impacts and Benefits
- 14 Indigenous Peoples
- 15 Cultural Heritage
- 16 Artisanal and Small-Scale Mining
- 17 Grievance Management
- 18 Water Stewardship
- 19 Biodiversity, Ecosystem Services and Nature
- 20 Climate Action
- 21 Tailings Management
- 22 Pollution Prevention
- 24 Closure

**Applicability:** Sub-section 4.1 of this Performance Area applies to *new projects* or *significant changes to existing operations* which create potentially *significant adverse impacts* on the local community, *workers* or the environment. It should be implemented together with the requirements of Performance Area 13: Community Impacts and Benefits, sub-section 13.2 Community Development and Benefits, which cover *community development* and benefits at *new projects* or where there are *significant changes to existing operations*.

<b>Applicability of PA4 and PA13:</b>	<i>Adverse Community Impacts</i>	<i>Community Benefits</i>
<i>New projects/changes to existing operations</i>	<i>PA 4: New Projects, Expansions and Resettlement</i>	<i>PA 13: Community Impacts and Benefits, requirement, sub-section 13.2</i>
<i>Existing operations</i>	<i>PA 13: Community Impacts and Benefits, requirement, sub-section 13.1</i>	

*Note: table does not include other PAs which cover a range of a range of social/environmental impacts/benefits*

The Consolidated Standard is designed for implementation principally during the operational phase of a mine life, as the systems and processes covered by the requirements in the Standard would be insufficiently mature to assure against before operations commence. Consequently, *new projects* would typically not fall within the scope of assurance, until they become operational. The expectation is that once the final Consolidated Standard is approved by the Board, the requirements relating to *new projects* would apply to any *Facility* that pursues conformance with the Standard, if the construction phase for the *Facility* commenced following Board approval of the Standard. The intent is that PA4 is in scope for one assurance cycle, after which the ‘new project’ becomes an existing *Facility* and PA4 is no longer applicable.

Social and environmental impact management at **existing operations** is addressed through multiple Performance Areas listed above, particularly Performance Area 5: Human Rights, Performance Area 13: Community Impacts and Benefits, Performance Area 15: Cultural Heritage and Performance Area 24: Closure for social impacts, and Performance A15: Cultural Heritage and Performance A18: Water Stewardship through to Performance Area 24: Closure inclusive for environmental impacts. When developing or expanding a project that impacts the assets or traditional land, territories and resources or *cultural heritage of Indigenous Peoples*, the requirements of Performance Area 14: Indigenous Peoples and Performance Area 15: Cultural Heritage of this Standard are applicable. Performance Area 12: Engagement is also particularly important to the implementation of this Performance Area as it underpins all *stakeholder* and *rights-holder* engagement activities covered in this Standard.

Sub-section 4.2 of this Performance Area applies to **new projects or significant changes to existing operations** which could lead to *involuntary resettlement (physical or economic displacement)*, which are situations when affected people do not ultimately have the right to refuse land acquisition or displacement due to eminent domain, public utility, or similar legal recourse. Also note that the Towards Good Practice Level for 4.2 only covers the planning of resettlement, whereas the Good Practice Level covers the implementation of resettlement.

LEVEL	REQUIREMENT
<b>4.1 Environmental and Social Impact Assessments</b>	
Towards Good Practice	1. Collect <i>baseline data</i> that characterise the environmental, social, cultural and economic context of the proposed new project or <i>significant changes to existing operations</i> , to inform project design and against which risks, impacts, <i>mitigation</i> measures and benefits can be assessed.
	2. Conduct an <i>environmental and social impact assessment (ESIA)</i> of the proposed new project or <i>significant change to an existing operation</i> consistent with <i>jurisdictional regulations</i> or, in the absence of <i>jurisdictional regulations</i> or where they are not enforced, with IFC Performance Standard 1. This should include an analysis of alternatives and, where relevant, air, soil, land, water, <i>biodiversity</i> and <i>ecosystem services</i> , deforestation and other environmental degradation, climate, emissions, noise and vibration, health, safety, gender, <i>human rights</i> , <i>Indigenous Peoples</i> , resettlement, <i>cultural heritage</i> , in-migration, social and economic impacts and <i>closure</i> .
	3. The <i>ESIA</i> process must include engagement with potentially <i>affected stakeholders</i> and <i>rights-holders</i> in ways that are accessible, understandable and culturally appropriate, and consider how different <i>stakeholders</i> , including women, <i>vulnerable and underrepresented groups</i> , are differentially affected. Where relevant to the impacts identified, separate consultation sessions with women, vulnerable and underrepresented <i>stakeholders and rights-holders</i> must be conducted. The consultation process must also integrate local knowledge and experience, especially from <i>Indigenous Peoples</i> if applicable, into the <i>ESIA</i> process.

Good Practice	1. Implement project design changes and operational <i>controls</i> based on the results of the <i>ESIA</i> to avoid impacts where possible.
	2. Conduct an assessment of <i>cumulative impacts</i> of existing or planned developments.
	3. Develop and implement <i>management plans</i> , to avoid, minimise, mitigate, and/or compensate for <i>significant adverse impacts</i> identified in the <i>ESIA</i> , including <i>cumulative impacts</i> , in <i>collaboration</i> with <i>affected stakeholders</i> and <i>rights-holders</i> .
	4. Monitor progress against <i>management plans</i> and permit conditions <i>at defined intervals</i> and update as necessary.
	5. <i>Publicly disclose</i> the <i>ESIA</i> , including how it has been used to influence the project design, to affected communities, local <i>stakeholders</i> and <i>rights-holders</i> in ways that are accessible and understandable.
Leading Practice	1. <i>Collaborate</i> with local <i>stakeholders</i> and <i>rights-holders</i> to conduct joint <i>monitoring</i> of impact <i>management plans</i> .
	2. <i>Collaborate</i> with other parties contributing to <i>cumulative impacts</i> from existing or planned developments on <i>mitigation</i> measures.
	3. Provide support to <i>stakeholders</i> and <i>rights-holders</i> to fully participate in the review, development and <i>monitoring</i> of the <i>ESIA</i> and <i>mitigation</i> plans.

LEVEL	REQUIREMENT
<b>4.2 Land Acquisition and Resettlement</b>	
Towards Good Practice	1. Avoid involuntary <i>physical and/or economic displacement</i> wherever possible and consider only after alternative project designs or locations have been exhausted.
	2. Where <i>physical and/or economic displacement</i> is unavoidable, consult with potentially <i>affected stakeholders</i> and <i>rights-holders</i> , including women, vulnerable and underrepresented <i>stakeholders</i> and <i>rights-holders</i> , during the planning stages of any <i>new project</i> or <i>significant expansions</i> in ways that are accessible, understandable and culturally appropriate.
	3. Where the relocation of <i>Indigenous Peoples</i> is unavoidable, work through decision-making processes as outlined in Performance Area 14: Indigenous Peoples, which addresses obtaining agreement through a process <i>demonstrating free, prior and informed consent (FPIC)</i> . Implement the

	provisions of IFC Performance Standard 7 on <i>Indigenous Peoples</i> if <i>physical and/or economic displacement</i> involves lands traditionally owned by, or under the customary use of, <i>Indigenous Peoples</i> .
	4. Conduct a socio-economic baseline study and impact assessment for communities potentially affected by involuntary <i>physical and/or economic displacement</i> .
	5. Provide people potentially affected by displacement with access to a <i>grievance mechanism</i> (see Performance Area 17: Grievance Management).
Good Practice	1. Where <i>physical and/or economic displacement</i> is unavoidable, develop and implement a <i>resettlement action plan (RAP)</i> and, if applicable, a <i>livelihood restoration plan</i> , in line with IFC Performance Standard 5 on Land Acquisition and <i>Involuntary Resettlement</i> , in consultation with <i>affected stakeholders</i> and <i>rights-holders</i> .
	2. Identify and seek resolution of existing claims and conflicts of land title in compliance with applicable international and national law.
	3. Implement actions and remedies that avoid, minimise, mitigate or compensate for <i>adverse impacts</i> of involuntary <i>physical and/or economic displacement</i> , paying particular attention to women, <i>vulnerable and/or underrepresented groups</i> .
	4. Provide compensation for lost assets at full replacement cost and other assistance to help displaced people improve or restore their livelihoods and standard of living, in a transparent, consistent and <i>equitable</i> manner.
	5. Provide opportunities to displaced communities to derive appropriate development benefits from the <i>Facility</i> (see Performance Area 13: Community Impacts and Benefits, sub-section 13.2 Community Development and Benefits).
	6. Facilitate a process of establishing legal title or other ways to obtain security of tenure for those resettled, if possible, under national law.
	7. <i>Publicly disclose</i> the engagement processes, impacts, plans and progress related to involuntary <i>physical and/or economic displacement</i> with due respect for confidential information.
	8. Monitor, to the extent possible, the social and economic status of physically and/or economically displaced people to enable the restoration of livelihoods and standards of living of displaced persons.

	9. Conduct an <i>internal review</i> of the implementation and <i>monitoring</i> of the <i>resettlement action plan (RAP)</i> and if applicable the <i>livelihood restoration plan</i> and develop action plans to address any gaps.
Leading Practice	1. Co-design and implement programmes that improve the livelihoods and standard of living of displaced people.
	2. Commission an <i>independent review</i> of the <i>resettlement action plan (RAP)</i> and, if applicable, the <i>livelihood restoration plan</i> , using qualified experts and in consultation with <i>affected stakeholders and rights-holders</i> , and address any implementation gaps.
	3. <i>Publicly disclose</i> the results of the <i>independent review</i> of the <i>resettlement action plan (RAP)</i> and, if applicable, the <i>livelihood restoration plan</i> , while protecting the <i>confidentiality</i> of <i>affected stakeholders and rights-holders</i> .

## Glossary and Interpretive Guidance

**Adverse impacts:** Negative effects, including those related to social, environmental or human rights, that the *Facility* could cause, contribute to, or to which it is directly linked. Actual *adverse impacts* indicate adverse effects that have already occurred or are occurring; potential *adverse impacts* indicate an adverse effect that could occur.

**Affected stakeholders:** Any individual, group of individuals or organisation, or their legitimate representatives, who are affected by a *Facility's* operations, actions and decisions (see also 'Stakeholders').

**Baseline data:** A description of existing conditions (or those that existed at a defined point in time) to provide a starting point (e.g. pre-project condition) against which comparisons can be made (e.g. post-impact condition), allowing the change to be quantified.

**Cumulative impacts:** The combination of multiple impacts from existing projects, the proposed project, and/or anticipated future projects that could result in *significant adverse* and/or beneficial impacts that would not be expected at a stand-alone project<sup>26</sup>.

**Economic displacement:** See *Involuntary resettlement*.

**Environmental and social impact assessment (ESIA):** A process for predicting and assessing the potential environmental and social impacts of a proposed project, evaluating alternatives and designing appropriate preventative, *mitigation*, management and *monitoring* measures and plans. In the context of the development and implementation of *management plans* in Good Practice 3, consultation is necessary only with the *stakeholders and rights-holders* who are affected by the issue(s) covered in the plan.

**Demonstrating free, prior and informed consent (FPIC):** Refer to the Glossary definition in Performance Area 14, and the context included in the Applicability section of PA14.

**Involuntary resettlement:** This refers both to *physical displacement* (relocation or loss of shelter) and to *economic displacement* (loss of assets or access to assets that leads to loss of income sources or other means of livelihood because of project-related land acquisition and/or restrictions on land use).

<sup>26</sup> Adapted from [IFC Performance Standard 1](#) (2012)

Resettlement is considered involuntary when affected persons or communities do not have the right to refuse land acquisition or restrictions on land use that result in physical or *economic displacement*. This occurs in cases of (i) lawful expropriation or temporary or permanent restrictions on land use and (ii) negotiated settlements in which the buyer can resort to expropriation or impose legal restrictions on land use if negotiations with the seller fail<sup>27</sup>.

**Jurisdictional regulations:** Regulations that are applicable to the *Facility* in a particular jurisdiction. These could be national, state, provincial, and other.

**Livelihood restoration plan:** A plan to compensate and offer other assistance to economically displaced persons and/or communities to reestablish their livelihoods<sup>28</sup>.

**Management plans:** A set of operational plans and related documents that are established to outline and fulfil the tasks required to achieve an objective, including, in the context of this Performance Area, the avoidance and management of *adverse impacts* related to the areas identified in the *Environmental and Social Impact Assessment (ESIA)*.<sup>29</sup>

**New projects:** A “project” in the mining context refers to the pre-operational or the “development” stage of the mining *life cycle*, which follows the exploration stage and ends with a mining operation beginning its operational life. Projects which are not connected to, or part of an existing operation or expansion are “*new projects*”.

**Physical displacement:** See *Involuntary resettlement*.

**Resettlement action plan (RAP):** A plan that covers, at minimum, the applicable requirements of IFC Performance Standard 5, regardless of the number of people affected, and includes compensation at full replacement cost for land and other assets lost. The plan should be designed to mitigate the *adverse impacts* of displacement; identify development opportunities; develop a resettlement budget and schedule; and establish the entitlements of all categories of affected persons. Particular attention should be paid to the needs of the poor and vulnerable or at-risk populations<sup>30</sup>.

**Rights-holders:** *Rights-holders* are individuals or social groups that have particular entitlements in relation to specific duty bearers (e.g., state or non-state actors that may have a particular obligation or responsibility to respect, protect and fulfil *human rights* and abstain from *human rights* violations). In certain contexts, there are often specific social groups whose *human rights* are not fully realised, respected or protected, such as *Indigenous Peoples*.

**Significant changes to existing operations:** includes major expansions and major civil engineering works which create potentially *significant adverse impacts* on the local community, *workers* or the environment.

**Stakeholders:** Any individual, group of individuals or organisation, or their legitimate representatives, such as interest groups, government agencies or corporate entities who have rights or interests related to the Performance Areas covered by the Consolidated Standard that are or could be affected by *adverse impacts* associated with the *Facility's* operations. They could include politicians, commercial and industrial enterprises, labour unions, academics, religious groups, national social and environmental groups, public sector agencies, the media and communities. Legitimate representatives include trade unions, as well as civil society organisations and others with experience and expertise related to business impacts on *human rights*.

---

<sup>27</sup> Adapted from [IFC Performance Standard 5](#) (2012)

<sup>28</sup> Adapted from [IFC Performance Standard 5](#) (2012)

<sup>29</sup> Adapted from [Copper Mark Criteria Guide](#) (2023)

<sup>30</sup> Adapted from [IFC Performance Standard 5](#) (2012)



***Vulnerable and underrepresented groups:*** Groups that are characterised by their higher risk and reduced ability to cope with *adverse impacts*. Such vulnerability could be based on socio-economic conditions, such as gender, age, disability, ethnicity, indigeneity, religion, historical exclusion or marginalisation or other criteria that influence people's ability to access resources and development opportunities.<sup>31</sup>

**References:**

- [Intergovernmental Forum on Mining, Minerals, Metals and Sustainable Development \(IGF\) Global Review: Integrating Gender into Mining Impact Assessments](#)
- [International Association of Impact Assessment](#)
- [International Finance Corporation \(IFC\) Performance Standard 1: Assessment and Management of Environmental and Social Risks and Impacts](#)
- [International Finance Corporation \(IFC\) Performance Standard 5: Land Acquisition and Resettlement](#)
- [International Finance Corporation \(IFC\) Performance Standard 7: Indigenous Peoples](#)

---

<sup>31</sup> Adapted from [Copper Mark Criteria Guide](#) (2023)

## Performance Area 5: Human Rights

**Intent:** Respect *human rights* by implementing *human rights due diligence management systems* and approaches for the effective identification, prevention, *mitigation* and *remedy* of *human rights* risks and impacts aligned with the UN Guiding Principles on Business and Human Rights (UNGPs).

Other Relevant Performance Areas:

- 3 Responsible Supply Chains
- 6 Child and Forced Labour
- 7 Rights of Workers
- 8 Diversity, Equity and Inclusion
- 9 Safe, Healthy and Respectful Workplaces
- 11 Security Management
- 12 Engagement
- 13 Community Impacts and Benefits
- 14 Indigenous Peoples
- 15 Cultural Heritage
- 16 Artisanal and Small-Scale Mining
- 17 Grievance Management
- 19 Biodiversity, Ecosystem Services and Nature

**Applicability:** This Performance Area applies to all *Facilities*. The responsibility of business enterprises to respect *human rights* applies to all enterprises regardless of their size, sector, operational context, ownership and structure. Nevertheless, the scale and complexity of the means through which enterprises meet that responsibility may vary according to these factors and with the severity of the enterprise's *adverse human rights impacts*.

To ensure completeness, there are certain requirements in this Performance Area that overlap with other closely related topics in the Standard, specifically, Performance Area 3: Responsible *Supply Chains*, Performance Area 14: Indigenous Peoples and Performance Area 17: Grievance Management. For example, *human rights* related *remedy* in line with the UNGPs is also addressed in Performance Area 17: Grievance Management. Where the requirements of two Performance Areas are the same or similar, the intent is that they are implemented as one.

LEVEL	REQUIREMENT
<b>5.1 Human Rights</b>	
Towards Good Practice	1. Publicly disclose a <i>human rights</i> policy that commits to respecting international recognised <i>human rights</i> and is aligned with the UN Guiding Principles on Business and Human Rights (UNGPs).
	2. Conduct a <i>human rights</i> risk assessment or integrate <i>human rights</i> risks into <i>Facility</i> -wide risk assessments, including risks associated with <i>vulnerable and marginalised groups</i> and <i>human rights defenders (HRDs)</i> .
	3. Establish and implement a <i>grievance mechanism</i> to receive and track <i>human rights</i> grievances raised by <i>stakeholders</i> and <i>rights-holders at the Facility</i> to enable access to <i>remedy</i> (see Performance Area 17: Grievance Management).

	<p>4. Provide <i>human rights</i> training at <i>defined intervals</i> for employees who are responsible for managing <i>human rights</i>-related issues such as security, procurement and community relations.</p>
Good Practice	<p>1. Establish and implement a due diligence process aligned with the UNGPs, and in consultation with <i>rights-holders</i>, to identify, prevent, mitigate and account for <i>human rights</i> risks and impacts connected to the <i>Facility's</i> operations or associated with the <i>Facility's suppliers</i> and <i>business partners</i>. The process should pay particular attention to potential <i>adverse human rights impacts</i> on vulnerable groups and <i>human rights defenders (HRDs)</i>. If the operation or operating context involves a <i>conflict-affected or high-risk area (CAHRA)</i>, undertake <i>heightened human rights due diligence</i>.</p>
	<p>2. Enhance the <i>grievance mechanism</i> to meet the eight effectiveness criteria of the UNGPs, section 31 (see Performance Area 17: Grievance Management).</p>
	<p>3. Provide <i>remedy</i> for <i>adverse human rights impacts</i> that the <i>Facility</i> has caused or contributed to or cooperate in their remediation through other legitimate processes (see Performance Area 17: Grievance Management).</p>
	<p>4. <i>Publicly disclose</i> how impacts are being addressed in a manner that is: accessible to intended audiences, with sufficient information to evaluate the adequacy of the response, and that does not pose risks to <i>affected stakeholders</i> and <i>rights-holders</i>, personnel or commercial confidentiality.</p>
	<p>5. Conduct an <i>internal review of effectiveness</i> of the implementation of the UNGPs at least every three years and make improvements as required.</p>
Leading Practice	<p>1. Establish <i>human rights</i> objectives and/or targets related to <i>human rights</i> performance at the <i>Facility</i>, in the <i>supply chain</i> and for <i>business relationships</i>, measure progress and publicly report against them.</p>
	<p>2. <i>Collaborate</i> with <i>stakeholders</i> and <i>rights-holders</i> to complete an <i>independent review of effectiveness</i> of the <i>Facility's</i> implementation of the UNGPs and incorporate improvements as required.</p>
	<p>3. <i>Collaborate</i> with <i>rights-holders</i> and/or <i>human rights defenders (HRDs)</i> in the process of identifying and assessing real and potential impacts of the <i>Facility's</i> activities.</p>
	<p>4. Provide <i>human rights</i> training at <i>defined intervals</i> for all employees, and for <i>business partners</i> using a <i>risk-based approach</i>.</p>
	<p>5. Assist <i>business partners</i> in developing <i>human rights</i> policies and building capacity as appropriate to improve their ability to identify, prevent, mitigate, and account for <i>adverse human rights impacts</i>.</p>

## Glossary and Interpretive Guidance

**Adverse human rights impacts:** In the context of business and *human rights*, an *adverse human rights impact* occurs when an action or omission by a business enterprise removes or reduces the ability of an individual to enjoy their *human rights*. This includes impacts caused directly by the business, those it contributes to, and those directly linked to its operations, products, or services through *business relationships*.

**Adverse impacts:** Negative effects, including those related to social, environmental or human rights, that the *Facility* could cause, contribute to, or to which it is directly linked. Actual *adverse impacts* indicate adverse effects that have already occurred or are occurring; potential *adverse impacts* indicate an adverse effect that could occur.

**Affected stakeholders:** Any individual, group of individuals or organisation, or their legitimate representatives, who are affected by a *Facility's* operations, actions and decisions. (See also 'Stakeholders').

**Business partners:** An entity with whom the *Facility* has a contractual relationship. *Business partners* include *contractors*, agents, *suppliers*, local and international intermediaries or traders, and joint venture partners. They also include entities that provide services, such as security providers and recruitment agencies, or any other third parties subject to due diligence within the scope of the Consolidated Standard. *Business partners* do not include customers and end consumers.<sup>32</sup>

**Conflict-affected and high-risk areas (CAHRA):** Areas identified by the presence of armed conflict, widespread violence, including violence generated by criminal networks, or other risks of serious and widespread harm to people. Armed conflict takes a variety of forms, such as a conflict of international or non-international character, which involves two or more states, or could consist of wars of liberation, insurgencies, or civil wars. High-risk areas are those where there is a *high risk* of conflict or of widespread or serious abuses as defined in paragraph 1 of Annex II of the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. Such areas are often characterised by political instability or repression, institutional weakness, insecurity, the collapse of civil infrastructure, widespread violence and violations of national or international law.<sup>24</sup>

**Human rights:** The internationally recognised rights and freedoms that all people have, regardless of their status or identity. These rights are inherent to all humans from birth and apply everywhere. Internationally recognised human rights include, at a minimum, those expressed in the International Bill of Human Rights and the principles concerning fundamental rights set out in the International Labour Organization's Declaration on Fundamental Principles and Rights at Work.

**Human rights defenders (HRDs):** HRDs are defined by the UN Office of the High Commissioner for Human Rights, as "any person, acting alone or in groups, (who acts peacefully) working to promote and protect *human rights*." In the Consolidated Standard, the term, HRDs, includes environmental *human rights defenders*, which the UN defines as "individuals and groups who, in their personal or professional capacity and in a peaceful manner, strive to protect and promote *human rights* relating to the environment, including water, air, land, flora and fauna." HRD's actions to promote or protect *human rights* can vary, including public protest, commentary and campaigning. A *Facility* may disagree with the objective of defenders, who could be individuals or groups not directly linked to their operations, and it is not up to the *Facility* to determine whether they are wrong or right. However, HRDs should use peaceful means to advance their cause, whilst accepting the universality of *human rights* as defined in the Universal Declaration of Human Rights. HRDs should not use measures that employ violence, including coercion, exploitation, or non-violent abuse.

---

<sup>32</sup> Adapted from [Copper Mark Criteria Guide](#) (2023)

**Human rights due diligence (HRDD):** An ongoing risk management process that a *Facility* needs to follow to identify, prevent, mitigate and account for how it addresses its *adverse human rights impacts*. HRDD includes four key steps: assessing actual and potential *human rights impacts*; integrating and acting on the findings; tracking responses; and communicating about how impacts are addressed. Facilities should identify general areas where the risk of *adverse human rights impacts* is most significant, whether due to certain *suppliers'* or clients' operating context, the particular operations, products or services involved, or other relevant considerations, and prioritise these for *human rights due diligence*.

**Heightened due diligence** builds upon standard due diligence by incorporating a more thorough and in-depth analysis of the context and potential risks. It involves a deeper understanding of the specific risks involved, including human rights risks, environmental risks, and risks related to the conflict itself, and it requires taking extra care to assess the potential impacts of the business relationship, identify potential vulnerabilities, and develop strategies to mitigate or prevent adverse impacts.

**Remedy:** Refers to the process of providing *remedy* for an *adverse human rights impact* and the substantive outcomes that can counteract or make good the adverse impact. These outcomes may take a range of forms such as apologies, restitution, *rehabilitation*, financial or nonfinancial compensation, and guarantees of non-repetition. The state may also play a role in providing *remedy* through punitive sanctions (whether criminal or administrative), as well as prevention of the harm through, for example, injunctions.

**Rights-holders:** *Rights-holders* are individuals or social groups that have particular entitlements in relation to specific duty bearers (e.g., state or non-state actors that may have a particular obligation or responsibility to respect, protect and fulfil *human rights* and abstain from *human rights violations*). In certain contexts, there are often specific social groups whose *human rights* are not fully realised, respected or protected, such as *Indigenous Peoples*.<sup>33</sup>

**Stakeholders:** Any individual, group of individuals or organisation, or their legitimate representatives, such as interest groups, government agencies or corporate entities who have rights or interests related to the Performance Areas covered by the Consolidated Standard that are or could be affected by *adverse impacts* associated with the *Facility's* operations. They could include local communities, politicians, commercial and industrial enterprises, labour unions, academics, religious groups, national social and environmental groups, public sector agencies and the media. Legitimate representatives include trade unions, as well as civil society organisations and others with experience and expertise related to business impacts on *human rights*.<sup>34</sup>

**Supply chain:** The entities from which all materials, goods and services are procured by the *Facility*.

## References:

- [Geneva Centre for Security Sector Governance \(DCAF\) Addressing Security and Human Rights Challenges in Complex Environments: A Practical Toolkit \(DCAF, ICRC, GCBHR\)](#)
- [International Council on Mining and Metals \(ICMM\) Human Rights Due Diligence Guidance](#)
- [Organisation for Economic Co-operation and Development \(OECD\) Guidelines for Multinational Enterprises on Responsible Business Conduct](#)
- [United Nations \(UN\) Guiding Principles on Business and Human Rights](#)
- [United Nations \(UN\) Guiding Principles Reporting Framework](#)
- [United Nations \(UN\) International Covenant on Civil and Political Rights](#)
- [United Nations \(UN\) International Covenant on Economic, Social, and Cultural Rights](#)
- [United Nations \(UN\) Universal Declaration on Human Rights](#)

---

<sup>33</sup> Adapted from [ICMM Human Rights Due Diligence Guide](#) (2023)

<sup>34</sup> Adapted from [Copper Mark Criteria Guide](#) (2023)

- [United Nations Development Programme \(UNDP\) Heightened Human Rights Due Diligence for Business in Conflict-Affected Contexts: A Guide](#)
- [Voluntary Principles on Security and Human Rights](#)

DRAFT

## Performance Area 6: Child and Forced Labour

Intent: Consistent with the United Nations Guiding Principles (UNGPs), prohibit, prevent, mitigate and *remedy* instances of *child and forced labour*, including prohibiting the employment of children below the age of 15 and *forced labour* in any form and ensure that young workers below the age of 18 are not exposed to the *worst forms of child labour*, including *hazardous work*. These are aligned with ILO Conventions 138, 182, 29 and 105.

Other Relevant Performance Areas:

- 3 Responsible Supply Chains
- 5 Human Rights
- 7 Rights of Workers
- 16 Artisanal and Small-Scale Mining

**Applicability:** This Performance Area is applicable to all *facilities*. The contents of this Performance Area are specifically focussed on prohibiting, identifying, mitigating, accounting for, preventing and *remedying* instances of *child and forced labour*, associated with the *Facility*, either through direct employment by the *Facility* or through its *business partners*, including *contractors*. *Mitigation* and remediation measures should be appropriate to the type of *forced labour* and will be informed by the risk, impact and context.

LEVEL	REQUIREMENT
<b>6.1 Prevention of Child and Forced Labour</b>	
Towards Good Practice	1. Consistent with the UN Guiding Principles on Business and Human Rights (UNGPs) and ILO Conventions 29 & 105, publicly commit to the right to be free from slavery and take action to address instances of <i>forced labour</i> if they are identified.
	2. Consistent with ILO Conventions 138 & 182, publicly commit to not employ, directly or indirectly, children below 15 years; prohibit and safeguard <i>workers</i> below the age of 18 from <i>hazardous work</i> or other <i>worst forms of child labour</i> and, in alignment with UNGPs, take appropriate action to address instances of <i>child labour</i> if they are identified.
	3. Based on geographic, industry and product risks, identify and evaluate the risks of <i>child labour</i> and <i>forced labour</i> at the <i>Facility</i> (including with specific attention to women and girls, and vulnerable and/or <i>underrepresented groups</i> ). Where such risks are present, undertake an assessment to identify the presence of any of the <i>ILO indicators of forced labour</i> at the <i>Facility</i> .
	4. Implement practices to minimise and mitigate the risk of <i>child labour</i> in the <i>Facility's</i> operations, including by implementing an age verification mechanism for <i>workers</i> .

	5. Where <i>forced labour</i> , including <i>child labour</i> and <i>modern slavery</i> risks have been identified provide relevant training on those risks for employees who are responsible for managing procurement and human resources <i>at defined intervals</i> for employees who are responsible for human resources and procurement. Training content should be aligned with the relevant ILO Conventions, <i>ILO Indicators of Forced Labour</i> and the UNGPs.
	6. Prohibit withholding of <i>workers'</i> personal identity documentation.
	7. If <i>workers</i> between the ages of 15 and 18 are employed by the <i>Facility</i> , adopt appropriate measures based on identified risks, including for vulnerable groups, to protect their health, safety, <i>morals</i> and wellbeing.
	8. If instances of harm to the rights of a child or <i>forced labour</i> are found within the <i>business partners</i> of the <i>Facility</i> , act immediately to cease any immediate harm to life or safety. Report instances of <i>child labour</i> and/or <i>forced labour</i> to relevant authorities where it will not put the child or worker at risk.
Good Practice	1. Based on identified risks and through the inclusion in contract requirements, require <i>business partners</i> to implement practices to mitigate risks associated with the <i>ILO Indicators of Forced Labour</i> at the <i>Facility's</i> operations and at off-site worksites that support the <i>Facility's</i> operations.
	2. Through the inclusion in contract requirements, require <i>business partners</i> to implement similar practices to those implemented for Towards Good Practice 4 and 5 above, where there is an identified risk that children are engaged to work.
	3. Establish practices and processes aligned with the ' <i>Employer Pays Principle</i> ' when recruiting directly and/or through a recruitment agency.
	4. Based on identified risks, implement practices to prevent, mitigate, account for or remediate risks associated with the <i>ILO Indicators of Forced Labour</i> <sup>35</sup> at the <i>Facility's</i> operations.
	5. If one or more instances of <i>child or forced labour</i> occur and are determined to be directly linked to the activities of the <i>Facility</i> , act to mitigate and remediate the instance(s). If the <i>Facility</i> determines that it is contributing to such instances due to a relationship with a <i>business partner</i> , cooperate with the <i>business partner</i> to provide <i>remedy</i> .

<sup>35</sup> Adapted from [ILO Indicators of Forced Labour](#) (2012)



	6. Where instances of <i>child or forced labour</i> have occurred, publicly disclose a summary of instances and <i>mitigation</i> and remediation measures aligned with GRI 408: Child Labour 2016 and GRI 409: Forced or Compulsory Labour 2016 or equivalent framework, taking care that the safety, privacy and identities of involved children and/or <i>workers</i> and their families are protected in a <i>rights-compatible</i> way.
	7. Conduct an <i>internal review</i> of the effectiveness of practices to prevent, mitigate, account for or remediate risks as per Good Practice 4.
Leading Practice	1. <i>Collaborate</i> with relevant <i>stakeholders</i> on the implementation and <i>monitoring</i> of the remediation framework developed as per Good Practice 4.
	2. Where remediation has occurred, monitor and conduct an <i>independent review in collaboration with affected stakeholders</i> and third-party experts to identify root causes and to evaluate the effectiveness of the <i>remediation process</i> and its outcomes and modify and/or implement practices to prevent recurrences.
	3. Conduct an <i>internal review</i> of the effectiveness of practices to prevent, mitigate, account for or remediate risks on <i>business partners</i> as per Good Practice 4.
	4. Where significant risks have been identified, conduct capacity-building efforts or programmes for <i>business partners</i> which support them to identify, prevent, mitigate, account for and <i>remedy</i> any involvement in forced or <i>child labour</i> risks.
	5. Where significant risks have been identified, support or <i>collaborate</i> with cross-industry national or regional organisations/efforts to identify and address the root causes of <i>child labour</i> and/or modern slavery in their operations direct and indirect <i>area of influence</i> .

## Glossary and Interpretive Guidance:

**Business partners:** an entity with whom the *Facility* has a contractual relationship. *Business partners* include *contractors*, agents, *suppliers*, local and international intermediaries or traders, and joint venture partners. They also include entities that provide services, such as security providers and recruitment agencies, or any other third parties subject to due diligence within the scope of the Consolidated Standard. *Business partners* do not include customers and end consumers.<sup>36</sup>

**Child labour:** The definition of *child labour* is derived from the United Nations Convention on the Rights of the Child, ILO Convention No. 138, Minimum Age Convention and ILO Convention No. 182, Worst Forms of Child Labour Convention (see Table A.1). According to the ILO, *child labour* refers to

<sup>36</sup> Adapted from [Copper Mark Criteria Guide](#) (2023)

work that (i) is mentally, physically, socially and morally dangerous and harmful to children; (ii) interferes with their schooling by depriving them of the opportunity to attend school, by obliging them to leave school prematurely, or by requiring them to attempt to combine school attendance with excessively long and heavy work (iii) work that is done by children who are below the minimum age (set at 15 years old).<sup>37</sup>

**'Employer Pays Principle':**<sup>38</sup> *Employer Pays Principle*: No worker should pay for a job - the costs of recruitment should be borne not by the worker but by the employer. The Institute for Human Rights and Business (IHRB) mentions that migrant *workers* frequently pay fees to agencies and brokers for recruitment and placement in jobs abroad. Fees could cover costs including the recruitment itself, travel, visa and administrative costs and other various forms of unspecified "fees" and "service charges". IHRB recommends that employers:

- o pay the full costs of recruiting *workers*
- o Ensure no worker is required to pay a deposit or bond to secure work, nor required to pay any reimbursements to cover their recruitment fees and costs.

**Forced Labour:** The *ILO indicators of Forced Labour*, which can be encompassed within definitions of 'modern slavery' in various national legislative instruments around the world, can be found in a publication by the ILO called the *ILO Indicators of Forced Labour* and include the following 11 indicators: Abuse of Vulnerability, Deception, Restriction of Movement, Isolation, Physical and Sexual Violence, Intimidation and Threats, Retention of Identify Documents, Withholding of Wages, Debt Bondage, Abusive Working and Living Conditions, and Excessive Overtime. Detailed descriptions of these indicators can be found in the ILO document. Where a *Facility* or *Company* is obligated to report on *modern slavery* through national legal requirements such as those in Canada, the US, Australia or the EU, these reports can be used as evidence of having addressed the disclosure requirement under Good Practice 5, provided that any instances of *child labour* or modern slavery are included, and the *report* is made publicly available.

***ILO indicators of forced labour:*** The International Labour Organization (ILO) has identified a set of indicators of forced labour to help practitioners, inspectors, auditors, and others detect situations where work may amount to forced labour as defined in the ILO Forced Labour Convention, 1930 (No. 29):

1. Abuse of vulnerability – Exploiting workers who are vulnerable due to poverty, migration status, illiteracy, language barriers, etc.
2. Deception – Misleading workers about the type of work, conditions, wages, or legal status.
3. Restriction of movement – Controlling workers' ability to move freely, inside or outside the workplace.
4. Isolation – Physically or socially isolating workers to make it difficult for them to seek help.
5. Physical and sexual violence – Using threats, assault, harassment, or abuse to intimidate workers.
6. Intimidation and threats – Verbal abuse, threats of denunciation to authorities, or threats against family members.
7. Retention of identity documents – Confiscating passports, ID cards, or work permits to restrict freedom.
8. Withholding of wages – Deliberately withholding pay or excessive wage deductions to bind workers.

---

<sup>37</sup> Adapted from [OECD Practical actions for companies to identify and address the worst forms of child labour in mineral supply chains](#) (2017)

<sup>38</sup> Adapted from [IHRB Recruitment Fees](#) (2016)

9. Debt bondage – Forcing workers to repay inflated debts through labour, often with no clear accounting.
10. Abusive working and living conditions – Forcing workers to live or work in substandard, degrading, or hazardous conditions.
11. Excessive overtime – Imposing long, unreasonable hours beyond legal or contractual obligations without consent.

**Mitigation:** Actions taken to reduce the likelihood of a certain adverse impact occurring. The *mitigation of adverse human rights impacts* refers to actions taken to reduce its extent, with any *residual impact* then requiring remediation.

**Morals:** In the context of *child labour*, the *worst forms of child labour* as defined by Article 3 of the ILO Worst Forms of Child Labour Convention, No. 182, includes work that is likely to harm the health, safety or *morals* of children, including work which exposes children to physical, psychological or sexual abuse such as the use, procuring or offering of a child for prostitution, for the production of pornography or for pornographic performances.

**Remedy:** Refers to the process of providing *remedy* for an *adverse human rights impact* and the substantive outcomes that can counteract or make good the adverse impact. These outcomes may take a range of forms such as apologies, restitution, *rehabilitation*, financial or nonfinancial compensation, and guarantees of non-repetition. The state may also play a role in providing *remedy* through punitive sanctions (whether criminal or administrative), as well as prevention of the harm through, for example, injunctions.

**Reporting on instances of child and forced labour:** while this standard does not prescribe format for reporting of this kind, one option commonly used is to *report* in alignment with GRI 408: Child Labour 2016 and GRI 409: Forced Labour 2016.

**Stakeholders:** Any individual, group of individuals or organisation, or their legitimate representatives, such as interest groups, government agencies or corporate entities who have rights or interests related to the Performance Areas covered by the Consolidated Standard that are or could be affected by *adverse impacts* associated with the *Facility's* operations. They could include politicians, commercial and industrial enterprises, labour unions, academics, religious groups, national social and environmental groups, public sector agencies, the media and communities. Legitimate representatives include trade unions, as well as civil society organisations and others with experience and expertise related to business impacts on *human rights*.

**Worst forms of child labour:** The *worst forms of child labour* are defined by the ILO Worst Forms of Child Labour Convention, No. 182 as:

- all forms of slavery or practices similar to slavery, such as the sale and trafficking of children, debt bondage and serfdom, and forced or compulsory labour, including forced or compulsory recruitment of children for use in armed conflict;
- the use, procuring or offering of a child for prostitution, for the production of pornography or for pornographic performances;
- the use, procuring or offering of a child for illicit activities, in particular for the production and trafficking of drugs as defined in the relevant international treaties; and
- work which, by its nature or the circumstances in which it is carried out, is likely to harm the health, safety or *morals* of children.

## References:

- [Global Reporting Initiative \(GRI\) 408: Child Labor 2016](#)
- [Global Reporting Initiative \(GRI\) 409: Forced and Compulsory Labor 2016](#)
- [International Labour Organization \(ILO\) Abolition of Forced Labour Convention 105](#)

- [International Labour Organization \(ILO\) Forced Labour Convention 29](#)
- [International Labour Organization \(ILO\) Forced Labour Convention 29](#)
- [International Labour Organization \(ILO\) Minimum Age Convention 138](#)
- [International Labour Organization \(ILO\) Worst Forms of Child Labour Convention 182](#)
- [Organisation for Economic Co-operation and Development \(OECD\) Practical Actions for Companies to Identify and Address the Worst Forms of Child Labour in Mineral Supply Chains](#)

DRAFT

## Performance Area 7: Rights of Workers

Intent: Respect *workers'* rights to fair and decent employment terms and their rights to *freedom of association* and *collective bargaining*. Prohibit, prevent and *remedy* workplace *discrimination* and *harassment* and provide an effective mechanism to address worker grievances. These requirements are aligned with ILO Conventions 1, 14, 87, 95, 98, 100, 131, 132, 183 and 190.

Other Relevant Performance Areas:

- 2 Business Integrity
- 5 Human Rights
- 6 Child and Forced Labour
- 8 Diversity, Equity, and Inclusion
- 9 Safe, Healthy and Respectful Workplaces
- 10 Emergency and Crisis Preparedness and Response
- 12 Engagement
- 17 Grievance Management

**Applicability:** This Performance Area is applicable to all *facilities*. The definition of *workers* used in this Performance Area includes both directly employed *workers* who have *contracts* with the *Facility* (*full and part-time*) and indirectly employed *workers* who regularly work at the *Facility* and who have employment *contracts* with a third party, such as a labour agent, labour provider or *contractor/sub-contractor*. Note that while the requirements in this Performance Area apply to all *workers*, the actions to meet these requirements may be different for directly employed *workers* (i.e., employees) than for indirectly employed *workers* (e.g. *contractors*, agency *workers*, etc) where a *Facility's* control and influence is weaker.

Additional *requirements* closely related to this Performance Area can be found in Performance Area 5: Human Rights (e.g., implementation of a *human rights* due diligence programme aligned with the UNGPs); Performance Area 6: Child Labour and Forced Labour (e.g., prevention of *child labour* and *forced labour*); Performance Area 8: Diversity, Equity and Inclusion (e.g., fostering a diverse and equitable workplace) and Performance Area 9: Safe, Healthy and Respectful Workplaces 9.2 (e.g., promotion of *psychological safety*, well-being and mental health).

Grievance management for *workers* is covered in sub-section 7.2 of this Performance Area to integrate with the other *worker* rights covered in 7.1, whereas grievance management for the *Facility's* external/community *stakeholders* and *rights-holders* is covered in Performance Area 17: Grievance Management. It is acceptable to meet the requirements of both PA7: Rights of Workers 7.2 and Performance Area 17: Grievance Management with a single integrated *grievance mechanism*, however, they are more commonly set up and managed as two separate and distinct mechanisms, one for *workers* and one for external *stakeholders* and *rights-holders*. Performance Area 2: Business Integrity also includes a requirement for establishing a confidential *whistle-blower mechanism*, which is also distinct and aimed at capturing complaints related to potential ethical or *code of conduct* breaches. This type of mechanism is typically managed by the *Facility* or corporate legal group and often administered independently.

LEVEL	REQUIREMENT
<b>7.1 Rights of Workers</b>	
Towards Good Practice	1. Publicly commit to respect <i>workers'</i> rights, including to fair and decent employment terms, <i>freedom of association</i> and <i>collective bargaining</i> ,

	protection against <i>discrimination</i> and <i>harassment</i> and unfair disciplinary practices and apply <i>responsible recruitment</i> practices.
	2. Publicly commit to identify and reduce/remove barriers to the advancement and fair treatment of women in the workplace.
	3. Publicly commit to respect the rights and interests of <i>workers</i> , regardless of sex, gender identity, sexual orientation, national origin, Indigeneity, age, ethnicity, physical ability status, religious affiliation, socio-economic background and/or other categories of <i>vulnerable and marginalised groups</i> .
Good Practice	1. Identify, prevent, mitigate and account for risks to the <i>workers'</i> rights outlined in <i>Towards Good Practice</i> and demonstrate respect for <i>workers'</i> rights.
	2. Implement policies and practices to respect the rights and interests of women and other <i>vulnerable and marginalised groups</i> that reflect gender- and culturally informed approaches to work practices and job design, and that protect against all forms of <i>discrimination</i> and <i>harassment</i> and behaviours that adversely impact on the successful participation of women, <i>vulnerable and marginalised groups</i> in the workplace.
	3. Communicate employment terms, at the beginning of employment and when terms change, to affected <i>workers</i> in a language and form that they understand and that clearly define the conditions of employment.
	4. Conduct an <i>internal review</i> of worker <i>remuneration</i> at defined intervals using credible benchmarks to support the provision of fair and competitive <i>remuneration</i> . Based on the results of the review, <ul style="list-style-type: none"> <li>a. remunerate all <i>workers</i> with fair wages and benefits that represent competitive <i>remuneration</i> within that job market.</li> <li>b. provide <i>equal remuneration</i>, including benefits, for work of equal value.</li> </ul>
	5. Where worker information or feedback is requested, clearly communicate to <i>workers</i> : <ul style="list-style-type: none"> <li>a. The purpose for which the worker information or feedback will be used.</li> <li>b. Whether worker participation in the process is voluntary and/or confidential.</li> <li>c. Mechanisms to protect worker anonymity when analysing and communicating results.</li> <li>d. Intended use of any data or information collected and how it will be safely stored to protect privacy.</li> </ul>

	6. Where a <i>Facility</i> provides accommodation, maintain a <i>reasonable</i> standard of safety, repair, hygiene and access to means of communication. Provide accommodation which is appropriate for adequate sleep and consider the specific needs of women and people in vulnerable situations. Charge no more than market rates if accommodation charges are applied. Enable <i>workers</i> to access adequate food, clothing and water and sanitation in the workplace.
	7. Establish practices that demonstrate <i>workers'</i> total regular working hours do not exceed 48 hours per week and overtime does not exceed 12 hours per week, calculated on average in case of shift work (including fly-in fly-out rotations) or processes to be carried out continuously. If local law or <i>collective bargaining</i> agreements require fewer than 60 working hours per week, including overtime, these prevail.
	8. Provide at least one rest day in seven and rest periods during working hours, calculated on average in the case of shift work or processes to be carried out continuously.
	9. Provide overtime on a voluntary basis where <i>working hour exceptions</i> apply, assess health and safety impacts of overtime on <i>workers</i> , and provide related safeguards to minimise and mitigate those impacts.
	10. Implement appropriate measures to safeguard the health and wellbeing of pregnant <i>workers</i> and ensure comprehensive support for <i>workers</i> returning to work after parental leave in line with ILO Conventions on Maternity Protection 183 and Maternity Recommendations 190.
	11. Inform <i>workers</i> of their right to form, join and organise trade union(s) of their choice, without negative consequences or retaliation, and to bargain collectively on their behalf with the employer.
	12. Provide worker representatives with access to their members in the workplace to carry out their representative functions.
	13. Establish practices that demonstrate <i>responsible recruitment</i> as defined in the glossary.
	14. Inform management and <i>workers</i> of performance management and disciplinary procedures in accordance with their roles and responsibilities, and where necessary provide training.
	15. Conduct <i>an internal review of effectiveness</i> of employment practices and address identified gaps <i>at defined intervals</i> .
Leading Practice	1. Identify and evaluate risks to <i>workers'</i> rights in <i>collaboration</i> with <i>workers</i> and/or <i>workers</i> representatives.

	2. Conduct an <i>internal review of effectiveness</i> of employment practices in <i>collaboration with workers</i> and/or <i>workers</i> representatives.
	3. Remunerate all <i>workers</i> with fair wages and benefits that represent a <i>living wage</i> .
	4. Publicly <i>report</i> ratios of standard entry level wage by gender compared to local <i>living wage</i> . Where a value for a representative <i>living wage</i> is not available, then the ratio to local minimum wage should be reported <sup>39</sup> .
	5. Provide <i>workers</i> with social benefits that exceed statutory requirements for two or more of the following: 1) annual leave, 2) parental leave 3) sickness and compassionate leave, 4) pension contributions.
	6. Review, identify and address any patterns of inequities in worker compensation and benefits identified in the <i>internal review</i> (see Good Practice 15 above).
	7. Provide time off to <i>workers</i> to exercise their political rights, such as their right to vote.
	8. Identify, evaluate and address risks of <i>adverse impacts</i> to <i>workers'</i> rights by employment agencies.
	9. Apply <i>workers'</i> rights policies with employment agencies.

LEVEL	REQUIREMENT
<b>7.2 Grievance Mechanism for Workers (Employees and Contractors)</b>	
Towards Good Practice	1. Publicly commit to managing grievances in a manner accessible to <i>workers</i> and that enables access to <i>remedy</i> .
	2. Establish and implement a <i>grievance mechanism</i> to receive and track issues and concerns raised by <i>workers</i> at the <i>Facility</i> to enable access to <i>remedy</i> in a manner that protects against <i>discrimination</i> , reprisals, <i>violence and harassment</i> , <i>gender-based violence and harassment</i> , threats or intimidation and is supported by <i>confidentiality</i> and <i>anonymity</i> to protect their identity.
	3. Assign responsibilities and accountabilities for management and resolution of the <i>grievance mechanism</i> .

<sup>39</sup> This should be provided for direct employees only. This indicator should also be disaggregated per gender and, if appropriate, ethnicity to the extent practicable based on the local operating context and what is legally permissible.



	4. Communicate the availability of the <i>grievance mechanism</i> through channels that are accessible and in a language and form that <i>workers</i> understand.
	5. Provide training to <i>workers</i> with grievance management responsibilities on the <i>grievance mechanism</i> .
Good Practice	1. Consult with potentially affected <i>workers</i> and/or their representative organisations and understand the needs, values and cultures of <i>vulnerable and marginalised groups</i> in the design of the <i>grievance mechanism</i> , which should outline clear process steps, timelines and milestones to assess and address grievances in an impartial manner.
	2. Engage <i>workers</i> who have filed grievances on their resolution and enable the participation of union representatives where requested. This engagement should facilitate updates on the status of a grievance and/or <i>remedy</i> where relevant and communicate outcomes once issues and concerns have been addressed in accordance with agreed timelines.
	3. Provide <i>remedy</i> for <i>adverse human rights impacts</i> that the <i>Facility</i> has caused or contributed to or cooperate in their remediation through other legitimate processes.
	4. Conduct an <i>internal review</i> and update the <i>grievance mechanism</i> at defined intervals and engage with affected <i>workers</i> and/or their representative organisations on their experience using the mechanism and suggestions for improvement.
	5. Report to management at the <i>corporate level</i> on the number and types of issues and concerns raised through the <i>grievances mechanism</i> and types of actions taken in response, resolution and/or remediation of such issues, considering provisions for <i>confidentiality</i> and protection of complainants.
	6. Update <i>workers</i> through internal communications on implementation of the <i>grievance mechanism</i> and the number and types of issues reported to the <i>Facility's grievance mechanism</i> .
	7. Direct those whose issues are not resolved to other <i>legitimate avenues of redress</i> where they exist (e.g. OECD National Contact Point) for grievances that are not resolved by the <i>Facility's grievance mechanism</i> .
Leading Practice	1. In line with <i>confidentiality</i> requirements, publicly share relevant data (types of issues and concerns raised, and actions taken) that will help the public understand the mechanism's performance.
	2. Collaboratively design, or integrate improvements to the <i>grievance mechanism</i> with <i>workers</i> , both unionised and non-unionised.

	3. Conduct an <i>independent review</i> of <i>effectiveness</i> of the <i>grievance mechanism</i> and <i>remedy</i> in <i>collaboration</i> with <i>workers</i> and their representatives. Include a review of the grievances raised for patterns, assess the underlying causes and develop preventative actions.
--	---

## Glossary and Interpretive Guidance

**Adverse impacts:** Negative effects including those related to social, environmental or human rights, that the *Facility* could cause, contribute to, or to which it is directly linked. Actual *adverse impacts* indicate adverse effects that have already occurred or are occurring; potential *adverse impacts* indicate an adverse effect that could occur.

**Collective bargaining:** A voluntary process or activity through which employees and *workers* discuss and negotiate their relations; in particular, terms and conditions of work and the regulation of relations between employers, *workers* and their organisations. Participants in *collective bargaining* include employers themselves or their organisations, and trade unions or, in their absence, representatives freely designated by the *workers*.<sup>40</sup>

**Discrimination:** When a person is treated less favourably than others because of characteristics that are not related to the person's competencies or the inherent requirements of the job. All *workers* and job seekers have the right to be treated equally, regardless of any attributes other than their ability to do the job. Prohibited bases of *discrimination* can include age, caste, disability, ethnic, and/or national origin, gender, membership in free and independent *workers'* organisations including free and independent unions, political affiliation, race, religion, sexual orientation, sex, gender identity, marital status, family responsibilities, social background, and other personal characteristics.<sup>41</sup>

**Equal remuneration for men and women workers for work of equal value** refers to rates of *remuneration* established without *discrimination* based on sex (ILO 100 (1951)).

**Freedom of association:** The right of *workers* and employers to establish and, subject only to the rules of the organisation concerned, to join organisations of their own choosing without prior authorisation.<sup>42</sup> Additional language to be added regarding employer neutrality as per reviewer table (or suggestion other guidance)

**Gender-based violence and harassment** - *Violence and harassment* directed at persons because of their sex or gender, or affecting persons of a particular sex or gender disproportionately, and includes sexual harassment.

**Living wage:** *Remuneration* received for a standard work week by a worker in a particular place that is sufficient to afford a decent standard of living for the employee and his or her family. Elements of a decent standard of living include food, water, housing, education, health care, transport, clothing and other essential needs, including provision for unexpected events.<sup>43</sup>

**Remedy:** Refers to the process of providing *remedy* for an *adverse human rights impact* and the substantive outcomes that can counteract or make good the adverse impact. These outcomes may take a range of forms such as apologies, restitution, *rehabilitation*, financial or nonfinancial compensation, and guarantees of non-repetition. The state may also play a role in providing *remedy*

<sup>40</sup> Adapted from [Copper Mark Criteria Guide](#) (2023)

<sup>41</sup> Adapted from [Copper Mark Criteria Guide](#) (2023)

<sup>42</sup> Adapted from [ILO Freedom of Association and Protection of the Right to Organise Convention 87](#) (1948)

<sup>43</sup> Adapted from [Copper Mark Criteria Guide](#) (2023)

through punitive sanctions (whether criminal or administrative), as well as prevention of the harm through, for example, injunctions.

**Remuneration** includes the ordinary, basic or minimum wage or salary and any additional emoluments whatsoever payable directly or indirectly, whether in cash or in kind, by the employer to the worker and arising out of the worker's employment (ILO 100 (1951)).

**Responsible recruitment:** Hiring *workers* lawfully, and in a fair and transparent manner that respects their dignity and *human rights*. This means:

- prohibition of recruitment fees to jobseekers;
- Prohibition of debt bondage;
- respect for freedom of movement;
- respect for transparency of terms and conditions of employment;
- respect for *confidentiality* and data protection
- respect for access to *remedy*.<sup>44</sup>

**Worker grievance mechanism:** A procedure that provides a clear and transparent framework to address complaints in recruitment and the workplace.

**Workers:** Includes both directly employed *workers* that have *contracts* with the *Facility* (*full and part-time*) and indirectly employed *workers* that regularly work at the *Facility* and that have employment *contracts* with a third party, such as a labour agent, labour provider or *contractor*/sub-contractor<sup>45</sup>.

**Working hour limits:** The *working hour limit* can be exceeded only in exceptional cases as defined by the ILO and set out as follows:

- emergency or unusual situations - more than 60 hours per week may be allowed in emergency or unusual situations, described as events or circumstances that substantially disrupt production and are out of the ordinary and out of the control of the *Facility*;
- shift *workers* employed in shifts may work for more than 48 hours per week or 8 hours per day if the average number of working hours over a period of three weeks or less does not exceed these limits
- processes to be carried out continuously - the limits on working hours could be exceeded in processes that, by their nature, need to be carried out in a succession of shifts. In these cases, *workers* may exceed the 60-hour in a week limit provided that:
  - it is not in violation of local or national law;
  - the average number of hours per week does not exceed 60 hours a week (up to 56 regular hours with the remaining hours considered overtime up to 60 hours) and rest days are compensated for; and
  - an assessment of health and safety impacts on the *workers* and related safeguards to minimise and mitigate those impacts are in place.
- ensure that overtime is voluntary and not routinely added to standard working hours, except in the case of the exceptions outlined above.

**Violence and harassment:** a range of unacceptable behaviours and practices, or threats thereof, whether a single occurrence or repeated, that aim at, result in, or are likely to result in physical, psychological, sexual or economic harm, and includes *gender-based violence and harassment*.<sup>46</sup>

---

<sup>44</sup> Adapted from [Copper Mark Criteria Guide](#) (2023)

<sup>45</sup> Adapted from [Copper Mark Criteria Guide](#) (2023)

<sup>46</sup> Adapted from [ILO Violence and Harassment Convention 190](#)

***Vulnerable and marginalised groups:*** Groups that are characterised by their higher risk and reduced ability to cope with *adverse impacts*. Such vulnerability could be based on socio-economic conditions, such as gender, age, disability, ethnicity, religion, historical exclusion or marginalisation or other criteria that influence people's ability to access resources and development opportunities.

**References:**

- [International Finance Corporation \(IFC\) Performance Standard 2: Labor and Working Conditions](#)
- [International Labour Organization \(ILO\) Abolition of Forced Labour Convention 105](#)
- [International Labour Organization \(ILO\) Equal Remuneration Convention 100](#)
- [International Labour Organization \(ILO\) Forced Labour Convention 29](#)
- [International Labour Organization \(ILO\) Freedom of Association and Protection of the Right to Organise Convention 87](#)
- [International Labour Organization \(ILO\) Fundamental Principles and Rights of Workers](#)
- [International Labour Organization \(ILO\) Holidays with Pay Convention \(Revised\) 132](#)
- [International Labour Organization \(ILO\) Hours of Work \(Industry\) Convention 1](#)
- [International Labour Organization \(ILO\) Maternity Protection Convention 183](#)
- [International Labour Organization \(ILO\) Maternity Protection Recommendation 191](#)
- [International Labour Organization \(ILO\) Minimum Age Convention 138](#)
- [International Labour Organization \(ILO\) Minimum Wage Fixing Convention 131](#)
- [International Labour Organization \(ILO\) Protection of Wages Convention 95](#)
- [International Labour Organization \(ILO\) Right to Organise and Collective Bargaining Convention](#)
- [International Labour Organization \(ILO\) Safe and Healthy Working Environment \(Consequential Amendments\) Convention 191](#)
- [International Labour Organization \(ILO\) Violence and Harassment Convention 190](#)
- [International Labour Organization \(ILO\) Weekly Rest \(Industry\) Convention 14](#)
- [International Labour Organization \(ILO\) Worst Forms of Child Labour Convention 182](#)

## Performance Area 8: Diversity, Equity and Inclusion

Intent: Implement strategies, initiatives, and processes to promote *diversity, equity, and inclusion* in the workplace to foster creative and diverse perspectives and enhance positive culture in the workplace.

### Other Relevant Performance Areas:

- 1 Corporate Requirements
- 3 Responsible Supply Chains
- 5 Human Rights
- 7 Rights of Workers
- 9 Safe, Healthy, and Respectful Workplaces
- 13 Community Impacts and Benefits
- 14 Indigenous Peoples
- 17 Grievance Management
- 20 Climate Action

**Applicability:** The requirements in sub-section 8.1 are intended to be implemented and assured at the *corporate level*, however, where feasible, they may be implemented and assured at the *Facility* level. The requirements of sub-section 8.2 are intended to be implemented and assured at the *Facility* level. When implementing this Performance Area, it is important to ensure actions and *commitments* are in line with legal obligations in the relevant jurisdiction. Examples of limitations could include regulatory limits on the types of information collected from employees or obligations to avoid engaging in other forms of *discrimination* when setting and working towards established objectives and/or targets.

LEVEL	REQUIREMENT
<b>8.1 Governance of Diversity, Equity, and Inclusion (Corporate Level)</b>	
Towards Good Practice	1. Publicly commit to foster a <i>diverse, equitable, and inclusive</i> workplace.
	2. Assign management responsibilities and accountabilities to support <i>diversity, equity and inclusion (DEI) commitments</i> .
	3. Develop a strategy on DEI that includes objectives to improve DEI across the <i>company's</i> operations.
Good Practice	1. Implement a strategy on DEI that includes recruitment, retention and <i>accessibility</i> .
	2. Develop the strategy through engagement with a <i>cross-section of people who bring diverse perspectives and experiences</i> , including relevant labour or worker groups and individuals who are underrepresented in the mining industry.
	3. Set objectives and/or targets for DEI representation among corporate leadership.

	4. Communicate the strategy to <i>workers</i> and relevant external <i>stakeholders</i> .
	5. Provide training <i>at defined intervals</i> to <i>workers</i> on key aspects of the strategy.
	6. Establish a process for senior management to review, update and track implementation of the strategy.
	7. Integrate DEI into relevant governance and business processes.
	8. Update <i>workers at defined intervals</i> on the implementation of the strategy.
Leading Practice	1. Commission an <i>independent review</i> of DEI <i>at defined intervals</i> based on priorities identified by management and <i>workers</i> and <i>publicly disclose</i> the results.
	2. <i>Publicly disclose</i> progress <i>at defined intervals</i> towards objectives and/or targets for DEI representation among corporate leadership.
	3. Make the board aware of the corporate strategy on DEI and provide updates on implementation.

LEVEL	REQUIREMENT
<b>8.2 Management of Diversity, Equity, and Inclusion (Facility Level)</b>	
Towards Good Practice	1. Introduce initiatives or processes to foster a workplace culture of DEI.
	2. Assign management responsibilities and accountabilities to support DEI <i>commitments</i> .
	3. Adopt internal communications practices to engage <i>workers</i> in an accessible, <i>inclusive</i> , and culturally appropriate manner.
	4. Define a preliminary scope and develop methods for data collection and reporting on DEI.
	5. Establish <i>baseline data</i> on worker <i>diversity</i> metrics that are relevant to the <i>Facility</i> .
Good Practice	1. Conduct an <i>internal review</i> of existing processes to identify and take action to address biases and barriers to <i>diversity, equity and inclusion</i> , including in recruitment, performance management, skills development, retention, accessibility and advancement.
	2. Inform the <i>internal review</i> of existing processes through engagement with <i>a cross-section of people who bring diverse perspectives and experiences</i> ,

	including relevant labour or worker groups and individuals who are underrepresented in the mining industry.
	3. Conduct a review of physical infrastructure to identify, prioritise, and implement processes to resolve barriers to <i>inclusion</i> and accessibility.
	4. Where it is safe and practicable to do so based on a risk assessment, establish and maintain processes and employ technology to make <i>reasonable</i> adjustments to work processes, practices and environments to support and promote equal and accessible opportunities. This should include, where it has been identified, prioritised and determined safe and practical, the use of workplace assistive devices and technology to help reduce barriers to <i>inclusion</i> and accessibility.
	5. Provide training and awareness programmes on DEI <i>at defined intervals</i> to all <i>workers</i> .
	6. Communicate to <i>suppliers</i> and contractors the <i>Facility's</i> processes to advance DEI and encourage them to promote DEI in their own businesses.
	7. Inform scope and methods for data collection and reporting through <i>engagement with a cross-section of people who bring diverse perspectives and experiences</i> (which includes relevant labour or worker groups and individuals who are underrepresented in the mining industry).
	8. Communicate to <i>workers</i> the processes in place to protect anonymity when analysing and communicating worker data.
	9. <i>Publicly disclose</i> information on relevant worker <i>diversity</i> metrics.
	10. Conduct ongoing <i>monitoring</i> and analysis of worker <i>diversity</i> metrics that are relevant to the <i>Facility</i> .
Leading Practice	1. Implement processes that aim to: <ul style="list-style-type: none"> <li>a. Mitigate potential for bias in recruitment, performance management, skills development opportunities, retention, and advancement processes.</li> <li>b. Provide economic, employment, and training opportunities that promote a diverse workplace.</li> <li>c. Achieve diverse representation at leadership and other levels of the organisation and across different employment fields.</li> </ul>
	2. <i>Collaborate</i> with industry peers and/or relevant associations, organisations, and multistakeholder initiatives to identify and address systemic barriers to DEI across the industry.

	<p>3. Establish objectives for diverse, <i>equitable</i>, and inclusive recruitment, retention, and representation, in <i>collaboration with a cross-section of people who bring diverse perspectives and experiences</i>. When establishing objectives include:</p> <ol style="list-style-type: none"> <li>Action plans to achieve performance objectives.</li> <li>Communicate progress towards performance objectives through both internal and public reporting.</li> </ol>
	<p>4. Conduct an <i>internal review of effectiveness</i> of policies and practices related to DEI <i>at defined intervals</i> and <i>report</i> results both internally and externally.</p>

## Glossary and Interpretive Guidance

**Accessibility:** *Accessibility in the workplace is the practice of designing work environments and systems to be usable by everyone, regardless of their abilities, to ensure equal opportunities and inclusion. It involves removing physical barriers, such as inaccessible buildings and equipment, and digital barriers, such as non-compatible software and inaccessible websites, to create an environment where all employees and candidates can fully participate and contribute.*

**Baseline data:** A description of existing conditions (or those that existed at a defined point in time) to provide a starting point (e.g. pre-project condition) against which comparisons can be made (e.g. post-impact condition), allowing the change to be quantified.

**Diversity:** *Diversity in the workplace refers to the similarities and differences that exist between people and that can impact employment and business opportunities and outcomes. Diversity refers not only to similarities and differences linked to personal characteristics but also similarities and differences such as values, workstyles, caring responsibilities, hierarchical levels and work roles. Each person has multiple groups they identify with which can change over time, potentially influencing and shifting their employment opportunities and outcomes.*<sup>47</sup>

**Equity:** Where everyone is treated according to their diverse needs in a way that enables all people to participate, perform, and engage to the same extent.<sup>48</sup>

**Engage with a cross-section of people who bring diverse perspectives and experiences** When implementing requirements, companies should engage people with a wide range of perspectives and experiences. This includes individuals from relevant labour or worker groups, and a particular focus on individuals from groups that tend to be underrepresented in the mining industry. Engagement with external communities of interest is of particular importance if a *Facility's* internal worker base includes a limited number of individuals from *underrepresented groups*. Efforts should also be made to involve people from a variety of business areas (e.g., procurement, finance). A *Facility* should plan inclusive and accessible feedback and engagement processes that provide opportunities for all people, particularly individuals belonging to *underrepresented groups* or populations that could be at heightened risk of vulnerability or marginalisation. While not all individuals or groups will participate in these processes, the *Facility* should demonstrate that these engagement opportunities are available.

**Inclusion:** The experience people have in the workplace and the extent to which they feel valued for who they are, the skills and experience they bring and the extent to which they have a strong sense of

<sup>47</sup> Adapted from [ILO Report Transforming enterprises through diversity and inclusion \(2022\)](#)

<sup>48</sup> Adapted from [Canadian Centre for Diversity and Inclusion \(no date\)](#)



belonging with others at work. A person's feeling of *inclusion* at work is related to their identity, their own behaviour and that of others and the environment they are in.<sup>49</sup> *Inclusion* should also include considerations related to accessibility in the workplace.

**Independent review:** Independent assessments conducted by an external party that are intended to ensure continual improvement by evaluating the status of actions from the previous review and the effectiveness of concerned actions. The *independent review* process should identify opportunities for improvement and describe associated action plans. The *independent review* should also provide a summary of significant issues related to the overall performance of the *Facility* and its *management system*, including compliance with legal *requirements*, *conformance* with standards, policies and *commitments* and the status of corrective actions. An *independent review* of DEI should involve an expert who is tasked with identifying ongoing strengths, opportunities, and challenges to *equitable*, diverse, and inclusive workplaces.

**DEI objectives for corporate leadership:** There are a range of ways in which a *company* can set evidence-based objectives for corporate leadership recruitment, retention, and engagement. These might include quantitative objectives (e.g., diverse representation, compensation *equity*, retention rates for individuals from *underrepresented groups*, budget allocation to relevant initiatives) or qualitative objectives (e.g., reported feelings of belonging, *inclusion*, or engagement assessed via regular surveys or interviews). A *company* may also set process-related objectives (e.g., implementation of a policy that all candidate pools meet certain diverse representation requirements, requirements for training related to *equity*, *diversity*, and *inclusion*, establishment of a senior-level committee).

**Other DEI objectives:** There are a range of approaches for setting qualitative or quantitative performance objectives related to DEI. Any performance objectives should be based on evidence, analysis, and engagement that identifies key challenges and opportunities to promote DEI. It is important to set objectives across all three areas. For example:

- *Equity*-related objectives – such as targets to debias processes related to compensation, benefits, engagement, and advancement, or targets for completion of employee training.
- Diversity-related objectives – such as increases in diverse representation and retention rates for *workers* or *supply chain stakeholders*, or across functional areas.
- *Inclusion*-related objectives – such as improvements in reported worker belonging or allyship practices.

**Underrepresented groups:** In different national and local contexts, certain groups may be underrepresented and experience different degrees of vulnerability and marginalisation in the mining sector. In order to identify *underrepresented groups* in their respective local and national contexts, companies are encouraged to review relevant local legislation and available workforce and demographic data and to *collaborate* with *workers* and relevant communities of interest.

## References:

- [Global Reporting Initiative \(GRI\) 405: Diversity and Equal Opportunity](#)
- [International Council on Mining and Metals \(ICMM\) Social and Economic Reporting: Framework and Guidance](#)
- [International Labour Organization \(ILO\) Discrimination \(Employment and Occupation\) Convention 111](#)
- [International Labour Organization \(ILO\) Violence and Harassment Convention 190](#)
- [International Labour Organization \(ILO\) Vocational Rehabilitation and Employment \(Disabled Persons\) Convention 159](#)

---

<sup>49</sup> Adapted from [ILO Report Transforming enterprises through diversity and inclusion \(2022\)](#)

- [International Finance Corporation \(IFC\) Toolkit: Unlocking Opportunities for Women and Business](#)
- [International Organization for Standardization \(ISO\) 30415:2021 Human and Resource Management – Diversity and Inclusion](#)

DRAFT

## Performance Area 9: Safe, Healthy and Respectful Workplaces

Intent: Protect, promote and sustain the physical and *psychological health and safety of workers* by implementing a system to prevent and mitigate health and safety risks, with the goal of eliminating fatalities, preventing occupational injuries, illness and disease and to foster care and respect within a positive health and safety culture. These *requirements* are aligned with ILO Conventions 155, 187 and 176.

Other Relevant Performance Areas:

- 5 Human Rights
- 7 Rights of Workers
- 8 Diversity, Equity and Inclusion
- 10 Emergency Preparedness and Response
- 17 Grievance Management
- 21 Tailings Management
- 22 Pollution Prevention

**Applicability:** This Performance Area is applicable to all facilities.

LEVEL	REQUIREMENT
9.1 Health and Safety Management	
Towards Good Practice	1. Publicly commit to safe, healthy and <i>respectful workplaces</i> .
	2. Establish accountabilities for safe, healthy and <i>respectful workplaces</i> .
	3. Identify health and safety risks and hazards and adopt risk <i>controls</i> .
	4. Identify the <i>Facility's</i> most common tasks and associated risks and based on those risks, document standard operating procedures and safe work practices for those tasks.
	5. <i>Establish mechanisms or pathways for workers</i> to report health and safety-related queries, concerns, issues and/or incidents.
	6. Provide, at no cost to employees, personal protective equipment, first-aid and access to medical facilities, water and hygienic facilities to wash, change and eat, and require contractors to provide the same at no cost to their employees.
	7. If a fatality has occurred, conduct an investigation and/or cooperate with an official investigation (e.g., mines inspector, police or coroner) and implement actions to mitigate root causes and contributing factors including communicating across the <i>company</i> any changes made to internal standard

	operating procedures and training to prevent similar incidents from occurring.
Good Practice	1. <i>Demonstrate</i> that management and <i>worker</i> accountabilities and responsibilities are <i>understood at all levels</i> within the <i>Facility</i> .
	2. Implement and maintain (a) health and safety <i>management system(s)</i> to prevent and mitigate health and safety risks that incorporate(s): <ul style="list-style-type: none"> <li>a. Hazard identification, risk assessment and control processes in line with the health and safety <i>controls</i> hierarchy.</li> <li>b. Critical <i>controls</i>.</li> <li>c. An <i>industrial hygiene programme</i> with risks and <i>controls</i> reviewed by a <i>qualified hygienist</i>.</li> <li>d. Workplace inspections.</li> <li>e. Incident reporting, investigation with root cause analysis and follow-up.</li> <li>f. Improvement plan developed and implemented for critical <i>controls</i> found to have a marginal or weak level of effectiveness.</li> <li>g. Maintenance of health and safety records.</li> </ul>
	3. If diesel equipment is used underground, implement a diesel particulate matter (DPM) management programme to safeguard underground mining <i>workers</i> against exposure to DPM.
	4. If a near miss with a potential for fatality or significant injury or an incident resulting in a significant injury has occurred, conduct an investigation and implement actions to mitigate root causes and contributing factors, including communicating across the <i>company</i> any changes made to internal standard operating procedures and training to prevent similar incidents from occurring.
Leading Practice	1. Complete an <i>independent review at defined intervals</i> to confirm that <i>controls</i> are in place, functioning, working effectively, differentiate between critical and other <i>controls</i> and identify opportunities for continuous improvement.
	2. Establish <i>oversight</i> of the <i>industrial hygiene programme</i> by a <i>qualified hygienist</i> .

LEVEL	REQUIREMENT
9.2 Psychological Safety & Respectful Workplaces	
Towards Good Practice	1. Establish, or integrate into existing mechanisms, the ability for <i>workers</i> to report incidents related to <i>psychological safety</i> and respect.

Good Practice	1. Integrate <i>psychological safety</i> and respectful behaviour into existing policies and processes.
	2. Develop and implement programmes to promote and encourage health and wellbeing, including mental health and a healthy lifestyle.
	3. Communicate the policies and processes to promote <i>psychological safety</i> and respectful behaviour to <i>workers</i> .
	4. Develop and implement <i>trauma-informed processes</i> to report and respond to incidents of disrespectful, psychologically unsafe or harmful behaviour in the workplace. These include: <ul style="list-style-type: none"> <li>a. Training and resources to support informal incident resolution among co-workers, with the aim of fostering a workplace culture of continual improvement and learning related to <i>psychological safety</i> and respect.</li> <li>b. A prompt, confidential and impartial mechanism for reporting and responding to concerns, complaints and suggestions that require support or investigation beyond informal incident resolution processes.</li> </ul>
	5. Develop and implement a programme to provide access to assistance to support worker mental health.
Leading Practice	1. <i>Collaborate</i> with <i>workers</i> , experts and relevant external <i>stakeholders</i> to review <i>trauma-informed</i> reporting and response processes and adjust processes based on collaborative outcomes.
	2. Engage with a cross-section of people who bring diverse perspectives and experiences, including relevant labour or worker groups and individuals who are underrepresented in the mining to identify, assess and address OHS risks that disproportionately affect such groups.
	3. Establish performance objectives and/or targets, or apply performance objectives and/or targets set at the <i>corporate level</i> , related to <i>psychological safety</i> and respect. These include: <ul style="list-style-type: none"> <li>a. Action plans developed to achieve performance objectives.</li> <li>b. Demonstration of progress towards performance objectives and internal reporting on this progress.</li> </ul>
	4. Integrate the principles of <i>psychological safety</i> and respect into procurement processes and <i>contractor</i> relationships.
	5. Complete an <i>independent review of effectiveness</i> of programmes to promote <i>psychological safety</i> and respect and identify opportunities for continual improvement.

	6. <i>Collaborate</i> with local communities from which the <i>Facility's</i> workforce is drawn to promote and support <i>psychological safety</i> and respect.
--	--

LEVEL	REQUIREMENT
<b>9.3 Training, Behaviour and Culture</b>	
Towards Good Practice	1. Provide <i>training on the fundamentals of safety and health hazards and risks</i> and maintain training records.
	2. Provide training on the fundamentals of <i>psychological safety</i> , respectful behaviour, identification of <i>psychosocial hazards</i> , and assessment of <i>psychosocial risks</i> , and maintain training records.
Good Practice	1. Establish safe, healthy, and <i>respectful workplace</i> training and awareness programmes that are delivered by trainers and include: <ul style="list-style-type: none"> <li>a. Assessments of the competency of trainers.</li> <li>b. Training needs analysis, including consideration of required skills and competencies.</li> <li>c. Post-training competency assessments.</li> <li>d. Maintenance of training records.</li> <li>e. Processes to conduct an <i>internal review of effectiveness</i> of training programmes.</li> <li>f. Orientation for visitors that covers behavioural expectations and how to flag concerns.</li> </ul>
	2. Incorporate hazard identification and <i>controls</i> , including for both physical and <i>psychosocial hazards</i> , in training and awareness programmes, with a focus on preventative and proactive measures.
	3. <i>Establish mechanism(s) for the participation of workers</i> in hazard identification, in risk assessment and determination of <i>controls</i> , and in setting health, safety and <i>respectful workplace</i> objectives.
	4. Establish mechanism(s) for the participation of underrepresented and marginalised groups to identify, assess and address occupational health and safety risks that disproportionately affect such groups.
Leading Practice	1. <i>Demonstrate</i> that the <i>commitment</i> to safe, healthy, and <i>respectful workplaces</i> is embedded throughout the <i>Facility</i> .
	2. <i>Demonstrate</i> that the <i>Facility</i> management exhibit leadership reflective of the <i>commitment</i> to safe, healthy and respectful behaviour and culture in interactions with <i>workers</i> .

	3. Evaluate existing workplace design processes to identify risks related to <i>psychological health and safety</i> and barriers to accessibility and take action to improve those processes based on identified risks.
	4. Complete an <i>independent review of effectiveness</i> of health and safety training programmes <i>at defined intervals</i> .

LEVEL	REQUIREMENT
<b>9.4 Monitoring, Performance and Reporting</b>	
Towards Good Practice	1. Establish physical safety and health performance objectives and/or targets for <i>workers</i> .
	2. Communicate objectives and/or targets to <i>workers</i> by reporting or posting them within the <i>Facility</i> .
Good Practice	1. Monitor and report internally on management of physical and <i>psychological health and safety</i> , through: <ul style="list-style-type: none"> <li>a. Performance metrics to analyse trends for informing decisions and guiding continuous improvement.</li> <li>b. Monitoring and analysis of data on the number and types of reported issues related to <i>psychological health and safety</i> and harmful behaviour while respecting relevant regulatory protections for the protection of personal information.</li> <li>c. Tracking and internal reporting of leading and lagging indicators for safety and health and <i>industrial hygiene</i> inspections.</li> <li>d. <i>Monitoring</i> health surveillance, injury and illness claims data, incident investigation and follow-up.</li> <li>e. <i>Monitoring</i> and analysing data on the number and types of reported issues related to <i>industrial hygiene</i>.</li> <li>f. Communicating the results of workplace <i>monitoring</i>, inspection and follow-up actions within the <i>Facility</i>.</li> </ul>
	2. <i>Publicly disclose</i> physical and <i>psychological health and safety</i> performance annually.
	3. Include both leading and lagging indicators in established objectives and/or targets.
	4. Conduct an <i>internal review</i> of physical and <i>psychological health and safety</i> performance to support continual improvement <i>at defined intervals</i> .
	5. Record <i>zero fatalities</i> in the <i>reporting year</i> .

Leading Practice	1. Meet continual improvement performance targets at the <i>Facility</i> in at least three of the last four years and maintain a fatality-free workplace over the entire preceding four-year period.
	2. Complete an <i>independent review of physical, psychological safety and health</i> performance at least every three years and establish and track an action plan to address identified opportunities for improvement.

## Glossary and Interpretive Guidance

**Demonstrate** - During an *assurance process*, *assurance providers* will conduct a series of interviews with a defined number of *workers*. During such interviews, the *assurance provider* should test that individuals:

- a) Understand management and work accountabilities and responsibilities at all levels and any accountabilities and responsibilities that apply to them.
- b) Are committed to safe, healthy, and *respectful workplaces* and are able to discuss and show actions that reflect their *commitment*.

**Establish mechanism(s) for the participation of workers:** In unionised facilities these often take the form of a joint occupational health and safety committee, though they may fall under a different name. In non-unionised facilities, other mechanisms may be employed to involve *workers* in hazard identification, in risk assessment and determination of *controls*, and in setting health, safety, and *respectful workplace* objectives.

**Gender-based violence:** *Violence and harassment* directed at persons because of their sex or gender or affecting persons of a particular sex or gender disproportionately and includes sexual *harassment*.<sup>50</sup>

**Hazardous work:** *Hazardous work* is any work that puts a worker's physical or psychological well-being at risk because of the nature of the work or the conditions under which it is carried out.

**Industrial hygiene:** Industrial or occupational hygiene is the discipline of anticipating, recognising, evaluating, and controlling hazards in the workplace that could cause illness or injury to *workers* or that could impact the surrounding community and environment.

**Industrial or occupational hygiene programme:** An *industrial or occupational hygiene* programme includes:

- o anticipation of potential exposures arising from workplace activities and environmental conditions (e.g., purchasing and use of hazardous substances);
- o identification of exposures by qualitative means (e.g., a walk through survey, worker interview, visual observations);
- o evaluation of identified exposures to chemical, biological and physical agents (such as radiation, noise, thermal stress, vibration);
- o controlling risks of exposure at or below regulatory exposure standards based on a hierarchy of control;
- o identification and *controls* for ergonomic and *psychosocial risks*;

<sup>50</sup> Adapted from [ILO Violence and Harassment Convention](#) (2019)



- evaluation of the effectiveness of *controls* in eliminating or reducing exposures.<sup>51</sup>

**On-site contractors:** This refers to contractors and their employees who perform tasks within the boundary of the *Facility*.

**Oversight:** This refers to a *qualified hygienist* having additional responsibilities to monitor, facilitate and coordinate the *hygiene programme* across the *Facility*.

**Psychosocial risks and hazards:**

- **Psychosocial risk factor:** Factors in the design or management of work that increase the risk of work-related stress and can lead to psychological or physical harm.<sup>52</sup>
- **Psychosocial hazard:** Hazards including elements of the work environment, management, practices, and/or organisational dimensions that increase the risk to health.<sup>53</sup>

**Psychological safety:** Feeling safe to take interpersonal risks, to speak up, to disagree openly, to surface concerns without fear of negative repercussions or pressure to sugarcoat bad news<sup>54</sup>.

**Psychological health and safety** refers to the wider application of the management approach to the identification of *psychosocial hazards* and *mitigation* of risks.

**Qualified hygienist** - A *qualified hygienist* is a person who is qualified based on knowledge, training and/or experience in accordance and earned credential from, a recognised credentialing organisation that meets or exceeds the International Occupational Hygiene Association (IOHA) Model Certification Programme. Examples include the Board for Global EHS Credentialing (and the Certified Industrial Hygienist or CIH credential), the Australian Institute for Occupational Hygiene (and the Certified Occupational Hygienist or COH) and other national equivalent professional organisations.

**Reporting year** - For the purposes of this requirement, the '*reporting year*' should be defined as the period since the *Facility's* last published self-assessed or externally assured results, to ensure that all fatalities are captured on a year-to-year basis. This means that the '*reporting year*' could be greater than twelve months, depending on when in the calendar year the previous assessment took place.

**Respectful Workplaces** - workplaces that are free from psychological harm, including bullying, harassment, discrimination and violence, including gender-based violence.

**Training on the fundamentals of safety and health hazards and risks:** Training by which individuals are provided with the knowledge and skills necessary to identify, understand, and manage occupational safety and health hazards and associated risks, including the principles of hazard recognition, risk assessment, risk control, and the application of legal, regulatory, and organizational requirements, with the objective of preventing work-related injury, illness, and incident.

**Trauma-informed process:** Emphasising physical, psychological, and emotional safety for impacted individuals and groups, and others involved in responding to issues raised through informal and formal response mechanisms. *Trauma-informed processes* are grounded in an understanding of and responsiveness to the impact of trauma. They emphasise physical, psychological, and emotional safety for everyone, and create opportunities for survivors to rebuild a sense of control and empowerment.<sup>55</sup>

---

<sup>51</sup> Adapted from [TSM Safe, Healthy and Respectful Workplaces Protocol](#) (2023)

<sup>52</sup> Adapted from [TSM Safe, Healthy and Respectful Workplaces Protocol](#) (2023)

<sup>53</sup> Adapted from [TSM Safe, Healthy and Respectful Workplaces Protocol](#) (2023)

<sup>54</sup> Coined by Dr Amy Edmondson in 1999 [What is psychological safety?](#)

<sup>55</sup> Adapted from [Government of British Columbia Guide on Trauma-Informed Practice \(TIP\) – Resources](#) (2020)

**Wellness:** Worker *wellness* or well-being relates to all aspects of working life, from the quality and safety of the physical environment, to how *workers* feel about their work, their working environment, the climate at work and work organisation.<sup>56</sup>

**Workers:** Includes both directly employed *workers* that have *contracts* with the *Facility* (*full and part-time*) and indirectly employed *workers* that regularly work at the *Facility* and that have employment *contracts* with a third party, such as a labour agent, labour provider or *contractor/sub-contractor*<sup>57</sup>.

**Zero fatalities (re 9.4 G5):** Facilities that have experienced an occupational fatality within the *reporting year* are not eligible for the *Good Practice* Level in sub-section 9.4 *Monitoring, Performance and Reporting*. An occupational fatality is defined as the death of an employee, *contractor* or visitor because of a work-related incident arising from an activity under management control. If a fatality is counted within a *Facility's* safety statistics, it should also count for this requirement.

## References:

- [International Labour Organization \(ILO\) Occupational Safety and Health Convention 155](#)
- International Labour Organization (ILO) Promotional Framework for Occupational Safety and Health Convention 187
- International Labour Organization (ILO) Safety and Health in Mines Convention 176
- International Labour Organization (ILO) Violence and Harassment Convention 190

---

<sup>56</sup> Adapted from [ILO Workplace Well-Being](#) (2009)

<sup>57</sup> Adapted from [Copper Mark Criteria Guide](#) (2023)

## Performance Area 10: Emergency Preparedness and Response

**Intent:** Protect the health and safety of *workers* and those at risk, including communities and the environment in the event of an emergency, by implementing a system to manage emergency responses.

Other Relevant Performance Areas:

- 1 Corporate Requirements
- 7 Rights of Workers
- 9 Safe, Healthy and Respectful Workplaces
- 12 Engagement
- 13 Community Impacts and Benefits
- 21 Tailings Management
- 22 Pollution Prevention

**Applicability:** This Performance Area is applicable to all facilities. It focuses on *emergency* planning at the *Facility* level, as well as relevant *Facility*-level elements of *crisis* planning, and is directly connected to *corporate-level crisis* planning, which is covered in Performance Area 1: Corporate Requirements, sub-section 1.5 Corporate Crisis Management. With respect to Performance Area 21: Tailings Management, *emergency* planning is a critical element of effective *tailings* management and planning for emergencies involving *tailings* should be done in a way that is connected to a *Facility* wide *emergency preparedness plan*, it is important that the emergency planning details outlined in Performance Area 21: Tailings Management are followed.

LEVEL	REQUIREMENT
10.1 Emergency Preparedness and Response	
Towards Good Practice	1. Identify credible potential <i>emergency</i> scenarios and their potential to escalate into a <i>crisis</i> . These could include but are not limited to operational disruptions and failures, natural hazards, conflict and civil disturbance and public health crises.
	2. Based on identified scenarios, conduct an <i>emergency</i> response capability assessment of both internal and external resources, <i>at defined intervals</i> and/or whenever there is a significant change in contributing factors, and address any identified gaps, including resources and equipment.
	3. Taking into account applicable regulations, develop <i>Emergency Preparedness and Response Plan(s) (EPRP)</i> that address identified scenarios to avoid and minimise loss of life, injuries and impacts on the health and safety of <i>workers</i> , communities, the environment and property. The plan must also include a section on escalation of <i>emergency</i> scenarios to corporate <i>crisis</i> response.

	4. Establish a <i>Facility emergency</i> team with defined roles, responsibilities, reporting structures and familiarise new members with their roles and responsibilities within two months of being assigned.
	5. Establish a <i>Facility crisis</i> response team with defined roles, responsibilities, reporting structures to connect with the corporate <i>crisis</i> team and familiarise new members with their roles and responsibilities within two months of being assigned.
	6. Establish training and awareness programmes that maintain familiarity with <i>emergency</i> procedures.
	7. Based on identified potential <i>emergency</i> scenarios, identify and <i>engage with potentially affected communities</i> on relevant <i>emergency preparedness and response plans at defined intervals</i> .
	8. Test notification mechanism to alert <i>workers</i> to an <i>emergency</i> at least once per year.
Good Practice	1. Establish and implement a needs-based training programme to ensure <i>emergency</i> response team members have the necessary training to perform their responsibilities in the EPRP effectively. <i>Review and update</i> as necessary <i>at defined intervals</i> or where there is a change in key personnel in the <i>emergency</i> response team.
	2. Test notification mechanisms that activate <i>emergency</i> and <i>crisis</i> response teams at least twice per year.
	3. Establish mechanisms to coordinate with the corporate <i>crisis</i> response team if an <i>emergency</i> escalates into a <i>crisis</i> in alignment with the <i>Corporate Crisis Response Plan</i> (as described in Performance Area 1: Corporate Requirements, sub-section 1.5 Corporate Crisis Management).
	4. Establish an <i>emergency control centre</i> and a <i>crisis control centre</i> .
	5. <i>Collaborate</i> with <i>potentially affected communities</i> including <i>vulnerable and underrepresented groups</i> on community-focussed aspects of the EPRP and address accessibility issues and other barriers to participation.
	6. In the event of an <i>emergency</i> or <i>crisis</i> , provide information in an accessible, understandable and appropriate manner to affected communities.

	7. Establish and test, <i>at defined intervals</i> , mechanisms that maintain effective and up-to-date communications with <i>workers</i> , communities and key <i>stakeholders</i> (e.g., public sector agencies, local first responder agencies, local authorities and media) during an <i>emergency</i> .
	8. Meet with senior members of the local first responder agencies (where they exist) at least annually or when there is a change of personnel to maintain <i>emergency</i> response coordination and alignment with local <i>emergency</i> response capabilities.
	9. Conduct an <i>internal review</i> and update <i>emergency</i> plans: <ul style="list-style-type: none"> <li>a. when there is a change of personnel of those associated with implementation of the plan to update contact details,</li> <li>b. after the plan has been activated, as part of a post-incident impact assessment,</li> <li>c. when there is a material change to the identified <i>emergency</i> scenarios, and/or,</li> <li>d. at least every two years.</li> </ul>
	10. Conduct a <i>table-top simulation</i> with the <i>emergency</i> and <i>crisis</i> response teams at least annually and a full <i>crisis</i> simulation every three years involving <i>stakeholders</i> as appropriate. The full <i>crisis</i> simulation can be combined with an <i>emergency</i> simulation.
Leading Practice	1. Conduct a full <i>emergency simulation exercise</i> annually and a full <i>crisis simulation exercise</i> every two years. These simulations can be combined into one exercise.
	2. Update the <i>Emergency Preparedness and Response Plan</i> at least every year and incorporate improvements or changes based on the simulations.

## Glossary and Interpretive Guidance

**Credible Emergency Scenarios:** *Emergency* scenarios identified through a risk assessment process that consider the individual characteristics of each *Facility*. Scenarios are likely to include natural hazards and hazards associated with the configuration of the *Facility* design and require more detailed *emergency* planning given their higher likelihood of occurring and unique response requirements.

**Crisis:** A sudden event that could significantly affect a *company's* ability to carry out its business, or that poses a significant threat to the public, *workers* and/or the environment. In this context, a *crisis* requires corporate, senior management involvement and action and can be distinguished from an *emergency*, which can and should be handled by the *Facility* in accordance with its *Emergency Response Plans*. A *crisis* exists or is developing if one or more of these apply:

- The *emergency* poses a significant threat to the public or employees.
- The *emergency* provokes government scrutiny.
- A *Facility* no longer has full control of the situation - other agencies are taking charge.

- The situation has caused national or international media interest.
- The situation is likely to escalate and there is no immediate resolution in sight.
- The corporation's reputation could be damaged and/or there is a threat to the bottom line or share value.

Incidents that are subject to *crisis* management may include but are not limited to *Company* or *contractor* employees or the local community.

***Crisis Control Centre:*** A crisis control centre includes a combination of both physical and virtual facilities, or solely virtual facilities, that enable an organisation to keep lines of communication open during crisis events. Communications channels will include communications between crisis team members and between the crisis team and emergency responders as required. This is different from emergency control facilities which focus more on facilitating communications between emergency responders, such as an emergency dispatcher.

***Crisis/emergency simulation exercise:*** A crisis simulation exercise is a fictional event designed to test an organisation's preparedness and response to a real-life *crisis* and/or emergency situation. It simulates a *crisis/emergency* scenario, allowing participants to practice their roles and communication protocols in a controlled environment, helping identify strengths and weaknesses in their plans and procedures. Where a corporate crisis team is involved in supporting multiple facilities, the corporate crisis team only needs to conduct one simulation per year as per the crisis requirements in PA1 however, where there are Facility-level crisis resources, these also need to be tested once per year through a *table-top simulation*.

A real-life *crisis/emergency* can meet the requirement of a *crisis/emergency simulation exercise* if the CCRP was implemented, a post-*crisis* review was conducted and modifications to the plan were made, if necessary.

***Emergency Control:*** A function activated during an incident that acts as a communications conduit to the public and emergency personnel in the field.

***Emergency Control Centre:*** A virtual and/or physical *Facility* that is activated during an emergency incident that acts as a communications conduit between emergency response team members, emergency personnel in the field, corporate *crisis* response team and external *stakeholders*, including affected communities and regulators.

#### ***Emergency Preparedness and Response Plan (EPRP)***

- ***Emergency Preparedness Plan:*** A set of measures undertaken to anticipate and prepare for emergencies and improve responsiveness to prevent or mitigate impacts of emergencies on workers and communities.<sup>58</sup>
- ***Emergency Response Plan:*** A set of written procedures for dealing with emergencies that minimise the impact of the event and facilitate recovery from the event.<sup>59</sup>

***Table-top Simulation:*** An exercise that brings together the emergency response team at a *Facility* and presents them with a hypothetical scenario during which they are required to work as a team to determine how they would respond to the emergency elements presented in the scenario. Typically, a scenario will include several escalations that increase the challenge presented at each step in the simulation.

***Engage with potentially affected communities:*** The aim of engagement with communities is to include them in the design of response mechanisms for scenarios that have potential implications for them

---

<sup>58</sup> Adapted from [Copper Mark Criteria Guide](#) (2023)

<sup>59</sup> Adapted from [Copper Mark Criteria Guide](#) (2023)

and to include them in the testing of response plans. The overarching aim is to provide confidence to communities that, in the event of an emergency, their safety and security is protected.

**Review and update Emergency Preparedness and Response Plan (EPRPs):** Internally reviewing and updating the EPRP is intended to ensure that it continues to reflect current risks at the *Facility*. This exercise can be as simple as updating key contact details for emergency response team members but could also be more involved (e.g., if the physical layout of the *Facility* has changed due to new infrastructure). The plan could also need an update based on a review of the *credible emergency scenarios* if they have changed since the last update.

**Emergency vs crisis:** An *emergency* is a sudden, serious situation requiring immediate action, often involving an imminent threat to life or property. A *crisis* is a sudden event or set of circumstances that could significantly affect a *company's* ability to carry out its business, damages a *company's* reputation and/or threatens the environment, the health, safety and well-being of employees, neighbouring communities or the public at large.

### References:

- [International Council on Mining and Metals \(ICMM\) Good Practice in Emergency Preparedness and Response](#)
- [International Labour Organization \(ILO\) Prevention of Major Industrial Accidents Convention 174](#)
- International Organization for Standardization (ISO) 22301:2019 Security and Resilience – Business continuity management systems - Requirements
- International Organization for Standardization (ISO) 22320:2018 Security and Resilience – Emergency Management – Guidelines for Incident Management
- [The Mining Association of Canada \(MAC\) Crisis Management and Communications Planning Reference Guide](#)
- [United Nations Office for Disaster Risk Reduction \(UNDRR\) Sendai Framework for Disaster Risk Reduction 2015-2030](#)

## Performance Area 11: Security Management

Intent: Implement the Voluntary Principles on Security and Human Rights to identify, prevent and mitigate *human rights* risks and *remedy human rights* impacts associated with the provision of security at the *Facility*.

Other Relevant Performance Areas:

- 3 Responsible Supply Chains
- 5 Human Rights
- 12 Engagement
- 16 Artisanal and Small-Scale Mining
- 17 Grievance Management

**Applicability:** Where the *Facility* has assessed that there is no risk to *human rights* from the provision of security this Performance Area is not applicable.

LEVEL	REQUIREMENT
<b>11.1 Security Management</b>	
Towards Good Practice	1. Publicly commit to: i) implementing the Voluntary Principles on Security and Human Rights (VPSHR) and ii) not support, either directly or indirectly, non-state armed groups, or security forces who illegally control mine sites.
	2. Conduct a <i>security risk assessment</i> . If the <i>Facility</i> is in a <i>conflict-affected or high-risk area (CAHRA)</i> , the <i>security risk assessment</i> should include a <i>conflict analysis</i> .
	3. Assess the ability of security providers, either private or public, to operate in line with the VPSHR.
	4. Establish a process to promptly inform and cooperate with the appropriate authorities for credible security-related <i>human rights</i> incidents or allegations, exercising discretion where appropriate and monitor any associated investigations where possible.
	5. Communicate and raise awareness of security arrangements, using easily accessible methods and channels, to <i>workers</i> , local communities and <i>rights-holders</i> .
Good Practice	1. Establish and implement practices consistent with the VPSHR.
	2. If the <i>Facility's</i> security is provided by a <i>public security provider</i> , consistent with the VPSHR, communicate policies regarding ethical conduct and <i>human rights</i> to them, and take measures to influence them to operate in a manner consistent with those policies.



	3. If the <i>Facility's</i> security is provided by a <i>private security provider</i> , include in the contract requirements to operate in line with VPSHR and that personnel are appropriately trained and vetted.
	4. Identify and mitigate <i>human rights</i> risks and impacts associated with the provision of security <i>at defined intervals</i> , paying special attention to women, vulnerable and <i>underrepresented groups</i> , including <i>human rights defenders (HRDs)</i> .
	5. Where the <i>Facility</i> has caused or contributed to adverse security-related <i>human rights</i> impacts, provide a <i>remedy</i> or cooperate in their remediation through other legitimate processes (see Performance Area 5: Human Rights and Performance Area 17: Grievance Mechanism).
	6. Engage with <i>workers, business partners</i> and local communities and <i>rights-holders</i> , regarding the security arrangements and the standards and conduct to which the <i>Facility's</i> security personnel are expected to conform.
	7. Provide context-specific security-related <i>human rights</i> training to security providers and other relevant <i>workers, at defined intervals</i> , with a focus on the rights of <i>vulnerable and marginalised groups</i> .
	8. Develop processes to build capacity of <i>private security providers</i> to implement the International Code of Conduct for Private Security Providers.
	9. Conduct an <i>internal review of effectiveness</i> of the implementation of the VPSHR <i>at defined intervals</i> .
Leading Practice	1. Conduct joint <i>security risk assessments</i> with local communities and/or civil society groups to incorporate local concerns into security planning and co-develop <i>mitigation</i> measures.
	2. If the <i>Facility's</i> security is provided by a <i>public security provider</i> , establish a memorandum of understanding (MoU) or other specific agreement related to public security provision and <i>human rights</i> , consistent with the VPSHR.
	3. Complete an <i>independent review of effectiveness</i> of the implementation of VPSHR <i>at defined intervals</i> .
	4. Require <i>private security providers</i> to implement the International Code of Conduct for Private Security Providers.

## Glossary and Interpretive Guidance

**Conflict-affected and high-risk areas (CAHRA):** Areas identified by the presence of armed conflict, widespread violence, including violence generated by criminal networks, or other risks of serious and widespread harm to people. Armed conflict takes a variety of forms, such as a conflict of international

or non-international character, which involves two or more states, or could consist of wars of liberation, insurgencies, or civil wars. High-risk areas are those where there is a *high risk* of conflict or of widespread or serious abuses as defined in paragraph 1 of Annex II of the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. Such areas are often characterised by political instability or repression, institutional weakness, insecurity, the collapse of civil infrastructure, widespread violence and violations of national or international law.<sup>24</sup>

**Conflict analysis:** *Conflict analysis* is the process of identifying and understanding the political, social, economic, and security dynamics of an area where a *company* operates, to assess potential risks and impacts related to conflict.

**Private security providers:** Outsourced or contracted security providers. These typically refer to private security guard forces or “private security companies” (PSCs) and are private businesses<sup>60</sup>.

**Public security providers:** Security providers that represent the host government. These are commonly the police and armed forces<sup>61</sup>.

**Remedy:** Refers to the process of providing *remedy* for an *adverse human rights impact* and the substantive outcomes that can counteract or make good the adverse impact. These outcomes may take a range of forms such as apologies, restitution, *rehabilitation*, financial or nonfinancial compensation, and guarantees of non-repetition. The state may also play a role in providing *remedy* through punitive sanctions (whether criminal or administrative), as well as prevention of the harm through, for example, injunctions.

**Security risk assessment:** A risk assessment that identifies, analyses and evaluates the potential impacts and uncertainties of a *Facility’s* security arrangements in a way that respects *human rights* and humanitarian law.<sup>62</sup>

## References:

- [Geneva Centre for Security Sector Governance \(DCAF\) Addressing Security and Human Rights Challenges in Complex Environments: a Practical Toolkit \(DCAF, ICRC, GCBHR\)](#)
- [International Committee of the Red Cross \(ICRC\) Private Business and Armed Conflict: an Introduction to Relevant Rules of International Humanitarian Law](#)
- [International Council on Mining and Metals \(ICMM\) Human Rights Due Diligence Guidance](#)
- [The International Code of Conduct for Private Security Service Providers \(ICoCA\)](#)
- [United Nations \(UN\) Guiding Principles on Business and Human Rights](#)
- [Voluntary Principles on Security and Human Rights](#)
- [Voluntary Principles on Security and Human Rights – Conflict Analysis Tool for Companies](#)
- [Voluntary Principles on Security and Human Rights – Implementation Guidance Tools \(IGT\)](#)

---

<sup>60</sup> Adapted from [Voluntary Principles on Security and Human Rights Implementation Guidance Tools](#) (2021)

<sup>61</sup> Adapted from [Voluntary Principles on Security and Human Rights Implementation Guidance Tools](#) (2021)

<sup>62</sup> Source: Adapted from the Voluntary Principles on Security and Human Rights Implementation Guidance Tools (IGT)

## Performance Area 12: Engagement

**Intent:** Implement an inclusive and effective engagement process to enable early and ongoing participation of *Facility-level stakeholders* and *rights-holders* in decisions and activities that affect them.

Other Relevant Performance Areas:

- 1 Corporate Requirements
- 4 New Projects, Expansions and Resettlements
- 5 Human Rights
- 7 Rights of Workers
- 10 Emergency Preparedness and Response
- 13 Community Impacts and Benefits
- 14 Indigenous Peoples
- 15 Cultural Heritage
- 16 Artisanal and Small-Scale Mining
- 17 Grievance Management
- 18 Water Stewardship
- 19 Biodiversity, Ecosystem Services and Nature
- 21 Tailings Management
- 24 Closure

**Applicability:** This Performance Area is applicable to all facilities. Engagement is a core part of this Standard and while key requirements are covered in this Performance Area, virtually all other Performance Areas include crucial requirements related to engagement. Also, this Performance Area describes general engagement with both *stakeholders* and with *rights-holders*. *Rights-holders* engagement is especially critical with regards to *Indigenous Peoples* and, in this context, the requirements of this Performance Area should be integrated with the engagement requirements included in Performance Area 14: Indigenous Peoples.

LEVEL	REQUIREMENT
<b>12.1 Engagement</b>	
Towards Good Practice	1. Publicly commit to meaningful and transparent engagement with <i>local stakeholders</i> and <i>rights-holders</i> and communicate this <i>commitment locally</i> .
	2. Identify and map the <i>stakeholders</i> and <i>rights-holders</i> , and their legitimate representatives, that are directly and indirectly affected, potentially affected by, or that have an interest in the <i>Facility's</i> activities, including women, <i>vulnerable and/or underrepresented groups</i> . If not already defined, the <i>Facility</i> should establish a definition of “ <i>local</i> ” in their context.
	3. Undertake <i>meaningful engagement</i> with potentially <i>affected stakeholders</i> and <i>rights-holders</i> on processes and decisions that affect their health, well-being, safety, livelihoods, communities, lands, environment and other rights and interests. Hold separate engagements with women, <i>vulnerable and/or</i>

	<i>underrepresented groups</i> where appropriate. Document engagement activities and maintain a <i>commitments register</i> .
	4. Communicate meaningful information and provide materials to <i>stakeholders and rights-holders</i> in a timely manner and in ways that are accessible, understandable and culturally appropriate.
	5. Assign appropriate resources, responsibility and accountability to manage engagement activities.
Good Practice	1. Develop and implement an engagement plan, informed by input from <i>stakeholders and rights-holders</i> , aimed at building trusting relationships between the <i>Facility</i> and <i>stakeholders and rights-holders</i> and informing how the <i>Facility</i> is managed. When developing the engagement plan, consider the convenience, accessibility and gender and cultural appropriateness of processes to <i>stakeholders and rights-holders</i> , and address any barriers to participation.
	2. Review and update the stakeholder map and engagement plan at a minimum annually.
	3. Review feedback from engagement activities and outcomes with the <i>Facility's</i> senior management <i>at defined intervals</i> .
	4. Provide training on inclusive engagement with <i>stakeholders and rights-holders</i> , including community-informed cultural awareness training where appropriate.
	5. Make available <i>at defined intervals</i> a summary of engagement activities and feedback in a way that is accessible to <i>local stakeholders and rights-holders</i> , including the types of engagement and topics/themes of the engagement and how input has been integrated into decision-making or actionable change at the <i>Facility</i> .
	6. Support the capacity of <i>stakeholders and rights-holders</i> to effectively engage in consultation and dialogue processes, where appropriate, with particular consideration to women, <i>vulnerable and/or underrepresented stakeholders and rights-holders</i> .
	7. Conduct an <i>internal review of effectiveness</i> of the stakeholder identification and engagement processes and outcomes in <i>collaboration</i> with <i>stakeholders and rights-holders</i> <i>at defined intervals</i> and <i>make improvements as required</i> .
Leading Practice	1. Engage <i>stakeholders and rights-holders</i> in the co-design and/or joint decision-making on activities that directly affect them.

	2. Engage <i>stakeholders</i> and <i>rights-holders</i> on broader <i>Facility</i> -related topics, beyond what may directly impact them.
	3. Complete an <i>independent review of effectiveness</i> of the engagement processes in <i>collaboration</i> with <i>stakeholders and rights-holders at defined intervals</i> . Publicly disclose key findings and make improvements as required.

## Glossary and Interpretive Guidance

**Commitments register:** A *commitments register* is a document or system that tracks and manages financial and non-financial obligations or *commitments* made by an organisation. It is essentially a record of what an organisation has pledged to do in the future.

**Local:** *refers* to something related to a particular area, community, or region. In the context of mining, "local" often refers to the nearby communities that are directly affected by mining activities, including the workforce, environment, and economy of that area. Each *Facility* must define *local* relevant to their own context. This should be defined early in the *Facility's life cycle* and is a subset of the *area of influence*.

**Meaningful engagement:** A process of mutual dialogue whereby the *Facility* has an obligation to consult and listen to stakeholder perspectives and integrate consideration of those perspectives into their business decisions. *Meaningful engagement* involves measures to overcome structural and practical barriers to the participation of diverse and vulnerable groups of people, such as *Indigenous Peoples*. *Meaningful engagement* should be conducted in *good faith* on an *equitable* basis and consider strategies for addressing barriers based on the context and the *stakeholders* involved, and could include, for example, logistics and other support to enable participation. Preconditions to *meaningful engagement* include access to material information that can be reasonably understood; a structure that enables transparent communication; and accountability for engagement processes and outcomes.

**Rights-holders:** *Rights-holders* are individuals or social groups that have particular entitlements in relation to specific duty bearers (e.g., state or non-state actors that may have a particular obligation or responsibility to respect, protect and fulfil *human rights* and abstain from *human rights* violations). In certain contexts, there are often specific social groups whose *human rights* are not fully realised, respected or protected, such as *Indigenous Peoples*.<sup>63</sup>

**Significant adverse impacts:** The significance of an adverse impact is a function of its severity and duration. Severity of impacts is influenced by their scale, scope and irremediable character. Scale refers to the size/extent of the adverse impact. Scope concerns the reach of the impact, for example the number of individuals affected or the extent of environmental damage. Irremediable character relates to limits on the ability to mitigate the adverse impact. The duration of an impact (short or longer term) is a key factor that influences impact severity. .<sup>64</sup>

**Stakeholders:** Any individual, group of individuals or organisation, or their legitimate representatives, such as interest groups, government agencies or corporate entities who have rights or interests related to the Performance Areas covered by the Consolidated Standard that are or could be affected by *adverse impacts* associated with the *Facility's* operations. They could include politicians, commercial and industrial enterprises, labour unions, academics, religious groups, national social and

<sup>63</sup> Adapted from [ICMM Human Rights Due Diligence Guide](#) (2023)

<sup>64</sup> Adapted from [OECD Due Diligence Guidance for Responsible Business Conduct](#) (2018)

environmental groups, public sector agencies, the media and communities. Legitimate representatives include trade unions, as well as civil society organisations and others with experience and expertise related to business impacts on *human rights*.<sup>65</sup>

***Vulnerable and underrepresented stakeholders and rights-holders:*** Groups or individuals that are characterised by their higher risk and reduced ability to cope with *adverse impacts*. Such vulnerability could be based on socio-economic conditions, such as sex, gender, age, disability, ethnicity, indigeneity, religion, historical exclusion or marginalisation or other criteria that influence people's ability to access resources and development opportunities.<sup>66</sup>

## References:

- [AccountAbility AA1000 Stakeholder Engagement 2015](#)
- [International Finance Corporation \(IFC\) Stakeholder Engagement: a Good Practice Handbook for Companies Doing Business in Emerging Markets](#)
- [International Finance Corporation \(IFC\) Performance Standard 1: Assessment and Management of Environmental and Social Risks and Impacts](#)
- [Organisation for Economic Co-operation and Development \(OECD\) Due Diligence Guidance for Meaningful Stakeholder Engagement in the Extractive Sector](#)

---

<sup>65</sup> Adapted from [Copper Mark Criteria Guide](#) (2023)

<sup>66</sup> Adapted from [Copper Mark Criteria Guide](#) (2023)

## Performance Area 13: Community Impacts and Benefits

**Intent:** In *collaboration* with communities, identify community impacts, develop management plans to avoid or minimise harm to people and the environment and contribute to lasting economic and social well-being of affected communities.

Other Relevant Performance Areas:

- 4 New Projects, Expansions and Resettlement
- 5 Human Rights
- 10 Emergency Preparedness and Response
- 12 Engagement
- 14 Indigenous Peoples
- 15 Cultural Heritage
- 16 Artisanal and Small-Scale Mining
- 17 Grievance Management
- 18 Water Stewardship
- 19 Biodiversity, Ecosystem Services and Nature
- 20 Climate Action
- 21 Tailings Management
- 22 Pollution Prevention
- 24 Closure

**Applicability:** Sub-section 13.1 of this Performance Area is focussed on the management of *adverse impacts* and is applicable to *existing operations*. The requirements for identifying and addressing social (and environmental) impacts and opportunities for *new projects* and *significant changes to existing operations* are covered separately in Performance Area 4: New Projects, Expansions and Resettlement.

Sub-section 13.2 of this Performance Area is focussed on *community development* and benefits (i.e., positive impacts) and is applicable to both new and existing operations. Sub-section 13.2 should be implemented together with the requirements of Performance Area 4: New Projects, Expansions and Resettlement for *new projects* and *significant changes to existing operations*. Delivering benefits to communities as described in sub-section 13.2 does not negate a *Facility's* obligation to manage community impacts as required in sub-section 13.1.

<b>Applicability of PA4 and PA13:</b>	<i>Adverse Community Impacts</i>	<i>Community Benefits</i>
<i>New projects/changes to existing operations</i>	<i>PA 4: New Projects, Expansions and Resettlement</i>	<i>PA 13: Community Impacts and Benefits, requirement, sub-section 13.2</i>
<i>Existing operations</i>	<i>PA 13: Community Impacts and Benefits, requirement, sub-section 13.1</i>	

*Note: table does not include other PAs which cover a range of a range of social/environmental impacts/benefits*

Where *Indigenous Peoples* are present, PA 14: Indigenous Peoples provides additional requirements specific to engagement, *due diligence* and agreement with *Indigenous Peoples* in relation to impacts, opportunities and benefits. Significant community impacts can be experienced at mine *closure*. Risks and impacts related to this aspect of the lifecycle are addressed in Performance Area 24: Closure.

LEVEL	REQUIREMENT
<b>13.1 Community Impact Management</b>	
Towards Good Practice	1. In consultation with <i>affected stakeholders</i> and <i>rights-holders</i> , identify <i>adverse risks and impacts</i> related to the <i>Facility's</i> activities that directly affect <i>stakeholders</i> and <i>rights-holders</i> .
	2. Implement measures to prevent, minimise or mitigate identified <i>adverse risks and impacts</i> , using the <i>mitigation hierarchy</i> .
	3. Monitor <i>adverse impacts</i> and progress of <i>mitigation</i> measures.
Good Practice	1. Meaningfully engage with <i>affected stakeholders</i> and <i>rights-holders</i> to identify and prioritise <i>adverse risks and impacts</i> related to the <i>Facility's</i> activities, including those related to the social and environmental context, culture, <i>human rights</i> and community health and safety. Consider both direct and indirect impacts, as well as potential <i>cumulative impacts</i> .
	2. Facilitate and encourage the participation of women, <i>vulnerable and underrepresented stakeholders and rights-holders</i> in the assessment of <i>adverse impacts</i> , as appropriate, and consider how these groups, and others, could be differentially affected by the <i>Facility's</i> activities.
	3. Develop and implement action plans to avoid, minimise or mitigate prioritised impacts in consultation with <i>affected stakeholders</i> and <i>rights-holders</i> , and where appropriate, government authorities.
	4. Monitor the progress and effectiveness of the implementation of action plans. <i>Monitoring</i> activities should take into account how women, <i>vulnerable and underrepresented stakeholders and rights-holders</i> can be uniquely and/or disproportionately affected.
Leading Practice	1. <i>Collaborate</i> with relevant <i>stakeholders</i> and <i>rights-holders</i> to conduct joint <i>monitoring</i> of the <i>Facility's</i> action plans.
	2. <i>Collaborate</i> with relevant <i>stakeholders</i> and <i>rights-holders</i> to complete a <i>review</i> of the effectiveness of the <i>Facility's</i> action plans. <i>Publicly disclose</i> the key findings of the review.
	3. Meaningfully engage with relevant <i>stakeholders</i> and <i>rights-holders</i> to strengthen decision-making and organisational capacity to manage ongoing impact <i>mitigation</i> programmes during operations and <i>closure</i> .
	4. Provide support, training and/or external resources to <i>stakeholders</i> and <i>rights-holders</i> to fully participate in the assessment of adverse risks and



	impacts and the development, <i>monitoring</i> and review of the <i>mitigation</i> action plans.
--	--

LEVEL	REQUIREMENT
<b>13.2 Community Development and Benefits</b>	
Towards Good Practice	1. <i>Publicly</i> commit to contribute to <i>local</i> community, social and economic development.
	2. Define ' <i>area of influence</i> ' and ' <i>local</i> ' relevant to the context of the <i>Facility</i> , if not already established.
	3. Compile data on socio-economic development in the <i>area of influence</i> of the <i>Facility</i> to inform <i>monitoring</i> of progress at <i>defined intervals</i> .
	4. Provide <i>local</i> people with access to employment opportunities.
	5. Provide <i>local</i> enterprises with access to procurement and contracting opportunities.
	6. In consultation with the <i>local stakeholders</i> and <i>rights-holders</i> , develop a <i>community development</i> plan, commensurate with the social context of the <i>Facility</i> .
Good Practice	1. Conduct an assessment of the opportunities to increase community and economic development <i>and</i> strengthen community resilience in the <i>area of influence</i> .
	2. Engage <i>affected stakeholders</i> and <i>rights-holders</i> , <i>local</i> community leaders and representatives, including women, <i>vulnerable and underrepresented groups</i> and <i>local</i> authorities to identify and prioritise opportunities for <i>community development</i> and implement priority actions.
	3. Establish partnerships with governments, <i>local</i> civil society, Indigenous organisations and other development actors where appropriate to progress the <i>Facility's</i> contribution to socio-economic development. Initiatives should take into consideration local, regional and/or national government development plans where they exist.
	4. Develop and implement a plan to support increased levels of <i>local procurement</i> and employment.
	5. Support <i>local</i> employment through skills development, including through training and apprenticeship programmes.

	6. Encourage the <i>Facility's contractors and suppliers</i> to prioritise <i>local procurement</i> and employment, through the use of selection criteria and other similar incentives.
	7. Establish objectives and/or targets related to <i>community development, local employment and local procurement</i> , in alignment with community-defined priorities, and review progress <i>at defined intervals</i> . Objectives and targets should consider women, <i>vulnerable and underrepresented groups</i> where appropriate.
	8. Monitor and evaluate progress <i>at defined intervals</i> , against objectives and/or targets. Where necessary, adjust supporting plans and programmes to improve impact and outcomes.
	9. <i>Publicly disclose relevant information</i> related to <i>community development contribution, local procurement and local employment</i> at the <i>Facility</i> level.
Leading Practice	1. Collaborate with community representatives in decision-making processes related to the <i>Facility's</i> contributions to <i>community development, local procurement and local employment</i> programmes.
	2. Provide capacity-building and technical assistance to <i>local</i> community institutions and engage <i>local</i> and Indigenous businesses, or their representative bodies where appropriate, to improve their capabilities to participate in long-term <i>local</i> and regional economic opportunities, if required.
	3. Support <i>local</i> employment by providing professional development and/or vocational opportunities, liaising with relevant educational institutions.
	4. <i>Collaborate</i> with <i>local</i> communities and other <i>stakeholders and rights-holders</i> , including <i>local</i> government, to monitor progress and conduct a <i>review of the effectiveness</i> of <i>community development</i> programmes, initiatives and/or partnerships.
	5. Through multi-stakeholder <i>collaboration</i> , incorporate opportunities to contribute to <i>community development</i> that create benefits beyond the productive life of the <i>Facility</i> into long-term investment decisions and/or <i>closure</i> plans. This should include the community's capacity to participate in diversified economic activities to increase community resilience and minimise impacts of mine <i>closure</i> , in alignment with the requirements of Performance Area 24: Closure).
	6. <i>Publicly report</i> socio-economic data using a credible international reporting framework, such as the Global Reporting Initiative, Local Procurement

	Reporting Mechanism (LPRM) and/or ICMM's Social and Economic Reporting Framework.
--	---

## Glossary and Interpretive Guidance

**Adverse impacts:** Negative effects, including those related to social, environmental or human rights, that the *Facility* could cause, contribute to, or to which it is directly linked. Actual *adverse impacts* indicate adverse effects that have already occurred or are occurring; potential *adverse impacts* indicate an adverse effect that could occur.

**Affected stakeholders:** Any individual, group of individuals or organisation, or their legitimate representatives, who are affected by a *Facility's* operations, actions and decisions. (See also 'Stakeholders'.)

**Area of influence:** Encompasses, as appropriate, areas likely to be affected by:

- a) a *Facility's* current activities and operations and predictable developments that could occur later, and/or indirect project impacts on *biodiversity* or *ecosystem services* upon which affected communities' livelihoods are dependent;
- b) associated facilities, not controlled by the *Facility* but that would not have otherwise been constructed or expanded and without which the *Facility's* activities would not be viable.<sup>67</sup>

**Community development:** The process of increasing the strength and effectiveness of leadership, governance in communities, improving the quality of life, enhancing the participation in and control over decision making, creating more opportunities for economic diversification and advancing and achieving communities and individual's long-term control over their own lives. Companies can support *community development* by providing education, training, employment and procurement opportunities related to the operation, but importantly, also by supporting other programmes aimed at building community resilience and ability of a community to thrive independently beyond the life of the mine.

**Contractor:** An individual or organisation that is indirectly employed by the *Facility* via a contract/sub-contract or labour agent/provider.

**Local:** refers to something related to a particular area, community, or region. In the context of mining, "local" often refers to the nearby communities that are directly impacted by mining activities, including the workforce, environment, and economy of that area. Each *Facility* must define *local* relevant to their own context. This should be defined early in the *Facility's life cycle* and is a subset of the *area of influence*.

**Local procurement:** Enabling access by *local* enterprises to procurement and contracting opportunities across the project *life cycle* (both directly and through encouraging larger *contractors* and *suppliers* to do so), and by supporting initiatives to enhance economic opportunities for *local* communities.<sup>68</sup>

**Meaningful engagement:** A process of mutual dialogue whereby the *Facility* has an obligation to consult and listen to stakeholder perspectives and integrate consideration of those perspectives into their business decisions. *Meaningful engagement* involves measures to overcome structural and practical barriers to the participation of diverse and vulnerable groups of people, such as *Indigenous Peoples*. *Meaningful engagement* should be conducted in *good faith* on an *equitable* basis and consider strategies for addressing barriers based on the context and the *stakeholders* involved, and

<sup>67</sup> Adapted from [IFC Performance Standard 1 Guidance Note](#) (2012)

<sup>68</sup> Adapted from [ICMM Support Local Economic Opportunities](#) (no date)

could include, for example, logistics and other support to enable participation. Preconditions to *meaningful engagement* include access to material information that can be reasonably understood; a structure that enables transparent communication; and accountability for engagement processes and outcomes.

**Relevant Information:** When a *Facility* publicly reports *relevant information*, reported information should include relevant data as well as the results of any relevant analysis and contextualisation.

**Rights-holders:** *Rights-holders* are individuals or social groups that have particular entitlements in relation to specific duty bearers (e.g., state or non-state actors that may have a particular obligation or responsibility to respect, protect and fulfil *human rights* and abstain from *human rights* violations). In certain contexts, there are often specific social groups whose *human rights* are not fully realised, respected or protected, such as *Indigenous Peoples*.

**Stakeholders:** Any individual, group of individuals or organisation, or their legitimate representatives, such as interest groups, government agencies or corporate entities who have rights or interests related to the Performance Areas covered by the Consolidated Standard that are or could be affected by *adverse impacts* associated with the *Facility's* operations. They could include politicians, commercial and industrial enterprises, labour unions, academics, religious groups, national social and environmental groups, public sector agencies, the media and communities. Legitimate representatives include trade unions, as well as civil society organisations and others with experience and expertise related to business impacts on *human rights*.

**Supplier:** An entity in the *supply chain* that supplies products or services that contribute to the *Facility's* own operations, products or services.

**Vulnerable and underrepresented stakeholders and rights-holders:** Groups or individuals that are characterised by their higher risk and reduced ability to cope with *adverse impacts*. Such vulnerability could be based on socio-economic conditions, such as sex, gender, age, disability, ethnicity, indigeneity, religion, historical exclusion or marginalisation or other criteria that influence people's ability to access resources and development opportunities.<sup>4</sup>

## References:

- [International Council on Mining and Metals \(ICMM\) Community Development Toolkit](#)
- [International Council on Mining and Metals \(ICMM\) Social and Economic Reporting: Framework and Guidance](#)
- [International Finance Corporation \(IFC\) Strategic Community Investment: a Good Practice Handbook for Companies Doing Business in Emerging Markets](#)
- [Mining Shared Value: the Mining Local Procurement Reporting Mechanism \(LPRM\)](#)

## Performance Area 14: Indigenous Peoples

Intent: Respect *Indigenous Peoples'* individual and collective rights as outlined in the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP). Develop inclusive, culturally appropriate and ongoing engagement processes and conduct *human rights due diligence*, in alignment with the UN Guiding Principles on Business and Human Rights (UNGPs). Obtain *agreement* with affected *Indigenous Peoples* through a process *demonstrating free, prior and informed consent (FPIC)* to anticipated impacts on their lands, territories or other rights.

Other Relevant Performance Areas:

- 3 Responsible Supply Chain
- 4 New Projects, Expansions and Resettlement
- 5 Human Rights
- 12 Engagement
- 13 Community Impacts and Benefits
- 15 Cultural Heritage
- 17 Grievance Management
- 19 Biodiversity, Ecosystem Services and Nature
- 24 Closure

**Applicability:** This PA outlines requirements specific to *Indigenous Peoples* and applies in situations where *Indigenous Peoples* rights may be affected by operational activities.

**Note on roles and responsibilities of companies and States relevant to this Performance Area:**

To achieve outcomes consistent with the requirements in this Performance Area, the participation and *collaboration* of a range of parties is essential, including *Indigenous Peoples*, States, companies and other relevant parties.

As per the UNGPs, States are obligated to respect and protect *Indigenous Peoples'* rights, including when it comes to decisions about whether projects can initially proceed. In keeping with this obligation, States have the duty to consult and cooperate in *good faith* with *Indigenous Peoples* in order to obtain their free, and informed consent prior to the approval of any project affecting them or their territories, as per articles 19 and 32 of the UNDRIP.

Companies have the responsibility to respect *human rights*, including *Indigenous Peoples'* rights, as per the UNGPs. This responsibility is fundamental to productive, value-adding and mutually beneficial relationships between *Indigenous Peoples* and companies. As a central part of their responsibility to respect *Indigenous Peoples'* rights, companies are to exercise *human rights due diligence*, including through *meaningful engagement* and consultation, to avoid infringing on these rights, and, accordingly, establish that they have sought the consent of affected *Indigenous Peoples* for anticipated impacts on their rights. In the context of a *company's due diligence*, *Indigenous Peoples'* consent to impacts on their rights is most clearly demonstrated by the establishment of an *agreement* setting out that consent, and the terms under which impacts will be managed. *Agreement(s)* should be achieved through a process *demonstrating free, prior and informed consent (FPIC)*, reflecting community self-determined decision-making processes, *meaningful engagement* and *good faith* negotiation.

Regardless of how States meet their *commitments*, or where they fail to do so, the independent responsibility for companies to conduct *due diligence* and respect the rights of *Indigenous Peoples* remains.

LEVEL	REQUIREMENT
<b>14.1 Indigenous Peoples</b>	
Towards Good Practice	1. Publicly commit to respect <i>Indigenous Peoples'</i> rights in all aspects of the <i>Facility's</i> activities, in line with the UNGP and UNDRIP, including <i>FPIC</i> . Communicate this <i>commitment</i> , in a culturally appropriate manner, to <i>Indigenous Peoples</i> and others.
	2. Prior to undertaking new activities that may affect <i>Indigenous Peoples</i> rights, identify, in coordination with State or other relevant authorities (as relevant), those <i>Indigenous Peoples</i> who may be adversely impacted.
	3. Establish early engagement processes with potentially affected <i>Indigenous Peoples</i> in accordance with their procedures, protocols and governance structures. Processes should support an informed understanding of the risks, potential impacts and benefits of the <i>Facility's</i> activities and enable the <i>meaningful engagement</i> of <i>Indigenous Peoples</i> in decisions that could impact them.
	4. Maintain engagement on an ongoing basis with potentially affected <i>Indigenous Peoples</i> to understand what is important to them, including how their rights could be impacted and how to avoid infringing on their rights. Document engagement with potentially affected <i>Indigenous Peoples</i> .
	5. Avoid <i>significant adverse impacts</i> to <i>Indigenous Peoples'</i> critical cultural heritage and the relocation of <i>Indigenous Peoples</i> from their lands or territories through exploring feasible alternatives. Where such impacts are unavoidable, obtain <i>agreement</i> with affected <i>Indigenous Peoples</i> through a process <i>demonstrating free, prior and informed consent (FPIC)</i> .
	6. Provide cultural awareness training in <i>collaboration</i> with <i>Indigenous Peoples</i> on the history, traditions, and rights of <i>Indigenous Peoples</i> for workers who interact with, or make decisions that impact, <i>Indigenous Peoples</i> .
	7. Where a <i>Facility's</i> activities have the potential to impact <i>Indigenous Peoples living in voluntary isolation or initial contact</i> , the <i>Facility</i> should exercise a precautionary approach and avoid any contact with them or impacts on their territories, and respect their rights given their desire to live in isolation.
Good Practice	1. <i>Collaborate</i> with potentially affected <i>Indigenous Peoples</i> and appropriate State authorities (as relevant) to design appropriate engagement and decision-making processes aligned with <i>FPIC</i> , in order to enable <i>Indigenous Peoples'</i> <i>meaningful engagement</i> as part of <i>human rights due diligence (HRDD)</i> processes and in <i>good faith</i> negotiations of <i>agreements</i> . Engagement

	<p>processes should be documented, culturally appropriate, inclusive, and carried out consistent with the protocols, governance, and decision-making structures of potentially affected <i>Indigenous Peoples</i>. They should include the steps that will be taken to demonstrate the process is legitimate and conducted in good faith as well as the steps to be taken if consent is not achieved.</p>
	<p>2. Aligned with the UNGPs, carry out <i>human rights due diligence (HRDD)</i> to identify, prevent, mitigate and account for potential <i>adverse impacts</i> on <i>Indigenous Peoples'</i> rights. This process should respect <i>Indigenous Peoples'</i> right to participate in decision-making on matters that affect them in alignment with <i>FPIC</i>. Implement measures to prevent or mitigate potential <i>adverse impacts</i> on <i>Indigenous Peoples'</i> rights, including how their access to traditional land, territories and resources can be maintained. <i>Due diligence</i> should be ongoing recognising that the risks to <i>Indigenous Peoples'</i> rights could change over time as a <i>Facility's</i> operations and/or operating context changes (see Performance Area 5: Human Rights).</p>
	<p>3. When exercising <i>human rights due diligence (HRDD)</i>, recognise the potential for additional and unique risks and impacts on <i>Indigenous Peoples in vulnerable situations</i> including Indigenous women and girls, elders, and youth, <i>Indigenous Peoples living in voluntary isolation or initial contact</i>, and others with heightened vulnerability. Engagement in the exercise of <i>due diligence</i> should be inclusive and enable the participation of <i>Indigenous Peoples in vulnerable situations</i> and fully consider impacts on them such that further vulnerabilities are not caused or exacerbated.</p>
	<p>4. Seek Indigenous knowledge, voices and perspectives from local <i>Indigenous Peoples</i> and respectfully apply these to inform decisions and practices, where appropriate. Obtain permission prior to collecting, storing, accessing, using or reusing cultural and intellectual information and knowledge.</p>
	<p>5. Provide <i>Indigenous Peoples</i> with <i>capacity support</i> for <i>good faith</i> negotiation where necessary through the provision of <i>reasonable</i> financial or other agreed-upon assistance.</p>
	<p>6. Obtain <i>agreement</i> with affected <i>Indigenous Peoples</i> on anticipated impacts on their land or other rights and setting out the terms by which impacts could occur and be managed.</p> <ul style="list-style-type: none"> <li>• <i>Agreement</i> should be achieved with affected communities of <i>Indigenous Peoples</i> through a process <i>demonstrating free, prior and informed consent (FPIC)</i>.</li> </ul>

	<ul style="list-style-type: none"> <li>• <i>Agreements</i> should be based on engagement that respects <i>Indigenous Peoples</i> rights, reflecting community self-determined decision-making processes, <i>meaningful engagement</i> and <i>good faith</i> negotiation.</li> <li>• <i>Agreements</i> include at a minimum <i>mitigation</i> measures developed through the <i>human rights due diligence</i> (HRDD) process, benefits sharing, <i>monitoring</i> and review processes, a redress mechanism for potential infringements of the <i>agreement</i> or of <i>Indigenous Peoples</i>' rights and consideration of life of mine operational changes and <i>closure</i>.</li> <li>• Where <i>agreements</i> are reached with some affected communities of <i>Indigenous Peoples</i>, but <i>opposition</i> remains from other affected communities of <i>Indigenous Peoples</i>, implement and disclose steps the <i>Facility</i> has taken to show the process was legitimate and conducted in <i>good faith</i>, and disclose any future steps the <i>Facility</i> may take to engage with the other affected communities<sup>69</sup>.</li> </ul>
	7. Maintain and monitor the implementation of the terms of the <i>agreement(s)</i> and <i>commitments</i> made with <i>Indigenous Peoples</i> (at defined intervals or as agreed upon) through ongoing <i>meaningful engagement</i> and by sharing <i>relevant information</i> and data as required.
	8. Facilitate, where safe to do so, continued rights of access to <i>cultural heritage</i> sites, areas of spiritual value, and traditional lands, territories, or resources of <i>Indigenous Peoples</i> in <i>collaboration</i> with them. The terms and conditions of such access should be included in related <i>agreement(s)</i> (also see Performance Area 15: Cultural Heritage).
	9. Provide, or cooperate in, <i>remedy</i> where a <i>Facility's</i> activities are found to have caused or contributed to infringement of the rights of <i>Indigenous Peoples</i> . <i>Facilities</i> will establish or participate in, and make available to <i>Indigenous Peoples</i> , a culturally appropriate and accessible <i>grievance mechanism</i> (including, where appropriate, independent mechanisms) to resolve grievances and facilitate remediation (see Performance Area 17: Grievance Management).
	10. <i>Collaborate</i> with <i>Indigenous Peoples</i> to develop and undertake training and awareness on the history, traditions, and rights of <i>Indigenous Peoples</i> and intercultural awareness and engagement for <i>workers</i> who interact with or make decisions that impact <i>Indigenous Peoples</i> .
Leading Practice	1. Make available to all <i>workers</i> training on the history, traditions, and rights of <i>Indigenous Peoples</i> and intercultural awareness and engagement that is

<sup>69</sup> In exceptional circumstances where agreement with affected Indigenous Peoples is not obtained, and where the State has lawfully limited Indigenous Peoples' rights through a process that is necessary, proportionate, and directed toward a legitimate public interest objective, the interpretative guidance under the definition of *opposition* applies.



	Indigenous-led, and/or collaboratively designed and delivered with <i>Indigenous Peoples</i> and approved by them. Such training and awareness programmes should be ongoing, taking place <i>at defined intervals</i> with the goal of developing intercultural understanding.
	2. Contribute to or participate in local, regional, and/or national level <i>reconciliation</i> initiatives with <i>Indigenous Peoples</i> in jurisdictions where such initiatives exist.
	3. Establish mutually agreed-upon objectives for identified opportunities and <i>benefit sharing</i> in <i>collaboration</i> with directly affected <i>Indigenous Peoples</i> and progress implementation plans towards meeting those objectives.
	4. <i>Collaborate</i> with <i>Indigenous Peoples</i> on a <i>review of effectiveness</i> of processes for engagement and impact and benefit identification/management at mutually agreed intervals. Make improvements as required.
	5. <i>Collaborate</i> with <i>Indigenous Peoples</i> to conduct a review of effectiveness of the training and awareness programmes at mutually agreed intervals. Make improvements as required.
	6. Where permission is provided by <i>Indigenous Peoples</i> , and in accordance with legal requirements and local norms, <i>publicly disclose agreements</i> or <i>report</i> on the progress towards delivering <i>commitments at defined intervals</i> .
	7. <i>Collaborate</i> with <i>Indigenous Peoples</i> to implement environmental and social <i>monitoring</i> programmes.

## Glossary and Interpretive Guidance

**Adverse impacts:** Negative effects, including those related to social, environmental or human rights, that the *Facility* could cause, contribute to, or to which it is directly linked. Actual *adverse impacts* indicate adverse effects that have already occurred or are occurring; potential *adverse impacts* indicate an adverse effect that could occur.

**Agreement(s):** *Agreement* is the act of two or more parties mutually approving or accepting something, often arrived at after a process of engagement and negotiation. *Agreements* between companies and *Indigenous Peoples* are the products of such a process. They can take many forms (e.g., relationship *agreements*, impact benefit *agreements*, *collaboration agreements*). *Agreements* can be a means by which *Indigenous Peoples* manifest their *free, prior and informed consent (FPIC)* to impacts on their rights anticipated from mining and mining-related projects, and by which *equitable* terms for those impacts and for mutually beneficial relations are established. *Agreements* can reflect consent and/or be a means to demonstrate consent. *Indigenous Peoples* can withdraw their *agreement* if there is non-compliance with the established terms or a change in the extent of the impacts on their rights.

**Benefit Sharing:** The *equitable* allocation of the benefits and value creation a project can offer. This can consist of financial benefits such as opportunities for *Indigenous Peoples'* commercial participation in projects and their increased participation in *supply chains* and value chains (for example profit

sharing, fixed payments, dedicated community investing, employment and contracting, *equity* ownership, and business procurement opportunities) or various other types of benefits such as social and economic development outcomes. This may include in-kind participation, which refers to opportunities such as awareness and training, cooperation in environmental and *cultural heritage* conservation projects, and health initiatives as examples. *Benefit sharing* mechanisms should reflect and be aligned with *Indigenous Peoples'* aspirations for social and economic development to facilitate positive outcomes that extend beyond the life of operations. These benefits are separate from the compensation that affected *Indigenous Peoples* could receive as part of *mitigation* measures (i.e., to address *residual impacts* after appropriate avoidance, minimisation and restoration measures have been applied).

**Capacity support:** In the context of this Performance Area, this may include supporting *Indigenous Peoples'* capacity to participate in decision-making and *agreement-making*, for example by providing access to independent expert advice, capacity building, facilitation and mediation, involving external observers, or facilitating access to government-led or other funding mechanisms, where appropriate.

**Critical Cultural Heritage:** This includes *cultural heritage* that is essential to the identity and/or cultural, ceremonial, or spiritual impacts of affected *Indigenous Peoples'* lives, as determined by them. It includes natural areas with significant cultural and/or spiritual value such as sacred groves, sacred bodies of water and waterways, sacred trees and sacred rocks. It includes the internationally recognised heritage of communities who use or have used within living memory the *cultural heritage* for long-standing cultural purposes; and legally protected *cultural heritage* areas, including those proposed by host governments for such designation. *Indigenous Peoples' critical cultural heritage* may also include sites that have not been internationally recognised or legally protected, hence it is important for companies to co-identify these areas of *critical cultural heritage* on a project-by-project basis and in consultation with affected *Indigenous Peoples*. This is an indispensable step in understanding the existence of places that constitute *critical cultural heritage* and their spiritual, cultural or historical significance and value to *Indigenous Peoples*.

**Demonstrating free, prior and informed consent (FPIC):** Engagement with *Indigenous Peoples*, and the process of seeking their *free, prior and informed consent (FPIC)* is context specific and can vary from community to community. Each *Indigenous* community is unique and holds its own systems of governance, cultural protocols, and traditions for decision-making. As a result, the process and expression of consent may vary widely from one context to another. Facilities should meaningfully engage with affected *Indigenous Peoples* at the outset of projects in accordance with their own governance structures and methods of decision-making to understand how they determine or express consent and what the Facility should do to demonstrate that the process was legitimate and conducted in good faith, as well as the steps to be taken in the event that consent is not achieved.

*Indigenous Peoples* must be free to define consent in terms that they choose, grounded in their unique cultural, legal, and social frameworks. Some *Indigenous Peoples* could choose to frame their *agreement* in terms of consent, but others may choose other frames, such as giving their permission or through contractual terms, such as *agreements* including partnership *agreements*, Impact/Benefit *Agreements*, *collaboration agreements*; an expression of support or of non-opposition; or through approval resulting from *Indigenous-led* impact assessments. Recognising that every *Indigenous* community is unique, each *agreement* is just as unique reflecting the approach that each community chooses to take according to their community self-determined decision-making processes. In some regions, *Indigenous Peoples* may choose to negotiate *agreements* with proponents without providing formal consent to projects.

The *FPIC* process and outcome do not necessarily require unanimous support from all members of affected communities of *Indigenous Peoples*, rather this is determined by the governance structure and protocols of *Indigenous Peoples*. *FPIC* does not require unanimity and does not confer veto rights

to individuals or groups. FPIC should be viewed as a process that both allows and facilitates affected communities of *Indigenous Peoples* to build and agree upon a collective position with regard to a proposed development, through their own governance processes and protocols, recognising that individuals and groups within or among *Indigenous Peoples* or communities may retain differing views on various issues.

**Equitable:** Signifies parity in process which includes resource *equity* (i.e., allowing parties to have access to sources of information, advice and expertise necessary to engage, participate and negotiate in a process). It also means allowing for balanced participation between companies and *Indigenous Peoples* during *agreement-making* processes. It enables outcomes that advance rights and share benefits in social and economic development. Not to be confused with ‘equality.’

**Free, prior and informed consent (FPIC):** FPIC comprises a process, and an outcome (for a point in time). Through this process *Indigenous Peoples* are: (i) able to freely make decisions without coercion, intimidation, or manipulation; (ii) allowed sufficient time to be involved in decision-making before key decisions are made and impacts occur; and (iii) fully informed about proposed activities and their potential impacts and benefits. The outcome is that *Indigenous Peoples* can collectively grant or withhold their consent to specified impacts on their rights as part of a decision-making process. These decision-making processes should be based on *good faith* negotiation, while being consistent with *Indigenous Peoples’* own governance institutions and decision-making protocols and respecting internationally recognised *human rights*<sup>70</sup>. FPIC does not require unanimity and does not confer veto rights to individuals or groups

**Good faith:** A particular form of negotiation that seeks to establish where points of *disagreement* and *agreement* lie, and what options are available for resolving disagreements in a balanced way. It primarily focuses on establishing a relationship of mutual respect between negotiation parties (like companies and Indigenous communities) and mitigating any negotiating power imbalances<sup>71</sup>.

**Human rights due diligence (HRDD):** An ongoing risk management process that a *Facility* needs to follow to identify, prevent, mitigate and account for how it addresses its *adverse human rights impacts*. HRDD includes four key steps: assessing actual and potential *human rights impacts*; integrating and acting on the findings; tracking responses; and communicating about how impacts are addressed. Facilities should identify general areas where the risk of *adverse human rights impacts* is most significant, whether due to certain *suppliers’* or clients’ operating context, the particular operations, products or services involved, or other relevant considerations, and prioritise these for *human rights due diligence*

**Indigenous Peoples:** Indigenous communities, peoples and nations are those which, having a historical continuity with pre-invasion and pre-colonial societies that developed on their territories, consider themselves distinct from other sectors of the societies now prevailing on those territories, or parts of them. They form at present nondominant sectors of society and are determined to preserve, develop and transmit to future generations their ancestral territories, and their ethnic identity, as the basis of their continued existence as peoples, in accordance with their own cultural patterns, social institutions and legal system.<sup>72</sup>

In some countries, the term ‘Indigenous’ may be controversial and local terms may be used that are broadly equivalent (i.e., Tribal Peoples, First Peoples, Native Peoples, Aboriginal, First Nations, *Traditional Owners*, *Customary Landowners*, etc.). In other situations, there may be no, or ambiguous,

---

<sup>70</sup> Adapted from [ICMM draft Indigenous Peoples Position Statement 2024](#)

<sup>71</sup> Adapted from [ICMM draft Indigenous Peoples Position Statement 2024](#)

<sup>72</sup> Study of the Problem of Discrimination Against Indigenous Populations: Final report submitted by the Special Rapporteur, Mr. José Martínez Cobo

recognition of *Indigenous Peoples* by States, or the term may have negative associations that discourage people from acknowledging Indigenous identity.

While there is not one official definition for '*Indigenous Peoples*', this standard recognises the commonly accepted characteristics of *Indigenous Peoples* as defined in article 1 of ILO 169.

*Indigenous Peoples* can share some or all of the following characteristics:

- Self-identification as Indigenous.
- Historical continuity with pre-colonial and/or pre-settler societies.
- A common experience of occupation, colonialism and oppression.
- Occupation of or a strong link to specific lands and territories.
- Distinct social, economic, and political systems.
- Distinct language, culture and beliefs that vary from dominant sectors of society.
- Resolve to maintain and reproduce their ancestral environments and distinctive identities.

These general criteria of '*Indigenous Peoples*' are purposely inclusive and are thus meant to encompass the *diversity* of worldwide *Indigenous Peoples*' experiences, while still separating '*Indigenous Peoples*' from other national minorities and local communities as unique and distinct groups and providing a basis for the kinds of rights that they claim.

***Indigenous Peoples in vulnerable situations:*** While *Indigenous Peoples* as a whole face heightened vulnerability, certain subsets of *Indigenous Peoples* with specific characteristics may be at even greater risk from health, safety and economic challenges (e.g., this may include Indigenous women, girls, and gender-diverse people, children and young people, elders, people with disabilities, *human rights* defenders, etc.)

***Indigenous Peoples living in voluntary isolation*** (people who do not maintain regular contact with the majority population and tend to shun any type of contact with outsiders) **or *initial contact*** (people who were previously isolated and have recently initiated contact with outsiders, either by choice or coercion).

***Meaningful engagement:*** A process of mutual dialogue and decision-making whereby the *Facility* has an obligation to consult and listen to *affected stakeholders*' perspectives and integrate those perspectives into their business decisions and *due diligence* processes. *Meaningful engagement* involves measures to overcome structural and practical barriers to the participation of diverse and vulnerable groups of people, such as *Indigenous Peoples*. *Meaningful engagement* should be conducted in *good faith* on an *equitable* basis and consider strategies for addressing barriers based on the context and the *stakeholders* involved, and could include, for example, logistical and other support to enable participation. Preconditions to *meaningful engagement* include access to material information that can be reasonably understood, the absence of coercion or undue influence, and a structure that enables transparent communication and accountability for engagement processes and outcomes.

***Reconciliation:*** A process of acknowledging histories and actions of the past inflicted on *Indigenous Peoples*. Such a process could include actions by mining companies and actively taking part in societal initiatives to repair trust and take measures that can contribute to healing and the wellbeing of society and *Indigenous Peoples*. In some jurisdictions, there are Indigenous and State-led *reconciliation* processes to address these histories.

***Opposition:*** Despite efforts to obtain *agreement* over anticipated impacts, there may still be *opposition* that remains from some affected communities of *Indigenous Peoples*.

The presence of *opposition* does not necessarily invalidate the process of obtaining *agreement* or imply that *FPIC* has not been met. However, it signifies that some level of dissent remains across affected Indigenous communities, and facilities must consider this *opposition* carefully when determining how to proceed with activities. In scenarios where *opposition* remains across some affected Indigenous communities, companies are expected to engage further, develop additional steps to address concerns, and take all appropriate and legal actions in alignment with international *human rights* standards (such as the UNGPs) to manage these concerns.

Where proposed activities may affect the rights of more than one Indigenous community, the *Facility* should address anticipated *adverse impacts* on the rights of *Indigenous Peoples* and define the scope of engagement and agreement-making in their due diligence approach, in a manner commensurate with the nature and scale of the impacts.

In exceptional circumstances where *agreement* with affected *Indigenous Peoples* is not obtained, and where the State has lawfully limited *Indigenous Peoples'* rights through a process that is necessary, proportionate, and directed toward a legitimate public interest objective, the *Facility* must carefully consider how to proceed. In such cases, companies are expected to assess whether the State has followed appropriate consultation procedures and made a genuine attempt to obtain *FPIC*; conduct their own *due diligence* to verify that these conditions have been met; continue to meet their responsibility to respect *Indigenous Peoples'* rights by engaging with affected Indigenous communities, mitigating harm, and seeking *agreement* wherever possible; and disclose the justification for proceeding while establishing *oversight* and *grievance mechanisms* to ensure accountability and *remedy*.

**Significant adverse impacts:** The significance of an adverse impact is a function of its severity and duration. Severity of impacts is influenced by their scale, scope and irremediable character. Scale refers to the size/extent of the adverse impact. Scope concerns the reach of the impact, for example the number of individuals affected or the extent of environmental damage. Irremediable character relates to limits on the ability to mitigate the adverse impact. The duration of an impact (short or longer term) is a key factor that influences impact severity.<sup>73</sup>

## References:

- [International Council on Mining and Metals \(ICMM\) Position Statement: Indigenous Peoples](#)
- [International Finance Corporation \(IFC\) Performance Standard 7: Indigenous Peoples](#)
- [International Finance Corporation \(IFC\) Performance Standard 8: Cultural Heritage](#)
- [International Labour Organization \(ILO\) Indigenous and Tribal Peoples Convention 169](#)
- [United Nations \(UN\) Declaration of the Rights of Indigenous Peoples](#)
- [United Nations \(UN\) Guiding Principles on Business and Human Rights](#)

---

<sup>73</sup> Adapted from [OECD Due Diligence Guidance for Responsible Business Conduct](#) (2018)

## Performance Area 15: Cultural Heritage

**Intent:** Identify risks to *cultural heritage* and develop practices and procedures that respect, preserve and safeguard *cultural heritage* in *collaboration* with relevant *stakeholders* and *rights-holders* for *cultural heritage*. *Cultural heritage* can be Indigenous and non-Indigenous, and can be both tangible (e.g., places and objects) or intangible (e.g., customs, traditions, languages and beliefs).

Other Relevant Performance Areas:

- 2 Business Integrity
- 4 New Projects, Expansions and Resettlement
- 13 Community Impacts and Benefits
- 14 Indigenous Peoples\*
- 19 Biodiversity, Ecosystem Services and Nature
- 21 Tailings Management

**Applicability:** This Performance Area is applicable to all facilities. Note that Performance Area 14: Indigenous Peoples has additional requirements specific to engagement, *due diligence*, and agreement-making in relation to affected *Indigenous Peoples*. *Indigenous Peoples* hold specific rights to practise and revitalise their cultural traditions and customs and the right to maintain, control, protect and develop their *cultural heritage* and traditional knowledge.

LEVEL	REQUIREMENT
<b>15.1 Cultural Heritage</b>	
Towards Good Practice	1. Publicly commit to identify, respect, preserve and safeguard <i>cultural heritage</i> .
	2. Identify and assess risks to <i>cultural heritage</i> that could be affected by the <i>Facility's</i> activities and operations in consultation with <i>stakeholders</i> and <i>rights-holders</i> of <i>cultural heritage</i> and informed by: <ul style="list-style-type: none"> <li>a. Government, regarding formally designated or legally protected heritage including <i>World Heritage sites</i>.</li> <li>b. Relevant organisations, such as international organisations, cultural institutions, universities, civil society, and religious groups.</li> <li>c. Publicly available data from reputable sources.</li> <li>d. Traditional land use or community studies.</li> <li>e. <i>Indigenous Peoples'</i> knowledge.</li> </ul>
	3. Where there are potential <i>adverse impacts</i> to <i>Indigenous Peoples'</i> critical <i>cultural heritage</i> and such impacts are unavoidable, work through decision-making processes as outlined in Performance Area 14: Indigenous Peoples, which addresses obtaining agreement through a process <i>demonstrating free, prior and informed consent (FPIC)</i> .
	4. Assign accountability and responsibility for the management of <i>cultural heritage</i> .

	<p>5. Do not explore, mine or undertake other operational activities within cultural <i>World Heritage Sites</i> and ensure that any current or future operations with the potential to adversely impact cultural <i>World Heritage Sites</i> do not impact the <i>outstanding universal value</i> (including cultural value) for which they are designated and do not put their integrity at risk (see Performance Area 19: Biodiversity).</p>
Good Practice	<p>1. Where there is a risk of adversely impacting <i>cultural heritage</i>, engage with <i>stakeholders</i> and <i>rights-holders</i> to conduct an analysis of alternatives that prioritise avoidance of these <i>adverse impacts</i> through <i>Facility</i> design changes and/or construction and/or operational procedures.</p>
	<p>2. Provide awareness and/or training to relevant <i>workers</i> in accordance with roles and responsibilities on <i>cultural heritage</i> and its importance to <i>stakeholders</i> and <i>rights-holders</i> and where applicable, <i>Indigenous Peoples'</i> cultural practices and histories.</p>
	<p>3. Where <i>cultural heritage</i> impacts are unavoidable, develop and implement, in <i>collaboration</i> with <i>affected stakeholders</i> and <i>rights-holders</i>, <i>mitigation</i> measures that aim to maintain the <i>cultural heritage's</i> value and functionality.</p>
	<p>4. Where <i>unavoidable impacts</i> affect irreplaceable or <i>critical cultural heritage</i>, support its removal and preservation in line with the best available techniques in <i>collaboration</i> with <i>stakeholders</i> and <i>rights-holders</i> and responsible authorities.</p>
	<p>5. Develop and implement a <i>chance finds procedure</i> in <i>collaboration</i> with <i>stakeholders</i> and <i>rights-holders</i> to manage previously unknown <i>cultural heritage</i>, or newly shared traditional knowledge of previously unknown <i>cultural heritage</i>.</p>
	<p>6. Provide or participate in <i>remedy</i>, developed in <i>collaboration</i> with <i>affected stakeholders</i> and <i>rights-holders</i>, if the <i>Facility</i> causes or contributes to <i>adverse impacts</i> to <i>cultural heritage</i>.</p>
Leading Practice	<p>1. Conduct an <i>internal review</i> of the effectiveness of measures taken to avoid <i>adverse impacts</i> on <i>cultural heritage</i> in <i>collaboration</i> with <i>stakeholders</i> and <i>rights-holders</i> at defined intervals.</p>
	<p>2. Provide training and awareness programmes on <i>cultural heritage</i> and its importance to <i>stakeholders</i> and <i>rights-holders</i> to all <i>workers</i>. Training should be developed and delivered in <i>collaboration</i> with <i>stakeholders</i> and <i>rights-holders</i> and experts where possible.</p>

	<p>3. Contribute to the protection of <i>cultural heritage</i> through dedicated partnerships and/or programmes outside of the activities specific to the operation, in <i>collaboration</i> with and agreed by <i>stakeholders</i> and <i>rights-holders</i>. This could include supporting long-term management of <i>cultural heritage</i>, Indigenous-led <i>cultural heritage</i> programmes, repatriation of tangible <i>cultural heritage</i> and supporting connection to intangible <i>cultural heritage</i>.</p>
	<p>4. <i>Collaborate</i> with <i>stakeholders</i> and <i>rights-holders</i> to undertake ongoing <i>monitoring</i> of <i>cultural heritage</i> protection measures in line with the values to be respected, preserved and safeguarded. Where applicable, provide <i>capacity support</i> to maintain, monitor, preserve and celebrate <i>cultural heritage</i> and the revitalisation of <i>cultural heritage</i> according to community-defined priorities.</p>

## Glossary and Interpretive Guidance

**Adverse impacts:** Negative effects, including those related to social, environmental or human rights, that the *Facility* could cause, contribute to, or to which it is directly linked. Actual *adverse impacts* indicate adverse effects that have already occurred or are occurring; potential *adverse impacts* indicate an adverse effect that could occur.

**Chance finds procedure:** A chance find procedure is a project-specific procedure that outlines the actions to be taken if previously unknown *cultural heritage* is encountered. The procedure should halt operations immediately upon discovery of *cultural heritage* and notify relevant *rights-holders* and *stakeholders*. *Facilities* should develop protocols designed in *collaboration* with *rights-holders* and *stakeholders*, to manage chance finds and ensure culturally appropriate handling of sensitive knowledge. For chance finds of *Indigenous Peoples cultural heritage*, procedures should consider culturally sensitive documentation practices that respect *Indigenous Peoples'* values and restrictions on knowledge sharing.

**Cultural heritage:** Customs, practices, places, objects, traditional knowledge, artistic expressions and values. *Cultural heritage* is often expressed as either intangible or tangible *cultural heritage*.

**Critical Cultural Heritage:** This includes *cultural heritage* that is essential to the identity and/or cultural, ceremonial, or spiritual impacts of affected *Indigenous Peoples'* lives, as determined by them. It includes natural areas with significant cultural and/or spiritual value such as sacred groves, sacred bodies of water and waterways, sacred trees and sacred rocks. It includes the internationally recognised heritage of communities that use or have used within living memory the *cultural heritage* for long-standing cultural purposes; and legally protected *cultural heritage* areas, including those proposed by host governments for such designation. *Indigenous Peoples' critical cultural heritage* may also include sites that have not been internationally recognised or legally protected, hence it is important for companies to co-identify these areas of *critical cultural heritage* on a project-by-project basis and in consultation with affected *Indigenous Peoples*. This is an indispensable step in understanding the existence of places that constitute *critical cultural heritage* and their spiritual, cultural or historical significance and value to *Indigenous Peoples*.

**Demonstrating free, prior and informed consent (FPIC):** Refer to the Glossary definition in Performance Area14, and the context included in the Applicability section of PA14.



**Remedy:** Refers to the process of providing *remedy* for an adverse *human rights* impact and the substantive outcomes that can counteract or make good the *adverse impact*. These outcomes may take a range of forms such as apologies, restitution, *rehabilitation*, financial or nonfinancial compensation, and punitive sanctions (whether criminal or administrative), as well as prevention of the harm through, for example, injunctions or guarantees of non-repetition.

**Rights-holders:** *Rights-holders* are individuals or social groups that have particular entitlements in relation to specific duty bearers (e.g., state or non-state actors that may have a particular obligation or responsibility to respect, protect and fulfil *human rights* and abstain from *human rights* violations). In general terms, all human beings are *rights-holders* under the Universal Declaration of Human Rights. In particular contexts, there are often specific social groups whose *human rights* are not fully realised, respected or protected, such as *Indigenous Peoples*. It may also include individuals or groups who have a traditional or historical connection, attachment, and/or relationship to an area of land, sites and values.

**Significant adverse impacts:** The significance of an *adverse impact* is understood as a function of its likelihood and severity. Severity of impacts will be judged by their scale, scope and irremediable character. Scale refers to the gravity of the *adverse impact*. Scope concerns the reach of the impact, for example the number of individuals that are or will be affected or the extent of environmental damage. Irremediable character means any limits on the ability to restore the individuals or environment affected to a situation equivalent to their situation before the *adverse impact*.<sup>74</sup>

**Unavoidable impacts:** Significant impacts that will arise from the action and where *mitigation* is impractical.

**World Heritage Sites:** Sites established under the World Heritage Convention of 1972. The prohibitions in this Performance Area apply to all Cultural World Heritage Sites

## References:

- [International Council on Mining and Metals \(ICMM\) Position Statement: Indigenous Peoples](#)
- [International Finance Corporation \(IFC\) Guidance Note 8: Cultural Heritage](#)
- [International Finance Corporation \(IFC\) Performance Standard 7: Indigenous Peoples](#)
- [International Finance Corporation \(IFC\) Performance Standard 8: Cultural Heritage](#)

---

<sup>74</sup> Adapted from [OECD Due Diligence Guidance for Responsible Business Conduct](#) (2018)

## Performance Area 16: Artisanal and Small-Scale Mining

**Intent:** Manage the risks and impacts associated with *artisanal and small-scale mining (ASM)* operators where they are present. Create economic opportunities and contribute to the *professionalisation* and *formalisation* of *legitimate ASM* operators in support of more sustainable and inclusive ASM communities.

Other Relevant Performance Areas:

- 3 Responsible Supply Chains
- 4 New Projects, Expansions and Resettlement
- 5 Human Rights
- 6 Child and Forced Labour
- 11 Security Management
- 12 Engagement
- 13 Community Impacts and Benefits
- 18 Water Stewardship
- 19 Biodiversity, Ecosystem Services and Nature
- 22 Pollution Prevention (22.3 Mercury)

**Applicability:** This Performance Area is applicable where *artisanal and/or small-scale mining* operators are present in the *Facility's area of influence*.

The identification, *mitigation* and *monitoring* of risks and impacts related to *affected stakeholders* and *rights-holders*, including ASM communities, is covered in Performance Area 4: New Projects, Expansions and Resettlement for *new projects* and Performance Area 13: Community Impacts and Benefits, for existing operations. Similar requirements related to risk and impact assessment and *mitigation* are included in this Performance Area to signpost their importance with respect to ASM communities. The intent is that the implementation of these requirements is integrated with the similar requirements from Performance Area 4: New Projects, Expansions and Resettlement and/or Performance Area 13: Community Impacts and Benefits.

Also, note that the *mitigation* of risks to ASM in Good Practice requirement 2 (below), cover the risks from the *Facility* but do not extend to other inherent risks associated with ASM itself given these are very often outside the influence of the *Facility*.

LEVEL	REQUIREMENT
<b>16.1 Artisanal and Small-Scale Mining (ASM)</b>	
Towards Good Practice	1. Determine the extent to which <i>ASM</i> operators in the <i>Facility's area of influence</i> are considered " <i>legitimate ASM</i> ", that is, whether they are operating within a legal/regulatory framework or seeking in <i>good faith</i> to do so, as per OECD definition (see glossary definition of " <i>legitimate ASM</i> ").
	2. Publicly commit to support <i>formalisation</i> and <i>professionalisation</i> initiatives and improvements to the operational, safety, environmental and social practices of <i>legitimate ASM</i> operators, where they are present.

Good Practice	1. Assess risks and impacts to ASM from the <i>Facility</i> and to the <i>Facility</i> from <i>ASM</i> , and update <i>at defined intervals</i> . The risk and impact assessment should be on ASM communities in the <i>Facility's area of influence</i> and should pay particular attention to how women, children and other potentially vulnerable groups may be disproportionately affected.
	2. Develop, implement and update <i>at defined intervals</i> a plan to manage and mitigate <i>ASM</i> risks and impacts <i>identified</i> in Good Practice 1.
	3. <i>Collaborate</i> directly, or with other <i>stakeholders</i> working with <i>legitimate ASM</i> , where possible, to support efforts to improve <i>formalisation</i> and <i>professionalisation</i> and/or provide technical assistance to strengthen their organisational management, reduce the use of toxic or hazardous substances, such as mercury, and/or improve their safety, <i>human rights</i> , social and/or environmental management practices.
	4. Communicate the availability of the <i>Facility grievance mechanism</i> to <i>ASM</i> operators in the <i>Facility's area of influence</i> (see Performance Area 17: Grievance Management).
	5. Conduct <i>risk-based due diligence</i> in accordance with Performance Area 3: Responsible Supply Chains if sourcing directly or indirectly from <i>legitimate ASM</i> operators.
Leading Practice	1. Identify opportunities to support <i>legitimate ASM</i> operators to sell into legal markets.
	2. Support alternative or complementary livelihoods, economic development and other social improvements in <i>ASM</i> communities in partnership with <i>ASM</i> representatives, government and other relevant <i>stakeholders</i> . Where they are particularly affected, focus these efforts on <i>Indigenous Peoples</i> , women, children and/or other vulnerable groups.
	3. Conduct socio-economic research to better understand the context and dynamics of <i>ASM</i> communities with a view to developing more appropriate and sustainable interventions. Examples could include assessing their demographics, motivations, incentives, operating practices, relationships with other communities, authorities, <i>supply chain</i> networks and/or financing.
	4. Explore options, together with government authorities, for relinquishing land from the <i>Facility's</i> concession for use by <i>ASM</i> communities, where feasible.
	5. Actively advocate for, and participate in, regional, national and/or other multistakeholder initiatives, aimed at the <i>formalisation</i> and <i>professionalisation</i> of <i>ASM</i> .

## Glossary and Interpretive Guidance

**Area of influence:** Encompasses, as appropriate, areas likely to be affected by:

- a) a *Facility's* current activities and operations and predictable developments that could occur later, and/or indirect project impacts on *biodiversity* or *ecosystem services* upon which affected communities' livelihoods are dependent;
- b) associated facilities, not controlled by the *Facility* but that would not have otherwise been constructed or expanded and without which the *Facility's* activities would not be viable.<sup>75</sup>

**Artisanal and small-scale mining (ASM)** is a term used to define a range of mining activities that employ basic tools for extraction and processing with a tendency toward high labour intensity. ASM can include men, women and children working on an individual basis as well as those working in family groups, in partnership, or as members of cooperatives (OECD 2016, 65). ASM operations can employ as little as a few people to several thousands. Most ASM, due to constraints in effective regulation, occurs informally; or when in protected environmental areas such as national parks or preserved ecosystems, illegally; and when supporting armed groups, illicitly. Though methods used to mine tend to result in low productivity, the sector represents an important livelihood and income source for poverty-affected populations. With the effects of climate change on farming and other *nature*-based livelihoods, and the subsequent increase in migration to other economic opportunities, ASM has become the predominant nonfarm rural income in many parts of the world.<sup>76</sup>

**Formalisation:** the transition towards legal and regulated ASM.

**Legitimate ASM:** The legitimacy of *artisanal and small-scale mining* is a difficult concept to define because it involves a number of situation-specific factors. For the purposes of this guide, legitimate refers, among others, to *artisanal and small-scale mining* that is consistent with *applicable laws*. When the applicable legal framework is not enforced, or in the absence of such a framework, the assessment of the legitimacy of *artisanal and small-scale mining* will take into account the *good faith* efforts of artisanal and small-scale miners and enterprises to operate within the applicable legal framework (where it exists) as well as their engagement in opportunities for *formalisation* as they become available (bearing in mind that in most cases, artisanal and small-scale miners have very limited or no capacity, technical ability or sufficient financial resources to do so). In either case, *Artisanal and small-scale mining*, as with all mining, cannot be considered legitimate when it contributes to conflict and serious abuses associated with the extraction, transport or trade of minerals.<sup>77</sup>

**Professionalisation:** the transition of ASM entities towards meeting their legal and sustainability obligations.

**Stakeholders:** Any individual, group of individuals or organisation, or their legitimate representatives, such as interest groups, government agencies or corporate entities who have rights or interests related to the Performance Areas covered by the Consolidated Standard that are or could be affected by *adverse impacts* associated with the *Facility's* operations. They could include politicians, commercial and industrial enterprises, labour unions, academics, religious groups, national social and environmental groups, public sector agencies, the media and communities. Legitimate representatives include trade unions, as well as civil society organisations and others with experience and expertise related to business impacts on *human rights*.

---

<sup>75</sup> Adapted from [IFC Performance Standard 1 Guidance Note](#) (2012)

<sup>76</sup> The World Bank: Achieving Sustainable and Inclusive Artisanal and Small-Scale Mining (ASM): A Renewed Framework for World Bank Engagement 2024

<sup>77</sup> Adapted from [OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas](#) (2016)

**References:**

- [Association for Women in Extractive and Energy in Kenya \(AWEIK\) Sexual and Gender Based Violence Response and Prevention Guidelines for Women in Mining](#)
- [Impact Toolkit: Gender Impact Assessments for Projects and Policies Related to Artisanal and Small-scale Mining](#)
- [Organisation for Economic Co-operation and Development \(OECD\) Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas](#)
- [The World Bank – Achieving Sustainable and Inclusive Artisanal and Small-Scale Mining \(ASM\): A Renewed Framework for World Bank Engagement](#)

DRAFT

## Performance Area 17: Grievance Management

Intent: Enable local communities, including *stakeholders* and *rights-holders* to raise issues or concerns and have them resolved by implementing a *grievance mechanism* in line with the eight effectiveness criteria of the UN Guiding Principles on Business and Human Rights (Principle 31). Provide or enable access to non-judicial remedies for *adverse human rights impacts* or other harms that the *Facility* has caused, contributed to, or been linked with.

Other Relevant Performance Areas:

- 2 Business Integrity
- 3 Responsible Supply Chains
- 4 New Projects, Expansions and Resettlement
- 5 Human Rights
- 7 Rights of Workers
- 12 Engagement
- 13 Community Impacts and Benefits
- 14 Indigenous Peoples

**Applicability:** This Performance Area is applicable to all facilities. The responsibility of business enterprises to respect *human rights* applies to all enterprises regardless of their size, sector, operational context, ownership and structure. Nevertheless, the scale and complexity of the means through which enterprises meet that responsibility may vary according to these factors and with the severity of the enterprise's *adverse human rights impacts*. Refer to Performance Area 7: Rights of Workers, sub-section 7.2 Grievance Mechanism for Workers (Employees and Contractors), which outlines *grievance mechanisms* for workers.

LEVEL	REQUIREMENT
<b>17.1 Grievance Mechanism for Stakeholders and Rights-Holders</b>	
Towards Good Practice	1. Publicly commit to managing grievances in a manner accessible to <i>stakeholders</i> and <i>rights-holders</i> and enables access to <i>remedy</i> .
	2. Establish and implement a <i>grievance mechanism</i> to receive and track issues and concerns raised by <i>stakeholders</i> and <i>rights-holders</i> at the <i>Facility</i> to enable access to <i>remedy</i> in a manner that protects against <i>discrimination</i> , reprisals, <i>harassment</i> , threats or intimidation and is supported by <i>confidentiality</i> and <i>anonymity</i> to protect their identity.
	3. Assign responsibilities and accountabilities for grievance management and resolution including at the <i>Facility's</i> senior management level.
	4. Communicate the availability of the <i>grievance mechanism</i> in local languages and culturally relevant ways and make it accessible to <i>stakeholders</i> and <i>rights-holders</i> at the <i>Facility</i> level.
	5. Provide training to <i>workers</i> with accountabilities and responsibilities for grievance management on the <i>grievance mechanism(s)</i> , and to those who engage with communities.

Good Practice	1. Enhance the operational-level <i>grievance mechanism</i> to meet the eight <i>UNGPs' effectiveness criteria</i> for such mechanisms (see glossary for full details).
	2. Consult with potentially <i>affected stakeholders</i> and <i>rights-holders</i> on the design of the <i>grievance mechanisms</i> in a manner that responds to and considers the rights, and needs, values and cultures of <i>vulnerable and marginalised groups</i> . Outline clear process steps, timelines and milestones to assess and address grievances in an impartial manner.
	3. Engage <i>stakeholders</i> and <i>rights-holders</i> who have filed grievances on their resolution, provide updates on the status of a grievance and/or <i>remedy</i> where relevant, and communicate outcomes and close out of grievances in accordance with agreed timelines.
	4. Provide <i>remedy</i> for <i>adverse human rights impacts</i> that the <i>Facility</i> has caused or contributed to or cooperate in their remediation through other legitimate processes. Play a role in the <i>remediation process</i> where <i>adverse human rights impacts</i> have occurred that the <i>Facility</i> has not caused or contributed to, but which are directly linked to its operations, products or services by a <i>business relationship</i> .
	5. Conduct an <i>internal review</i> and update the <i>grievance mechanism</i> at <i>defined intervals</i> , part of which should involve engaging <i>stakeholders</i> and <i>rights-holders</i> on lessons learned, preventive measures implemented, and their experience using the mechanism(s) and suggestions for improvement.
	6. Report to management on the number and types of issues and concerns raised through the <i>grievance mechanism</i> and types of actions taken in response, resolution and/or remediation of such issues, considering provisions for <i>confidentiality</i> and protection of complainants.
	7. Direct those who raise issues that are not resolved by the operational-level <i>grievance mechanism</i> to other <i>legitimate avenues of redress</i> for unresolved issues and concerns.
Leading Practice	1. Collaboratively design or integrate improvements to the <i>grievance mechanism</i> with <i>stakeholders</i> and <i>rights-holders</i> , considering the needs, values and cultures of <i>vulnerable and marginalised groups</i> .
	2. Conduct an <i>independent review of effectiveness</i> of the <i>grievance mechanism</i> and <i>remedy</i> in <i>collaboration</i> with <i>affected stakeholders</i> and <i>rights-holders</i> based on the eight <i>UNGPs' effectiveness criteria</i> at <i>defined intervals</i> , using a mutually agreed process. Make improvements to the <i>grievance mechanism</i> as required.

	<p>3. <i>Publicly disclose</i> the number and types of issues and concerns raised through the <i>grievance mechanism</i>, <i>affected stakeholder group</i> and types of actions taken in response, resolution and/or remediation of such issues, as well as the timeline between grievance reporting and resolution while safeguarding <i>confidentiality</i> and protecting the identity of complainants.</p>
--	---

## Glossary and Interpretive Guidance

**Adverse human rights impacts:** In the context of business and *human rights*, an *adverse human rights impact* occurs when an action or omission by a business enterprise removes or reduces the ability of an individual to enjoy their *human rights*. This includes impacts caused directly by the business, those it contributes to, and those directly linked to its operations, products, or services through *business relationships*.

**Affected stakeholders:** Any individual, group of individuals or organisation, or their legitimate representatives, who are affected by a *Facility's* operations, actions and decisions. (See also 'Stakeholders'.)

**Confidentiality:** In the context of a *grievance mechanism*, *confidentiality* allows for complainants to file grievances in a way that protects their identity to avoid retaliation but allows for individuals responsible for receiving and handling grievances to follow up with the complainant to request additional information and/or to provide updates on the status of their grievance.

**Grievance mechanism:** a formalised means through which individuals or groups can raise concerns about a *Facility's* impact on them – including, but not exclusively, the impact on their *human rights* – and can seek *remedy*.<sup>78</sup>

**Legitimate avenues of redress:** This might include judicial mechanisms, Indigenous-led forums, national *human rights* institutions, or complaint bodies established as a condition of membership of an international organisation (e.g. the OECD National Contact Points).

**Remediation process:** The process of providing a *remedy*.

**Remedy:** Refers to the process of providing *remedy* for an *adverse human rights impact* and the substantive outcomes that can make good the adverse impact. These outcomes may take a range of forms such as apologies, restitution, *rehabilitation*, financial or nonfinancial compensation, and guarantees of non-repetition. The State may also play a role in providing *remedy* through punitive sanctions (whether criminal or administrative), as well as prevention of the harm through, for example, injunctions.

**Rights-holders:** *Rights-holders* are individuals or social groups that have particular entitlements in relation to specific duty bearers (e.g., state or non-state actors that may have a particular obligation or responsibility to respect, protect and fulfil *human rights* and abstain from *human rights* violations). In general terms, all human beings are *rights-holders* under the Universal Declaration of Human Rights. In particular contexts, there are often specific social groups whose *human rights* are not fully realised, respected or protected, such as *Indigenous Peoples*.

**Stakeholders:** Any individual, group of individuals or organisation, or their legitimate representatives, such as interest groups, government agencies or corporate entities who have rights or interests related to the Performance Areas covered by the Consolidated Standard that are or could be affected by

<sup>78</sup> Adapted from [OHCHR The Corporate Responsibility to Respect Human Rights: An Interpretive Guide](#) (2021)



*adverse impacts* associated with the *Facility's* operations. They could include politicians, commercial and industrial enterprises, labour unions, academics, religious groups, national social and environmental groups, public sector agencies, the media and communities. Legitimate representatives include trade unions, as well as civil society organisations and others with experience and expertise related to business impacts on *human rights*.

**UNGPs' effectiveness criteria:** The UNGPs specify the following criteria for non-judicial operational-level *grievance mechanisms* to support their effectiveness:

- a. **Legitimate:** enabling trust from the stakeholder groups for whose use they are intended and being accountable for the fair conduct of grievance mechanisms.
- b. **Accessible:** being known to all stakeholder groups for whose use they are intended, and providing adequate assistance for those who could face barriers to access (e.g. a lack of awareness of the mechanism, language, literacy, costs, physical location and fears of reprisal).
- c. **Predictable:** providing a clear and known procedure with an indicative time frame for each stage, and clarity on the types of process and outcome available and means of *monitoring* implementation.
- d. **Equitable:** seeking to ensure that aggrieved parties have *reasonable* access to sources of information, advice and expertise necessary to engage in a grievance process on fair, informed and respectful terms.
- e. **Transparent:** keeping parties to a grievance informed about its progress and providing sufficient information about the mechanism's performance to build confidence in its effectiveness and meet any public interest at stake.
- f. **Rights-compatible:** ensuring that outcomes and remedies accord with internationally recognised *human rights*.
- g. **A source of continuous learning:** drawing on relevant measures to identify lessons for improving the mechanism and preventing future grievances and harms.
- h. **Based on engagement and dialogue:** consulting the stakeholder groups for whose use they are intended in their design and performance and focusing on dialogue as the means to address and resolve grievances.

**Vulnerable and marginalised groups:** Groups that are characterised by their higher risk and reduced ability to cope with *adverse impacts*. Such vulnerability could be based on socio-economic conditions, such as gender, age, disability, ethnicity, religion, historical exclusion or marginalisation or other criteria that influence people's ability to access resources and development opportunities.

## References:

- [International Council on Mining and Metals \(ICMM\) Handling and Resolving Local-level Concerns and Grievances: Human Rights in the Mining and Metals Sector](#)
- [United Nations \(UN\) Guiding Principles on Business and Human Rights](#)

## Performance Area 18: Water Stewardship

Intent: Recognising that access to water is a human right and fundamental ecosystem requirement, integral to wellbeing and the livelihoods, spiritual and cultural practices of communities, implement *water stewardship* practices, using the *mitigation hierarchy*, that support the overall quality and accessibility of *watershed* resources available to other users and improve the efficiency of water use.

Other Relevant Performance Areas:

- 2 Business Integrity
- 4 New Projects, Expansions and Resettlement
- 5 Human rights
- 12 Engagement
- 13 Community Impacts and Benefits
- 14 Indigenous Peoples
- 17 Grievance Management
- 19 Biodiversity, Ecosystem Services and Nature
- 21 Tailings Management
- 22 Pollution Prevention
- 24 Closure

**Applicability:** This Performance Area is applicable to all facilities.

LEVEL	REQUIREMENT
<b>18.1 Water Management and Performance</b>	
Towards Good Practice	1. Publicly commit to the responsible management of water resources and application of the <i>mitigation hierarchy</i> focusing first on avoidance.
	2. Assign responsibility and accountabilities for <i>water management</i> and provide training to familiarise those responsible and accountable with their roles.
	3. Prepare an operational <i>water balance</i> for the <i>Facility</i> .
	4. Identify <i>water quality</i> and quantity requirements for the <i>Facility</i> over its <i>life cycle</i> including <i>closure</i> .
	5. Identify and evaluate risks and impacts from the <i>Facility's</i> operational water use to <i>surface water</i> and <i>groundwater</i> quality and quantity and implement <i>controls</i> for identified risks based on the application of the <i>mitigation hierarchy</i> to prioritise the avoidance of impacts over <i>mitigation</i> measures.
	6. Implement a <i>water monitoring</i> programme for <i>surface water</i> and <i>groundwater</i> , informed by regulatory compliance requirements and identified risks, for both <i>water quality</i> and <i>water quantity</i> parameters.

	7. Communicate <i>material non-compliance</i> and corrective actions to senior <i>Facility</i> management.
Good Practice	1. Prepare a <i>Facility-wide water balance</i> that is both operational and predictive and is informed by <i>monitoring</i> data, identified risks and update <i>at defined intervals</i> .
	2. Establish a <i>water quality baseline</i> .
	3. Based on identified risks (see Towards Good Practice 5), identify and evaluate short, medium and long-term risks and impacts to quality and quantity of surface and <i>groundwater</i> , informed by characterisation of the hydrological and hydro-geological context.
	4. Assess how <i>water management</i> practices within the <i>Facility</i> contribute to <i>cumulative impacts</i> on <i>surface water</i> and <i>groundwater</i> in the <i>watershed</i> , including environmental requirements, economic and social uses, and update this assessment <i>at defined intervals</i> .
	5. Develop, implement and update, <i>at defined intervals</i> , a plan to mitigate identified impacts and risks to <i>surface water</i> and <i>groundwater</i> considering the <i>water quality</i> and <i>water quantity</i> in the <i>watershed</i> of the <i>Facility</i> available for environmental requirements, local users and potentially affected <i>rights-holders</i> .
	6. Assess the risks associated with climate change at the <i>Facility</i> and their likely impact on the <i>water balance</i> , <i>water quality</i> and water-related infrastructure such as those for managing <i>process water</i> , <i>contact water</i> , erosion, sediment and drought or stormwater related control systems <i>at defined intervals</i> .
	7. Identify opportunities to optimise <i>process water</i> use to reduce <i>new water</i> particularly <i>freshwater</i> consumed. This may be achieved through increased <i>water reuse</i> by implementing opportunities identified as feasible.
	8. Evaluate <i>source control</i> opportunities, including diversions, informed by materials characterisation and where feasible, implement opportunities to avoid generating <i>contact water</i> and prevent the mixing of contact and <i>non-contact water</i> .
	9. Provide training on <i>water management</i> , and water risks and impacts to relevant <i>workers</i> in accordance with their water-related roles and responsibilities as part of worker orientation, to enable <i>workers</i> to identify and report issues.

	10. Establish water-related objectives and/or targets to protect other beneficial users and reduce risks to ecological health of the <i>watershed</i> and to other <i>water users</i> , including <i>rights-holders</i> .
	11. Develop and implement a <i>monitoring</i> plan to monitor progress of actions to achieve objectives and/or targets <i>at defined intervals</i> and report to <i>Facility-level</i> senior management.
	12. Meet <i>Facility</i> water-related objectives and/or targets in the reporting year. If objectives and/or targets have been missed, assess the reasons and incorporate lessons learned to increase the chance of meeting objectives or targets in the next year.
Leading Practice	1. Plan, design and implement measures across the life of the <i>Facility</i> to minimise the need for long-term active <i>water management</i> , balanced with the need for safe and stable landforms that mitigate long-term risks at <i>closure</i> , to reduce the need for active water treatment when the <i>Facility</i> at <i>closure</i> and <i>post-closure</i> .
	2. Conduct an <i>independent review of effectiveness at defined intervals</i> and monitor the implementation of the <i>water management system</i> .

LEVEL	REQUIREMENT
18.2 Collaborative Watershed Management	
Towards Good Practice	1. Define a <i>Facility-relevant watershed boundary</i> for the purposes of defining the geographical extent of the <i>Facility's water management</i> .
	2. Assign internal responsibility and accountabilities for engagement with other <i>water users</i> .
	3. Identify relevant <i>water users, stakeholders</i> and <i>rights-holders</i> in the <i>watershed</i> and any external processes for <i>integrated water resource management (IWRM)</i> .
	4. Engage with potentially affected <i>rights-holders</i> and <i>water users</i> in the <i>Facility-relevant watershed</i> to better understand how they use and value water resources and to identify where there are <i>water quality</i> or quantity-related stresses that need to be addressed. This should be achieved through participation in existing <i>IWRM</i> fora where they exist and are sufficiently mature.

Good Practice	1. Where external <i>IWRM</i> processes do not exist or are not sufficiently mature, make <i>reasonable efforts to collaborate</i> with potentially affected <i>rights-holders</i> and other identified <i>water users</i> to understand shared water challenges in the <i>watershed</i> including those related to identified socio-environmental factors. Where <i>IWRM</i> processes exist and are sufficiently mature, use established <i>IWRM</i> instruments to derive this information, as appropriate.
	2. Where external <i>IWRM</i> processes do not exist or are not sufficiently mature, make <i>reasonable efforts to collaborate</i> with potentially affected <i>rights-holders</i> and other identified <i>water users</i> to identify, evaluate and prioritise short-, medium- and long-term socio-environmental risks and impacts related to <i>water quality</i> and quantity, including environmental water requirements and water stress and participate in collective action to address them. Where external <i>IWRM</i> processes exist and are sufficiently mature, participate in the continual improvement of the <i>IWRM</i> instruments, as appropriate.
	3. Provide context-specific data and information to inform other <i>water users</i> how operational <i>water management</i> practices relate to identified <i>watershed</i> -related risks, such as those identified through <i>IWRM</i> processes. Inform <i>Facility</i> management about <i>IWRM</i> progress.
Leading Practice	1. Where they exist and are sufficiently mature, participate in <i>IWRM</i> processes to identify and prioritise water-related opportunities beyond <i>mitigation</i> .
	2. Make available to other <i>water users</i> ' data and information to inform how operational practices relate to development of <i>IWRM</i> and engage in collective action.
	3. Where water-related opportunities have been identified, as per Leading Practice 1, and where desired by <i>rights-holders</i> and other <i>water users</i> , through <i>IWRM</i> processes, at least one of the following is occurring in the <i>Facility's watershed</i> with the <i>Facility's</i> participation or support: <ul style="list-style-type: none"> <li>a. Setting <i>watershed</i>-scale goals, including those contained in land use plans where they exist.</li> <li>b. Developing a <i>watershed</i> plan.</li> <li>c. Tracking <i>watershed</i>-scale goals (see point a. above) and engagement with water-related <i>stakeholders</i> and <i>rights-holders</i> on progress.</li> <li>d. Collaborative (e.g. participatory) <i>monitoring</i> at the <i>watershed</i> scale.</li> </ul>

LEVEL	REQUIREMENT
<b>18.3 Water Reporting</b>	
Towards Good Practice	<ol style="list-style-type: none"> <li>1. <i>Publicly disclose the Facility-level narrative describing primary interactions with water that includes:</i> <ol style="list-style-type: none"> <li>a) what the main <i>water activities</i> are;</li> <li>b) what the main sources used for withdrawal are;</li> <li>c) what the main consumptive water uses are;</li> <li>d) what the main discharges are.</li> </ol> </li> </ol>
Good Practice	<ol style="list-style-type: none"> <li>1. <i>Publicly disclose Facility-level operational water withdrawals and other managed water withdrawals (by source, water quantity and water quality), total discharges (by destination type, water quantity and water quality) and total consumption, and relative to established objectives or targets where those have been established for these parameters.</i></li> </ol>
	<ol style="list-style-type: none"> <li>2. <i>Publicly disclose any significant water related fines or regulatory actions consistent with Performance Area 2: Business Integrity 2.1 Good Practice 2, and management actions undertaken in response.</i></li> </ol>
	<ol style="list-style-type: none"> <li>3. <i>Publicly disclose water-related risks and how they are managed.</i></li> </ol>
Leading Practice	<ol style="list-style-type: none"> <li>1. <i>Publicly disclose Facility-level water data in line with one of the following frameworks or equivalent frameworks (including regulatory requirements):</i> <ol style="list-style-type: none"> <li>a. <i>ICMM Water Reporting: Good Practice Guide</i></li> <li>b. <i>Minerals Council Australia (MCA) Water Accounting Framework</i></li> <li>c. <i>GRI including the 303: Water and Effluents 2018 standard</i></li> </ol> </li> </ol>
	<ol style="list-style-type: none"> <li>2. <i>Complete independent assurance on water disclosure.</i></li> </ol>
	<ol style="list-style-type: none"> <li>3. <i>Publicly disclose material non-compliances and share responses and learnings internally with other departments as well as with other relevant water users, where possible and where useful so others can benefit from learnings, such as industrial peers.</i></li> </ol>

## Glossary and Interpretive Guidance

**At defined intervals:** Where a *defined interval* is required, the frequency must be defined in a relevant procedure or related document. The document will include a rationale for why the frequency was set and is usually informed by risk.

**Collaborative Watershed Management:** *Collaboration between the Facility and other water users, stakeholders and rights-holders on Integrated Water Resources Management. Where there are established watershed governance structures or management initiatives, such as a Water Authority, or statutory watershed management planning a Facility's participation in those initiatives, even if required by law, can be used as evidence of implementing requirements under 18.2.*

**Contact Water:** Water that has come into contact with any part of the disturbed area of a *Facility*, including waste rock piles, *tailings* storage facilities, ore stockpiles, processing areas, and haul roads. It is typically managed as water requiring *monitoring* and/or treatment prior to discharge or reuse. Where landforms have been rehabilitated such that water in contact with them is suitable for discharge this would not be considered *contact water*.

**Controls:** *Controls* include any process, policy, device, practice, or other actions that modify risk. They are a subset of a broader risk management process which involves systematically identifying risks, analysing the likelihood and impact of risks and developing strategies to mitigate risk and *monitoring* the effectiveness of those strategies.

**Cumulative impacts:** The combination of multiple impacts from existing projects, the proposed project, and/or anticipated future projects that could result in *significant adverse* and/or beneficial impacts that would not be expected at a stand-alone project.<sup>79</sup>

**Downstream users:** Users of water downstream from the *Facility* in areas that receive *Facility*-affected water or discharge.

**Facility-relevant watershed boundary:** Identifying the physical characteristics of the hydrological systems that the *Facility's* operations could (or could perceive to) impact, which could include *catchments* associated with the upstream water supply as well as *groundwater* aquifers that cross *catchment* boundaries.

**Freshwater:** High quality water requiring minimal treatment to meet drinking standards, i.e. naturally occurring water with a concentration of total dissolved solids equal to or below 1,000 mg/L.

**New water:** Water withdrawn from the environment (e.g. *surface* or *groundwater*) or from third parties (e.g. municipal) that has not been previously used for *Facility's* operational processes.<sup>80</sup>

**Groundwater:** Water below the surface of the Earth stored in pore spaces and fractures within rock or layers of sand and gravel (aquifers).

**Hydrological context:** Identification of the hydrological conditions of a *watershed*.

**Independent Review of Effectiveness.** Independent assessments conducted by an external party of whether the *management system* under review is achieving the intended results. It considers both the extent to which planned activities have been realised, and the extent to which performance objectives and indicators have been achieved. Results to be examined will depend on the scope of the review but could include in addition to the above the fulfilment of *conformance* obligations, non-conformities and corrective actions, surveillance results, adequacy of resources to support achievement of performance objectives; feedback from practitioners and end users; and any additional *relevant information* or feedback from *stakeholders*. In the context of *water management* this might include an independent assessment of *water management* activities to, for example, mitigate impacts and risks to surface and *groundwater* (18.1 Good 4), to implement of opportunities identified to optimise efficiency of *process water* use and reduction (18.1 Good 6), implement feasible opportunities to avoid generating *contact water* (18.1 Good 7), implement *monitoring* plan to track progress towards objectives and targets (18.1 Good 9).

**Integrated Water Resource Management (IWRM)<sup>81</sup>:** The UN Environment Programme defines IWRM as promoting the coordinated development and management of water, land and related resources to

---

<sup>79</sup> Adapted from IFC Performance Standard 1 (2012)

<sup>80</sup> Adapted from ICMM Water Reporting Good Practice Guide

<sup>81</sup> Adapted from UNEP Integrated Water Resource Management (no date)

maximise economic and social welfare in an *equitable* manner, without compromising the sustainability of vital ecosystems.

IWRM is a cross-sectoral approach that is increasingly recognised as the solution to traditional, fragmented sectoral approaches to water resources management that have led to unsustainable use and poor services. IWRM is based on the understanding that water resources are an integral component of the ecosystem, a natural resource, and a social and economic good.

The basis of IWRM is that the many different uses of finite water resources are interdependent. High irrigation demands and pollution from agriculture, for example, mean less *freshwater* for drinking or industrial use; contaminated municipal and industrial wastewater pollutes rivers and threatens ecosystems; if water must be left in a river to protect fisheries and ecosystems (environmental flows), less can be diverted to grow crops.

Implementing IWRM thereby helps to protect the world's environment, fosters economic growth and sustainable agricultural development, promotes democratic participation in governance, and improves human health. UN Water monitors the maturity of IWRM processes.

**Material non-compliance:** A *material non-compliance* includes but is not limited to regulatory or permit exceedance, reportable incidents, failure to file a report or a significant upset of a *management system* or process control that could result in an unplanned or unpermitted release of water.

**Mitigation Hierarchy:** The hierarchy prioritises actions to address *adverse impacts* beginning with avoiding them followed by minimising, restoring and offsetting, in that order. Recognising that water and aquatic systems provide important provisioning, regulating, cultural and supporting *ecosystem services*, please also refer to the definition provided in the glossary of Performance Area 19: Biodiversity, Ecosystem Services and Nature for more information.

**Non-Contact Water:** Water that has not come into contact with the footprint of the *Facility*. This water is often captured and diverted around the *Facility* to avoid it becoming *contact water*. Water that comes into contact with rehabilitated landforms but is still suitable to discharge is considered *non-contact water*.

**Process water:** Water that has been used in the *Facility's* operational processes which excludes *contact water*.

**Publicly disclose Facility water information:** Several requirements in 18.3 require the public disclosure of *Facility* level water information. Where there concerns regarding data privacy and/or commercially confidential concerns, this data can be reported at a regional level.

**Rights-holders:** *Rights-holders* are individuals or social groups that have particular entitlements in relation to specific duty bearers (e.g., state or non-state actors that may have a particular obligation or responsibility to respect, protect and fulfil *human rights* and abstain from *human rights* violations). In certain contexts, there are often specific social groups whose *human rights* are not fully realised, respected or protected, such as *Indigenous Peoples*.

**Source control:** *Source control* is design and/or management to mitigate the production of *acid rock drainage (ARD)* or *metal leaching (ML)* at the source or prevent the transport of ARD/ML from the source into the surrounding environment.

**Stakeholders:** Any individual, group of individuals or organisation, or their legitimate representatives, such as interest groups, government agencies or corporate entities who have rights or interests related to the Performance Areas covered by the Consolidated Standard that are or could be affected by *adverse impacts* associated with the *Facility's* operations. They could include politicians, commercial and industrial enterprises, labour unions, academics, religious groups, national social and environmental groups, public sector agencies, the media and communities. Legitimate



representatives include trade unions, as well as civil society organisations and others with experience and expertise related to business impacts on *human rights*.

**Surface water:** Water that occurs naturally on the Earth's surface in ice sheets, ice caps, glaciers, icebergs, bogs, ponds, lakes, rivers, streams and the ocean.

**Upstream users:** Users of water upstream from the *Facility* in areas where water that the *Facility* uses originates.

**Water activities:** Refers to the facilities main water dependencies and handling requirements. For example, cooling or drying processes, dewatering, discharge, diversions, dust control, flood control, open pit mining, managed aquifer recharge, mineral processing, mineral separation, mineral transportation, sediment *controls*, solution mining, *surface water* re-alignment, *tailings* management, underground mining, waste management, water treatment. ICMM's Water Reporting Good Practice Guide (2019) provides additional details.

**Water balance:** Refers to an approach used to identify and map the flow of water in and out of a *Facility* as well as the flows within the *Facility*. A *water balance* is used to understand how water supply and storage requirements change over time. A *Facility's water balance* comprises three main components: water intake into the *Facility* (often referred to as water withdrawals as water is withdrawn from the receiving environment), water discharge back into the receiving environment and water consumption. A practical formula for calculating a *Facility's water balance* is intake volume = discharge volume + consumption volume + any change in the volume of water storage inside the boundaries of the *Facility*.<sup>5</sup> Additional guidance on what should be included in a *water balance*, including the mapping of water intakes, control and treatment systems, effluent discharges, water demands and *monitoring* points can be found in resources referenced in 18.3.L.1. An operational *water balance* uses real-time *monitoring*, management and control of water resources to assess and respond to immediate water needs. A predictive *water balance* uses historical data, climate models and other *relevant information* to anticipate potential water needs and inform long-term *water management* strategies.

**Water Management:** Relates to actions taken to manage the flows and quality of water within the footprint of the *Facility*.

**Water quality:** The physical, chemical, biological, and organoleptic (taste-related) properties of water. (Source: CEO Water Mandate, (2014), Corporate Water Disclosure Guidelines: Toward a Common Approach to Reporting Water Issues). Various international frameworks categorise different water qualities. Please see Minerals Council of Australia (MCA) Water Accounting Framework, ICMM Water Reporting: Good Practice Guide, or Global Reporting Initiative (GRI) 303: Water and Effluents for more guidance.

**Water quality baseline:** A characterisation of the quality of water resources at the *Facility* that have not been affected by the *Facility's* operations. For *new projects*, this should be based on pre-mining *water quality* conditions and for existing operations where pre-mining conditions are not available, consideration should be given to determine the best option to estimate a baseline. In such cases, a baseline could come from *water quality* conditions upstream of the *Facility* or from a nearby reference site, or through another credible methodology.

**Water quantity:** The actual volume of water required for various needs over a given period.

**Water reuse:** This applies to water that has been used in an operational process and is recovered and used again in an operational process, either without treatment (reuse) or with treatment. This *excludes contact water* collected throughout the *Facility* for treatment and discharge that is not used in operational processes.

**Water Stewardship:** Using water in a way that is socially *equitable*, environmentally sustainable and economically beneficial for all *water users*.

**Water user:** *Organisations or individuals upstream or downstream in the catchment that may be affected by water quality or quantity changes in the catchment.*

**Watershed vs Catchment:** The terms ‘*watershed*’ and ‘*catchment*’ refer to the area of land from which all surface runoff and subsurface *waters* flow through a sequence of streams, rivers, aquifers and lakes into the sea or another outlet at a single river mouth, estuary or delta; and the area downstream affected by the *Facility*’s discharge. *Watersheds* and *catchments*, as defined here, include associated *groundwater* areas and may include portions of water bodies (such as lakes or rivers). For the purposes of this Performance Area, these two terms are interchangeable and are intended to apply at a local or regional scale as defined by the *Facility*, as opposed to a larger scale, such as a continental scale. Additional detailed guidance is provided in the ICMM’s *A Practical Guide to Catchment-Based Water Management for the Mining and Metals Industry* (2015) and the Alliance for Water Stewardship.

## References:

- [Global Reporting Initiative \(GRI\) 303: Water and Effluents 2018](#)
- [International Council on Mining and Metals \(ICMM\) Water Reporting: Good Practice Guide](#)
- [Minerals Council of Australia \(MCA\) Minerals Industry: Water Accounting Framework](#)
- [The Global Compact: The CEO Water Mandate](#)
- [United Nations \(UN\) Environment Programme: Integrated Water Resources Management](#)
- [United Nations \(UN\) Water: Indicator 6.5.1 “Degree of Integrated Water Resources Management Implementation \(0-100\)”](#)

## Performance Area 19: Biodiversity, Ecosystem Services and Nature

Intent: Identify, avoid, minimise and mitigate material risks and impacts to *biodiversity* and *ecosystem services* by applying the *mitigation hierarchy* and by implementing management practices to achieve at least *no net loss* or a *net gain of biodiversity* and contribute to a *nature-positive* future, consistent with the *Global Biodiversity Framework*.

Other Relevant Performance Areas:

- 4 New Projects, Expansions and Resettlement
- 12 Engagement
- 14 Indigenous Peoples
- 15 Cultural Heritage
- 17 Grievance management
- 18 Water Stewardship
- 20 Climate Action
- 22 Pollution Prevention
- 24 Closure

**Applicability:** This Performance Area is applicable to all facilities. In implementing the standard, the intersections between water, *biodiversity/nature* and climate are especially relevant to consider.

LEVEL	REQUIREMENT
<b>19.1 Biodiversity, Ecosystem Services and Nature</b>	
Towards Good Practice	1. Do not explore, mine or undertake other operational activities within <i>World Heritage Sites</i> and take all possible steps to ensure that any current or future operations with the potential to adversely impact <i>World Heritage Sites</i> do not impact the <i>outstanding universal value</i> for which they are designated and do not put their integrity at risk.
	2. Comply with restrictions established for legally <i>designated protected areas</i> and their <i>buffer zones</i> and Ramsar Sites (wetlands of international importance) (where restrictions are defined). Where mining or associated infrastructure is allowed within such areas and where restrictions apply, confirm (through Towards Good Practice 5 and 6) that any new operations or changes to existing operations are compatible with the value for which they were designated.
	3. Communicate the prohibitions around <i>World Heritage Sites</i> and restrictions for <i>designated protected areas</i> and their <i>buffer zones</i> to relevant employees, <i>contractors</i> , and communicate to relevant <i>stakeholders and rights-holders</i> measures taken to comply with these restrictions.
	4. Assign senior management responsibility and accountability for <i>biodiversity</i> management to achieve stated and desired <i>biodiversity</i> outcomes.

	<p>5. Establish a <i>biodiversity baseline</i> in the <i>area of influence</i> to understand the extent of natural, modified or <i>critical habitats</i>, and the presence or proximity of legally <i>designated protected areas</i> (including Ramsar sites) and other areas of importance for <i>biodiversity</i> (such as <i>Key Biodiversity Areas</i>, <i>Alliance for Zero Extinction sites</i>, and <i>Indigenous and Community Conserved Areas (ICCAs)</i>), and identify significant <i>biodiversity values</i> as early as practicable to support and document the ‘avoidance’ initial stage of the <i>mitigation hierarchy</i>, incorporating local and <i>Indigenous Ecological Knowledge (IEK)</i> where applicable.</p>
	<p>6. Assess risks and impacts to <i>biodiversity</i> and potentially affected <i>ecosystem services</i> in the <i>area of influence</i> from the activities relating to the <i>Facility</i>, including the risks of introducing or creating conditions favourable for <i>invasive alien species</i>.</p>
	<p>7. Develop and implement a <i>biodiversity management plan</i> that prioritises action to address impacts on significant <i>biodiversity values</i> and includes <i>Facility-level monitoring</i> (with metrics informed by the <i>pressure-state-response framework</i>) within the <i>area of influence</i> and <i>adaptive management</i> in response to <i>monitoring</i> results.</p>
Good Practice	<p>1. Engage communities that derive <i>ecosystem services</i> in the <i>area of influence</i> of the <i>Facility</i> to understand their use of, and assess potential risks and impacts on, <i>ecosystem services</i> provision. Engage those whose use of <i>ecosystem services</i> can be adversely affected by the <i>Facility</i> in the identification of <i>priority ecosystem services</i> and development of <i>mitigation</i> measures to maintain or improve their provision or, where that is not possible, offer alternative provision of services in line with the <i>mitigation hierarchy</i>.</p>
	<p>2. Address significant risks and impacts to <i>biodiversity</i> in the <i>area of influence</i> through:</p> <ul style="list-style-type: none"> <li>a. Applying the <i>mitigation hierarchy</i> with an avoidance-first focus (in particular for <i>natural habitats</i>, <i>critical habitats</i>, and <i>natural forests</i> and other <i>high carbon stock habitats</i>) from the earliest feasible stage of exploration and continuing throughout the project lifecycle.</li> <li>b. Pursuing <i>progressive rehabilitation and/or restoration</i> where feasible.</li> <li>c. Commencing <i>biodiversity offsets</i> for significant <i>residual adverse impacts</i> on <i>natural habitats</i> as early as possible to achieve <i>no net loss</i> of <i>biodiversity</i> where feasible by completion of <i>closure</i>.</li> <li>d. For new operations and significant expansions, commencing <i>biodiversity offsets</i> for <i>residual adverse impacts</i> on <i>critical habitats</i> as early as possible to achieve <i>net gain</i> of those <i>biodiversity values</i> for which the <i>critical habitat</i> was designated by completion of <i>closure</i>.</li> </ul>

	3. Include actions to avoid and mitigate risks and impacts to <i>biodiversity</i> and <i>ecosystem services</i> in the <i>biodiversity management plan</i> (specifying actions to address <i>invasive alien species</i> where present). Monitor progress with implementing management actions and progress towards <i>no net loss</i> or <i>net gain at defined intervals</i> and applying <i>adaptive management</i> where <i>monitoring</i> indicates that desired outcomes are not being achieved.
	4. Consult with and/or engage relevant <i>stakeholders</i> and <i>rights-holders</i> to help shape the development, support implementation, and update on progress of the <i>biodiversity management plan</i> .
	5. <i>Publicly disclose</i> the methodology used to calculate losses and gains and to achieve <i>no net loss</i> or <i>net gain</i> . Where <i>no net-loss</i> is infeasible for existing facilities, <i>publicly disclose</i> why and how the <i>mitigation hierarchy</i> and additional conservation actions are applied to appropriately address impacts on <i>biodiversity</i> and associated timeframes.
	6. Assess and <i>publicly disclose</i> material <i>nature</i> -related impacts, dependencies, risks and opportunities for operations in <i>priority locations</i> following globally recognised reporting practices (such as TNFD, GRI, CSRD or ISSB).
Leading Practice	1. Support and proactively engage in efforts to halt and reverse <i>nature</i> loss at a landscape scale that goes beyond mitigating impacts, supported by capacity building and partnerships as appropriate, to either: <ul style="list-style-type: none"> <li>a. address <i>cumulative impacts</i>,</li> <li>b. enhance the conservation, restoration and climate resilience of <i>nature</i></li> <li>c. repurpose and harness value from abandoned or legacy mine sites and mining waste streams to halt and reverse the loss of <i>nature</i>,</li> <li>d. contribute towards the GBF targets of placing (a) 30 per cent of the earth or (b) 30 per cent of degraded areas under restoration globally, for example through funding, building capacity or executing conservation or restoration initiatives.</li> </ul>
	2. Integrate <i>nature considerations</i> into <i>business decision-making</i> tools and processes, including those relating to governance, strategy, risk and impact management.
	3. <i>Collaborate</i> with <i>stakeholders</i> and <i>rights-holders</i> on the development and delivery of actions identified within the <i>biodiversity management plan</i> to: <ul style="list-style-type: none"> <li>a. achieve either <i>no net loss</i> or <i>net gain</i>;</li> <li>b. monitor performance and;</li> <li>c. secure the long-term protection of areas of importance to achieving <i>no net loss</i> or <i>net gain</i>.</li> </ul>

	4. Complete an <i>independent review</i> with appropriate <i>biodiversity</i> expertise and <i>Indigenous Ecological Knowledge (IEK)</i> (where applicable) at <i>defined intervals</i> to assess the effectiveness of measures to address impacts on <i>biodiversity</i> and <i>ecosystem services</i> and make adjustments to the <i>biodiversity management plan</i> if required.
--	--

## Glossary and Interpretive Guidance

**Adaptive management:** A systematic process for continuously improving management practices over time by learning from the results of *biodiversity monitoring* and adapting accordingly. *Adaptive management* emphasises the need to monitor progress at regular intervals, evaluate success and adjust your approach where necessary.<sup>82</sup>

**Adverse impacts:** Negative effects, including those related to social, environmental or human rights, that the *Facility* could cause, contribute to, or to which it is directly linked. Actual *adverse impacts* indicate adverse effects that have already occurred or are occurring; potential *adverse impacts* indicate an adverse effect that could occur.

**Area of influence:** For *biodiversity*, this encompasses, as appropriate, areas likely to be affected by:

- a *Facility's* current activities and operations and predictable developments that could occur later, and/or indirect project impacts on *biodiversity* or *ecosystem services* upon which affected communities' livelihoods are dependent;
- associated facilities, not controlled by the *Facility* but that would not have otherwise been constructed or expanded and without which the *Facility's* activities would not be viable (noting that further guidance is available on associated facilities in IFC Performance Standard 1 Guidance Note);<sup>83</sup>
- mitigation* measures to address impacts on *biodiversity*, such as *biodiversity offsets* or areas identified for additional conservation actions;
- the proximity of the *Facility* to known areas of value for *biodiversity*; and
- the potential to induce impacts by third parties (e.g. opening up access to remote areas or induced migration).

The *area of influence* is not defined by reference to potential impacts that would occur without the project or independently of the project.

**Biodiversity:** The variability among living organisms from all sources, including terrestrial, marine, and other aquatic ecosystems (e.g. forests, grasslands, coral reefs, etc) and the ecological complexes of which they are part; this includes *diversity* within species, between species and of ecosystems.<sup>84</sup>

**Biodiversity baseline:** Information that is collected and interpreted on the *biodiversity values* (i.e. species, *habitats*, ecosystems or related services) occurring within the *area of Influence* of a *Facility*, their current condition, and trends before a project commences (or before significant changes to existing projects) or at a particular point in time. The *biodiversity baseline* supports the assessment of impacts and risks of a project, applying the *biodiversity mitigation hierarchy*, and designing a *monitoring* programme. It can benefit from the involvement of local or international experts and other

<sup>82</sup> Adapted from ICMG Good Practice Guide: Achieving No Net Loss or Net Gain of Biodiversity

<sup>83</sup> Adapted from IFC Performance Standard 1 Guidance Note (2012)

<sup>84</sup> Adapted from Copper Mark Criteria Guide (2023)

knowledgeable *stakeholders* and *rights-holders*, including *Indigenous Ecological Knowledge (IEK)* where applicable.<sup>85</sup>

**Biodiversity management plan:** An operational tool through which impacts on *biodiversity* or *ecosystem services* can be managed and the objectives for *biodiversity* conservation, *rehabilitation*, compensation, or enhancement can be achieved. *Biodiversity management plans* specify the actions, associated responsibilities, timeframes, and *monitoring* requirements where applicable. IFC differentiates between BMPs – which typically focus on *mitigation* measures local to a *Facility* – and *Biodiversity Action Plans (BAPs)* which are required for projects located in critical *habitat* and are recommended for high-risk projects in *natural habitats*. IFC stipulates that a BAP describes (i) a high-level overview of actions and a rationale for how the project's *mitigation* strategy will achieve *net gain* (or *no net loss*), (ii) the approach for how the *mitigation hierarchy* will be followed, and (iii) the roles and responsibilities for internal staff and external partners. Whereas a BMP is an operational document, a BAP will almost always include actions for off-site areas (such as *biodiversity offsets* and additional actions) and involve external partners.<sup>86</sup>

**Biodiversity Offsets:** Measures taken to compensate for any significant residual, *adverse impacts* that cannot be avoided, minimised and/or rehabilitated or restored, to achieve *no net loss* or preferably a *net gain* of *biodiversity*. The implementation of *biodiversity offsets* should be in line with the Business and Biodiversity Offsets Principles.<sup>87</sup>

**Biodiversity Values:** The values of *biodiversity* that exist in an area that could be impacted as a result of mining or other activities, and that apply at the species, *habitat* and ecosystem levels. Significant *biodiversity values* could include species of conservation concern, legally protected species or *habitats*, or areas identified as important by *stakeholders*. Particular attention should be paid to the presence of *biodiversity values* that are covered by the 'critical *habitat*' qualifying criteria identified by IFC Performance Standard 6 that includes: (i) Critically Endangered and/or Endangered species as designated on the IUCN Red List; (ii) Endemic or restricted-range species; (iii) Migratory or congregatory species; (iv) Highly threatened and/or unique ecosystems; and (v) Key evolutionary processes<sup>88</sup>.

**Buffer zone:** The region adjacent to the border of a protected area; a transition zone between areas managed for different objectives.<sup>89</sup>

**Designated protected areas:** A geographically defined area, which is designated or regulated and managed to achieve specific conservation objectives.<sup>90</sup>

**Ecosystem services:** Any positive benefit that plants, animals or ecosystems provide to people. Major categories of *ecosystem services* include provisioning (e.g. food, water, medicine), regulating (e.g. flood prevention), cultural (e.g. sacred sites, recreation) and supporting services (e.g. nutrient cycling), recognising that many services fit into more than one category. **Priority ecosystem services** include those that are most likely to be affected by a *Facility* and result in *adverse impacts* on affected communities, or those services on which the project is directly dependent for its operations (e.g. water). Further details on addressing *ecosystem services* are included in paragraphs 106-122 of IFC's Guidance Note 6 and other materials referenced at the end of this PA.<sup>91</sup>

---

<sup>85</sup> Adapted from [Good Practices for the Collection of Biodiversity Baseline Data](#) (2015)

<sup>86</sup> Adapted from [IFC Guidance Note 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources](#) (2019)

<sup>87</sup> Adapted from [Copper Mark Criteria Guide](#) (2023)

<sup>88</sup> Adapted from [IFC Guidance Note 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources](#) (2019)

<sup>89</sup> Adapted from [UN Convention on Biological Diversity Toolkit: Glossary](#) (2008)

<sup>90</sup> Adapted from [UN Convention on Biological Diversity Toolkit: Glossary](#) (2008)

<sup>91</sup> Adapted from [IPBES Ecosystem Service](#) (no date) and IFC PS6 (2012)

**Global Biodiversity Framework:** The Kunming-Montreal Global Biodiversity Framework (GBF) was adopted at the conclusion of the 15th Conference of Parties to the UN Convention on Biological Diversity in December 2022. The framework consists of global targets to be achieved by 2030 and beyond to safeguard and sustainably use *biodiversity*<sup>92</sup>.

**Habitat:** Terrestrial, *freshwater*, or marine geographical unit or airway that supports assemblages of living organisms and their interactions with the non-living environment. Consistent with IFC Performance Standard 6, *habitats* are categorised as modified, natural, and critical.

**Modified habitat:** Areas that may contain a large proportion of plant and/or animal species of non-native origin, and/or where human activity has substantially modified an area's primary ecological functions and species composition. For example, brownfield sites would generally be characterised as *modified habitat* and as such *no net loss* or *net gain* would not be required for significant *residual adverse impacts* on *modified habitats*.

**Natural habitat:** Areas composed of viable assemblages of plant and/or animal species of largely native origin, and/or where human activity has not essentially modified an area's primary ecological functions and species composition. Where there are significant *residual adverse impacts* on *natural habitats*, *biodiversity offsets* should be implemented as early as possible to achieve *no net loss* of *biodiversity*.

**Critical habitats:** A sub-set of natural or *modified habitats* that includes areas with high *biodiversity* value, including: (i) *habitat* of significant importance to Critically Endangered and/or Endangered species (e.g. the presence of any species of Great Ape would trigger critical *habitat*); (ii) *habitat* of significant importance to endemic and/or restricted-range species (e.g. found only within a specific geographic area and); (iii) *habitat* supporting globally significant concentrations of migratory species (e.g. a species that moves between different areas due to seasonal changes or the need to access feeding or breeding grounds) and/or congregatory species (e.g. species that regularly or seasonally gather in large groups at specific locations, such as breeding areas or feeding grounds); (iv) highly threatened and/or unique ecosystems; and/or (v) areas associated with key evolutionary processes (e.g. some physical landscape features such as islands and mountains promote evolution). Where there are *residual adverse impacts* on *natural habitats*, *biodiversity offsets* should be implemented as early as possible to achieve *net gain biodiversity*.

**High carbon stock habitats:** *Habitats* with significant amounts of carbon stored in above-ground biomass (aerial parts of trees, and plants) and below-ground biomass (roots and soil). These areas are valuable for mitigating climate change as they act as carbon sinks, absorbing and storing atmospheric carbon dioxide.

**Indigenous Ecological Knowledge (IEK):** Also referred to as Traditional Ecological Knowledge (TEK), is the on-going accumulation of knowledge, practice and belief about relationships between living beings in a specific ecosystem that is acquired by indigenous people over hundreds or thousands of years through direct contact with the environment, handed down through generations, and used for life-sustaining ways. This knowledge includes the relationships between people, plants, animals, natural phenomena, landscapes, and timing of events for activities such as hunting, fishing, trapping, agriculture, and forestry. It encompasses the world view of a people, which includes ecology, spirituality, human and animal relationships, and more<sup>93</sup>.

**Integrate nature into business decision-making:** The content of Leading Practice 2 in this Performance Area draws from the conceptual framework laid out in the Taskforce for Nature-Related Financial

---

<sup>92</sup> Adapted from UNEP's content on the [Kunming-Montreal Global Biodiversity Framework](#)

<sup>93</sup> Adapted from the US National Parks Service page on [Indigenous Knowledge and Traditional Ecological Knowledge](#)



Disclosures (TNFD), noting that relative to climate change the understanding of this area is less mature.

**Invasive alien species:** An alien or non-native plant or animal species is one that is introduced beyond its original range of distribution. *Invasive alien species* are non-native species that may become invasive or spread rapidly by outcompeting other native plants and animals when they are introduced into a new *habitat* that lacks controlling factors as determined by natural evolution. *Invasive alien species* are recognised to be a major global threat to *biodiversity* and *ecosystem services*<sup>94</sup>.

**Key Biodiversity Areas (KBA):** are 'sites contributing significantly to the global persistence of *biodiversity*', in terrestrial, *freshwater* and marine ecosystems. The [Global Standard for the Identification of Key Biodiversity Areas](#) (IUCN 2016) sets out globally agreed criteria for the identification of KBAs worldwide. KBAs are becoming widely recognised as the global standard that measures sites of global importance for *biodiversity* conservation, through the application of scientific criteria, noting that the delineation of KBA boundaries implies no specific management prescription. It is important to note that the presence of KBAs can also indicate the potential for *critical habitat* to be present<sup>95</sup>.

**Mitigation hierarchy (biodiversity):** The *mitigation hierarchy* is a framework for managing risks related to *biodiversity* and *ecosystem services*. It includes four stages that influence decisions on land use, land management, and the conservation of areas outside of the mining *Facility*:

- *Avoidance* means taking measures to anticipate and prevent *adverse impacts* on *biodiversity* and *ecosystem services* and is often the most effective way of reducing potential adverse impacts.
- *Minimisation* means taking measures to reduce the duration, intensity, significance and/or extent of impacts (including direct, indirect and *cumulative impacts*, as appropriate) that cannot be completely avoided, as far as is practically feasible.
- *Restoration* is used to repair *biodiversity* or *ecosystem services* that have been degraded by project activity. Collectively, avoidance, minimisation and restoration should reduce the *residual impacts* that a project has on *biodiversity* as much as possible.
- *Offsetting* addresses any remaining impacts by seeking conservation gains of the same value to compensate for losses of *biodiversity* or *ecosystem services* that cannot be avoided, minimised or rehabilitated/restored, often in other areas, to achieve *no net loss of biodiversity* overall.<sup>96</sup>

**Natural forests:** A forest area that exhibits the characteristics of a forest native to a given site, including species composition, structure, and ecological function. It may include primary forests that have not been subject to major human impacts in recent history, and regenerated (second-growth) forests that were subject to major impacts in the past, but where the main causes of impact have ceased or greatly diminished.

**Nature:** *Nature* encompasses all life on Earth (i.e. *biodiversity*), together with the geology, water, climate and all other inanimate components that comprise our planet. *Nature* can also be understood through a construct of four physical realms – land, ocean, *freshwater*, and atmosphere, each of which interact with people and society<sup>97</sup>.

---

<sup>94</sup> Taken from IFC Guidance Note 6 (2019)

<sup>95</sup> Adapted from IUCN and [Key Biodiversity Areas](#)

<sup>96</sup> Adapted from [CSBI Mitigation Hierarchy](#) (2015)

<sup>97</sup> Adapted from ICMM [Nature Position Statement](#) (2024)

**Nature positive:** A global societal goal to halt and reverse *nature* loss by 2030 and achieve full recovery by 2050, relative to a 2020 baseline. To put this more simply, it means ensuring more *nature* in the world in 2030 than in 2020 and continued recovery after that.<sup>98</sup>

**Net gain:** A goal for a development project, policy, plan, or activity that achieves and goes beyond *no net loss* in which the impacts it causes on *biodiversity* are outweighed by *mitigation* measures leaving *biodiversity* in a better state than before.<sup>99</sup> For all new operations and significant expansions, *net gain* should be measured against a pre-operation or pre-expansion baseline respectively.

**No net loss:** A goal for a development project, policy, plan, or activity in which the impacts it causes on *biodiversity* are balanced by measures taken to avoid and minimise the impacts, to restore affected areas and finally to offset the *residual impacts*, so that no loss remains. For all new operations and significant expansions, *no net loss* should be measured against a pre-operation or pre-expansion baseline respectively. For existing operations, this should be measured against a 2020 or earlier baseline. For acquisitions that take place after this date, the baseline should be the date of takeover or earlier.<sup>100</sup>

**Outstanding universal value:** *Outstanding universal value* means cultural and/or natural significance which is so exceptional as to transcend national boundaries and to be of common importance for present and future generations of all humanity. As such, the permanent protection of this heritage is of the highest importance to the international community as a whole.<sup>101</sup>

**Pressure-State-Response framework:** An approach/framework for understanding the relationship between human activities (pressures), *biodiversity* conditions (state), and responses (in the form of *mitigation* measures) The framework can be used to inform the choice of indicators to measure changes in *biodiversity* and the outcomes of *mitigation* measures over time<sup>102</sup>.

**Priority locations:** Defined as locations that are:

- a. **Material locations:** Locations where an organisation has identified material *nature*-related dependencies, impacts, risks and opportunities in its direct operations and upstream and downstream value chain(s); and/or
- b. **Sensitive locations:** Locations where the assets and/or activities in its direct operations – and, where possible upstream and downstream value chain(s) – interface with *nature* in:
  - Areas important for *biodiversity*; and/or
  - Areas of high ecosystem integrity; and/or
  - Areas of rapid decline in ecosystem integrity; and/or
  - Areas of high physical water risks; and/or
  - Areas of importance for ecosystem service provision, including benefits to *Indigenous Peoples*, Local Communities and *stakeholders*<sup>103</sup>.

**Progressive rehabilitation and/or restoration:** Ongoing efforts to advance *rehabilitation* and/or restoration activities during construction and operation of a *Facility* or mine prior to *closure*. See also definition of *rehabilitation* under Performance Area 24: Closure.

**Residual impacts:** The impacts on *biodiversity* that remain after efforts to avoid, minimise, and mitigate impacts have been undertaken. *Residual impacts* are often addressed through *biodiversity offsets*, which aim to compensate for unavoidable harm and achieve *no net loss* or *net gain*.

---

<sup>98</sup> Adapted from [Nature Positive Initiative The Definition of Nature Positive](#) (2023)

<sup>99</sup> Adapted from [Copper Mark Criteria Guide](#) (2023) and [ICMM Nature: Position Statement](#) (2024)

<sup>100</sup> Adapted from [Copper Mark Criteria Guide](#) (2023) and [ICMM Nature: Position Statement](#) (2024)

<sup>101</sup> Adapted from [UNESCO World Heritage Convention](#) (1972)

<sup>102</sup> Adapted from the [OECD Core Set of Indicators](#)

<sup>103</sup> Adapted from [TNFD Glossary of Terms](#) (2023)

**Rights-holders:** *Rights-holders* are individuals or social groups that have particular entitlements in relation to specific duty bearers (e.g., state or non-state actors that may have a particular obligation or responsibility to respect, protect and fulfil *human rights* and abstain from *human rights* violations). In certain contexts, there are often specific social groups whose *human rights* are not fully realised, respected or protected, such as *Indigenous Peoples*.

**Stakeholders:** Any individual, group of individuals or organisation, or their legitimate representatives, such as interest groups, government agencies or corporate entities who have rights or interests related to the Performance Areas covered by the Consolidated Standard that are or could be affected by *adverse impacts* associated with the *Facility's* operations. They could include politicians, commercial and industrial enterprises, labour unions, academics, religious groups, national social and environmental groups, public sector agencies, the media and communities. Legitimate representatives include trade unions, as well as civil society organisations and others with experience and expertise related to business impacts on *human rights*.

**World Heritage Sites:** Sites established under the World Heritage Convention of 1972. The prohibitions in this Performance Area apply to all natural *World Heritage Sites* and all mixed sites (which are designated for natural and cultural reasons).

### References:

- [Business and Biodiversity Offset Programme \(BBOP\): Biodiversity Offset Design Handbook](#)
- [Cross Sector Biodiversity Initiative \(CSBI\): Good Practices for the Collection of Biodiversity Baseline Data](#)
- [International Council on Mining and Metals \(ICMM\) Good Practice Guidance for Mining and Biodiversity](#)
- [International Council on Mining and Metals \(ICMM\) Good Practice Guidance: Achieving No Net Loss or Net Gain of Biodiversity](#)
- [International Finance Corporation \(IFC\) Guidance Note 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources](#)
- [International Finance Corporation \(IFC\) Performance Standard 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources](#)
- [International Union for Conservation of Nature and Natural Resources \(IUCN\) Red List of Threatened Species](#)
- Society for Ecological Restoration (2022). [Restoration Ecology, Special issue: International Principles and Standards for the ecological restoration and recovery of mine sites.](#)
- [Taskforce on Nature-related Financial Disclosures \(TNFD\)](#)
- [The Biodiversity Consultancy: A Cross Sector Guide for Implementing the Mitigation Hierarchy](#)
- [The World Bank Forest Smart Mining: Offset Case Studies](#)
- [The World Bank Forest Smart Mining: Guidance to Applying Nature-based Solutions in the Large-Scale Mining Sector](#)
- [The World Bank Forest Smart Mining: Identifying Factors Associated with the Impacts of Large-Scale Mining on Forests](#)
- [United Nations Educational, Scientific and Cultural Organization \(UNESCO\): Guidance and Toolkit on Impact Assessments in a World Heritage Context](#)
- [United Nations Educational, Scientific and Cultural Organization \(UNESCO\): The Operational Guidelines for the Implementation of the World Heritage Convention](#)

- [United Nations Educational, Scientific and Cultural Organization \(UNESCO\): World Heritage List](#)

DRAFT

## Performance Area 20: Climate Action

Intent: Reduce Scope 1, 2 and material Scope 3 *greenhouse gas (GHG) emissions* by defining *science-informed targets or objectives* in line with the Paris Agreement and by implementing the *mitigation hierarchy* to avoid and reduce emissions. Identify physical *climate-related risks*, impacts and opportunities and develop and implement appropriate *adaptation* measures.

### Other Relevant Performance Areas:

- 1 Corporate Requirements
- 3 Responsible Supply Chains
- 4 New Projects, Expansions and Resettlement
- 8 Diversity, Equity and Inclusion
- 10 Emergency Preparedness and Response
- 14 Indigenous Peoples
- 18 Water Stewardship
- 19 Biodiversity, Ecosystem Services and Nature
- 21 Tailings Management
- 22 Pollution Prevention
- 24 Closure

**Applicability:** The requirements in 20.1 and 20.3 of this Performance Area are intended to be implemented and assured at the *corporate level*, however, where feasible, they may be implemented and assured at the *Facility* level. The requirements of 20.2 are intended to be implemented and assured at the *Facility* level. While 20.3 is intended to be addressed through corporate reporting mechanisms, reporting must include *Facility*-level disaggregated information.

LEVEL	REQUIREMENT
<b>20.1. Corporate Climate Change Strategy (Corporate Level)</b>	
Towards Good Practice	1. Publicly commit to reduce <i>greenhouse gas (GHG) emissions</i> at the <i>corporate level</i> .
	2. Establish accountabilities, responsibilities, and reporting processes for the governance of <i>climate-related risks</i> and opportunities, including at the board and executive management levels.
	3. Conduct a climate-related corporate risk and opportunity assessment.
Good Practice	1. Establish and <i>publicly disclose</i> a <i>corporate-level</i> climate change strategy and <i>commitment</i> to address <i>climate-related risks</i> and opportunities that are integrated with business planning and decision-making for existing activities and planned <i>new projects consistent</i> with leading climate disclosure frameworks, <i>aligned to the goals of the Paris Agreement</i> .
	2. Set corporate targets or objectives consistent with the aims of corporate climate change strategy for <i>Scope 1 and 2 GHG emissions</i> that cover all material emissions sources and align to the WRI GHG Protocol or relevant regulatory definition of organisational boundaries and materiality.

	3. Identify, assess, and develop a plan, integrated into a relevant risk management framework, to manage material climate-related corporate risks and opportunities and their impact on the <i>company's</i> businesses, strategy, financial planning, and risk management consistent with the requirements in leading climate disclosure frameworks.
	4. Identify, quantify and review material <i>Scope 3 GHG emissions</i> sources at defined intervals.
Leading Practice	1. Include <i>material Scope 3 GHG emissions</i> in corporate targets or objectives.
	2. Collaborate with <i>suppliers</i> and customers material to <i>Scope 3 GHG emissions</i> to identify and implement actions to meet corporate targets or objectives.
	3. Include the following elements in the climate change strategy: <ul style="list-style-type: none"> <li>a. Planned or actual investments in climate action that will lead to measurable improvements in climate change <i>mitigation</i> and <i>adaptation</i>.</li> <li>b. External engagement process(es) for the ongoing assessment of <i>climate-related risks</i> and opportunities</li> <li>c. Where <i>carbon offsets</i> will be used to meet <i>greenhouse gas (GHG) emissions</i> targets, demonstrate the extent to which they will provide <i>social</i> and/or <i>nature-based co-benefits</i> and are accredited by a credible source.</li> </ul>
	4. In consultation with <i>stakeholders</i> and <i>rights-holders</i> , identify and make investment(s) in climate <i>adaptation</i> and/or <i>mitigation</i> , that provide <i>social value</i> and <i>benefits</i> for local <i>stakeholders</i> and/or <i>rights-holders</i> in the climate change strategy.
	5. Integrate an internal <i>carbon price</i> in the analyses supporting <i>major investment decisions</i> , such as <i>new projects</i> or significant expansions, unless covered by regulated carbon pricing regimes.
	6. Establish a <i>commitment</i> to achieve <i>net-zero emissions</i> by no later than 2050, disclosing the methodology used to develop <i>short-, medium- and long-term science-informed targets</i> and actions to achieve this <i>commitment</i> and demonstrate that the climate strategy reflects this.
	7. Demonstrate that <i>short-, medium- and long-term GHG emissions targets</i> and/or objectives have been, or are on track to be, met on the timescale identified or that there is a corrective action plan to get back on track if deviations occur.

LEVEL	REQUIREMENT
<b>20.2. Climate Change Management (Facility Level)</b>	
Towards Good Practice	1. Establish an energy-use and GHG emissions management and <i>monitoring</i> system that includes mechanisms to identify and quantify <i>Scope 1 and 2 GHG emissions</i> , consistent with <i>internationally recognised frameworks</i> or regulatory requirements, including significant sources of, <i>non-energy GHG emissions</i> .
	2. Undertake an initial risk assessment to identify potential physical risks and impacts to both infrastructure within the boundaries of the <i>Facility</i> and offsite infrastructure necessary for supporting <i>Facility</i> operations and access from climate change and related <i>adaptation</i> measures.
Good Practice	1. Define <i>Facility-level contributions</i> to Corporate <i>Scope 1 and 2 GHG emissions</i> performance targets or objectives.
	2. Develop a plan that includes clear <i>short-, medium-, and long-term</i> actions towards the achievement of the GHG emissions performance objectives and/or targets.
	3. Meet or be on track to meet performance targets on the timescale identified. If objectives and/or targets have been missed, assess the reasons and incorporate lessons learned to increase the chance of meeting objectives or targets.
	4. Identify, assess, and update <i>at defined intervals</i> , the risks resulting from potential <i>climate-related risks</i> and impacts to the <i>Facility</i> , in coordination with <i>corporate level climate-related risk</i> assessment processes, and consider any implications from those risks for the surrounding areas and local <i>affected stakeholders</i> and <i>rights-holders</i> .
	5. Identify, prioritise, and implement <i>mitigation</i> and <i>adaptation</i> measures that respond to the identified potentially significant physical climate impacts and support the achievement of performance objectives and/or targets.
	6. Engage with local <i>affected stakeholders</i> and/or <i>rights-holders</i> on progress related to climate-related actions that are of interest to those <i>stakeholders</i> and/or <i>rights-holders</i> . These could include progress related to the implementation of action plans, <i>mitigation</i> and <i>adaptation</i> measures, and progress towards objectives and/or targets.
	7. Conduct an <i>internal review</i> of the <i>Facility's</i> actions related to climate change at least annually.

	8. Identify and, where feasible, implement measures to improve energy efficiency and/or incorporate other low-emission or renewable energy supply in the energy mix.
Leading Practice	1. Define <i>Facility-level contribution</i> to corporate <i>Scope 3 GHG emissions</i> performance targets or objectives based on material sources established at the <i>corporate level</i> without compromising <i>local procurement</i> objectives.
	2. Engage <i>suppliers</i> in reducing <i>Facility-level contributions</i> to corporate <i>Scope 3</i> emissions aimed at meeting <i>Scope 3</i> performance targets.
	3. <i>Collaborate</i> with affected local <i>stakeholders</i> and/or <i>rights-holders</i> on areas of mutual interest related to climate action. This could include the development and implementation of action plans, <i>mitigation</i> and <i>adaptation</i> measures, and the <i>monitoring</i> of progress towards objectives and/or targets.
	4. Apply at least two of the following leading practices: <ul style="list-style-type: none"> <li>a. Assign key performance indicators related to the achievement of energy use and GHG emissions targets to relevant employees.</li> <li>b. Design climate <i>adaptation</i> or <i>mitigation</i> measures to provide co-benefits for <i>biodiversity</i> and/or communities.</li> <li>c. Pursue partnerships with other organisations or <i>stakeholders and rights-holders</i> on physical climate impacts and <i>adaptation</i> management.</li> <li>d. Consider community, cultural or traditional knowledge in climate impact assessments and in the design of <i>adaptation</i> measures.</li> </ul>

LEVEL	REQUIREMENT
<b>20.3. Annual Climate Change Public Reporting</b>	
Towards Good Practice	1. <i>Publicly disclose</i> energy consumption and <i>Scope 1 and 2 GHG emissions</i> data and disaggregate between renewable and non-renewable sources.
	2. Apply standard quantification and estimation methodologies based on the <i>internationally recognised frameworks</i> or regulatory reporting requirements to convert energy and GHG emissions data into comparable units, including process emissions data.
Good Practice	1. <i>Publicly disclose Facility-level Scope 1 and 2 GHG emissions</i> data and progress towards corporate targets in alignment with the leading climate disclosure frameworks. <ul style="list-style-type: none"> <li>a. <i>Publicly disclose</i> the corresponding absolute increase or decrease in GHG emissions where intensity targets are used.</li> </ul>



	<p>b. If used, <i>publicly disclose</i> a calculation of <i>carbon offsets</i> as a percentage of total emissions generated annually where they are used to meet targets, and the source and nature of the accreditation of the <i>carbon offsets</i>.</p> <p>c. <i>Publicly disclose at defined intervals</i>, including to <i>affected stakeholders</i> and <i>rights-holders</i> the <i>Facility's</i> assessment of potential physical climate impacts and plans or actions to manage the associated risks, in alignment with the recommendations of the TCFD, including both on <i>mitigation</i> and <i>adaptation</i>.</p>
	2. Complete an independent <i>assurance</i> on GHG emissions disclosures at <i>corporate level</i> and include an <i>assurance statement</i> in public disclosure.
Leading Practice	1. Calculate carbon content or carbon intensity of the <i>Facility's</i> products and make it available to customers on request.
	2. <i>Publicly disclose</i> at the <i>corporate level</i> material <i>Scope 3 GHG emissions</i> data and progress towards objectives and/or targets established on an annual basis.

## Glossary and Interpretive Guidance:

**Adaptation:** refers to actions taken to adjust to the impacts of climate change which are already occurring or are anticipated to occur.

**Affected stakeholders:** Any individual, group of individuals or organisation, or their legitimate representatives, who are affected by a *Facility's* operations, actions and decisions. (See also 'Stakeholders'.)

**Aligned to the goals of the Paris Agreement:** Actions should align to the aims of limiting global warming to well below 2°C (3.6°F) above pre-industrial levels, while pursuing efforts to limit it to 1.5°C (2.7°F), and involve reducing *greenhouse gas (GHG) emissions*, adapting to climate change impacts, and mobilizing finance.

**Assurance:** In the context of this Performance Area, *assurance* of climate disclosures is the process of verifying the accuracy and completeness of climate information, at a minimum limited level of *assurance*. It involves an independent third-party evaluating climate information and providing *assurance* on the reported data. Climate disclosures *assurance* is related to but different to the *assurance process* conducted by an accredited independent party to verify a *Facility's conformance* with the Consolidated Standard (see CMSI *Assurance Process*).

**Carbon offsets:** Discrete GHG reductions used to compensate for (i.e., offset) GHG emissions elsewhere, for example to meet a voluntary or mandatory GHG target or cap. *Carbon offsets* are calculated relative to a baseline that represents a hypothetical scenario for what emissions would have been in the absence of the *mitigation* project that generates the offsets.

**Carbon price:** An internal pricing instrument used by an entity to assess the financial implications associated with *greenhouse gas (GHG) emissions*, such as from changes in future emissions abatement

costs, external regulatory carbon pricing compliance mechanisms (carbon taxes or emissions trading systems) or other factors.

**Carbon storage:** involves capturing carbon dioxide (CO<sub>2</sub>) from industrial emissions and storing it in geological formations to prevent its release into the atmosphere, thereby mitigating climate change.

**Climate-related risks:** There are two categories of *climate-related risks*, physical risks and transitional risks. Physical risks are related to the physical impacts of climate change. Some physical risks are acute, driven by specific extreme weather events, such as hurricanes, flooding, wildfire or drought. Others are chronic, associated with long-term shifts in climate patterns such as continually rising temperatures, rising sea levels, changes in precipitation and longer and more frequent heat waves. Physical risks can have sudden and significant financial impacts if they affect operations, transportation, *supply chains* or employee or customer safety. Transitional risks are risks inherent in the transition to a low-carbon economy. These include risks associated with evolving climate-related policies, regulations and disclosure requirements around issues such as GHG emissions, net-zero carbon emission initiatives, carbon tax policies, energy and fuel costs and national or global energy policies. Transitional risks can have an ongoing direct financial impact and can also impact an organisation's reputation.<sup>104</sup>

**Climate-related opportunities:** refer to potential positive effects arising from efforts to mitigate and adapt to climate change, including but not limited to resource efficiency, new products and services, access to new markets, and building resilience.

**Demonstrating progress over time to meet objectives or targets:** This Performance Area includes requirements to demonstrate progress over time to meet objectives and targets. This can be done by showing data trends in an appropriate direction consistent with achieving the target but can also be demonstrated by actions to achieve a goal, such as milestones related to the planning, design, construction and commissioning of an emissions-reducing project. Where measured results begin to head in the wrong direction, the implementation of corrective actions to get back on track can also be used to demonstrate progress.

**Facility climate management requirements and corporate action:** Where corporate actions are taken that contribute to reductions at the *Facility* level, these can be used as evidence that 20.2 requirements have been met. For example, where the *corporate level* is pursuing fleet-wide electric vehicle *opportunities*, these can be recognised at the *Facility* level.

**Facility-level contributions:** The intent of *Facility-level contributions* to corporate *Scope 1, 2 and 3 emissions performance targets and objectives* is to determine whether and how each *Facility* will contribute to the corporate targets and/or objectives. As not all facilities have the same opportunity to reduce emissions, some facilities may make reduction contributions, while others may have targets to maintain the status quo on their emissions or to minimise increases. The list below is a non-exhaustive list of the types of ways a *Facility* may choose to make their contributions as there may be alternative ways of articulating a contribution. Contributions may be one type of contribution or may include several types of contributions.

- a. A volume target refers to an absolute amount of energy consumed, or carbon dioxide equivalent (CO<sub>2</sub>e) emitted by the *Facility*. Such targets are independent of production. Typically, volume targets are defined relative to current or historical data (e.g. 5% reduction from 2015 baseline) but may also be set against business-as-usual projections.
- b. An intensity target refers to the ratio of consumption or emissions relative to production. This is often referred to as 'normalising' the data. Examples include emissions or energy use per tonne of copper cathode produced or per tonne of ore processed.

---

<sup>104</sup> Adapted from [TCFD Recommendations of the Task Force on Climate-related Financial Disclosure](#) (2016)

- c. An activity-based target is an established target where future energy consumption or GHG emissions will be reduced or avoided due to a specific activity. Such targets could include initiatives or projects that lead to energy not being consumed that would otherwise have been consumed if the project had not been implemented.
- d. A control target establishes a level or measure of effectiveness of control over an activity that is linked to either the consumption of energy or the release of GHGs. A control may include operational limits on production equipment or administrative requirements on various mining activities. Examples include:
- e. *Conformance* with operational limits for unit operations that are key consumers of energy or emitters of GHG emissions (e.g. 100% *conformance* with operating within the upper and lower temperature limits in a dryer)
- f. Compliance with an administrative control (e.g. 95% compliance with a no-idle policy)
- g. A calculation of the *Facility's* scope 3 contribution.

Where contributions and/or targets are set and managed beyond the *Facility* level (e.g. at the regional or business unit level) these can be used to meet this requirement with appropriate contextual information. This should be at a *reasonable* level for which the contributions can be disaggregated.

**Facility-level public disclosure requirements:** Public disclosure can be addressed through corporate reporting channels provided *Facility*-level information is included. Where emissions are calculated and managed beyond the *Facility* level (e.g. at the regional or business unit level) these can be used to meet this requirement with the disclosure of appropriate contextual information.

**Greenhouse gas (GHG) emissions:** For the purposes of this standard, greenhouse gases are the seven gases listed by IFRS: carbon dioxide (CO<sub>2</sub>); methane (CH<sub>4</sub>); nitrous oxide (N<sub>2</sub>O); hydrofluorocarbons (HFCs); perfluorocarbons (PFCs); sulphur hexafluoride (SF<sub>6</sub>); and trifluoride (NF<sub>3</sub>).

**Long-term / medium-term / short-term commitments, targets or objectives:** Timeframe should be defined by the *company*, which may be adapted from existing frameworks, for example SBTi (short – within 5 years, medium – 5-10 years and long term – more than 10 years).<sup>105</sup>

**Internal review:** Annual *internal reviews* are intended to ensure continual improvement by evaluating the status of actions from the previous *internal review* and the effectiveness of actions related to climate. The *internal review* process should identify opportunities for improvement and describe associated action plans. It should identify and evaluate the potential significance of changes since the previous *internal review* that are relevant to climate change, including:

- Changes to legal requirements, standards and guidance, industry best practice, and *commitments to stakeholders*.
- Changes in mine operating conditions (e.g., production rate) or *Facility* environmental conditions.
- Changes outside the mine property that could influence the nature and significance of risks resulting from the *Facility* on the external environment or vice versa.

The *internal review* should also provide a summary of significant issues related to the overall performance of the *Facility* and its energy and GHG emissions *management system*, including compliance with legal requirements, *conformance* with standards, policies and *commitments* and the status of corrective actions.

**Internationally recognised frameworks (for measuring and reporting GHG emissions):** These may include the World Resource Institute (WRI) GHG Protocol, ISO standards and other recognised frameworks. Methods required by regulation may also be used.

---

<sup>105</sup> Adapted from [SBTi Corporate Near-Term Criteria Version 5.1](#) (2024)

**Major investment decision:** A *major investment decision* involves allocating significant capital, often with long-term implications, requiring careful consideration of factors like risk tolerance, investment objectives, time horizon, and potential returns.

**Material greenhouse gas emissions:** For the purposes of this standard, ‘material *greenhouse gas emissions*’ does not refer to legal materiality with respect to disclosure, but rather refers to i) significant sources of emissions, considering relative volume compared to the full emissions inventory, ii) the *company’s* ability to influence emission reductions, iii) climate-related risk exposure, iv) sector-specific guidance, and v) other factors unique to a *company* or *Facility’s* operations or value chain.

**Mitigation** refers to projects which prevent or reduce the emission of greenhouse gases into the atmosphere.

**Nature based co-benefit:** address societal challenges while simultaneously benefiting people and *nature*, such as improved air and *water quality*, enhanced *biodiversity*, and increased resilience to climate change.

**Net zero:** *Net zero* emissions (also referred to as carbon neutrality) means that GHG emissions released into the atmosphere are balanced by an equivalent reduction elsewhere.<sup>106</sup>

**Net zero vs 1.5-degree commitments and targets:** for the purposes of achieving the Good Practice Level, if a *company* has committed to *net zero by 2050*, this *commitment* meets the intent of the Good Practice requirement for a 1.5 degree *commitment*. The same is true for targets.

**Non-energy GHG emissions:** *Non-energy GHG emissions* are those emissions created without the combustion of fossil fuels. Some examples of *non-energy GHG emissions* include fugitive methane, the acidification of carbonate ore, or emissions arising from changes in land use.

**Rights-holders:** *Rights-holders* are individuals or social groups that have particular entitlements in relation to specific duty bearers (e.g., state or non-state actors that may have a particular obligation or responsibility to respect, protect and fulfil *human rights* and abstain from *human rights* violations). In certain contexts, there are often specific social groups whose *human rights* are not fully realised, respected or protected, such as *Indigenous Peoples*.

**Science-informed targets or objectives:** *Science-informed targets* provide a clearly defined pathway for companies to reduce *greenhouse gas (GHG) emissions*, helping prevent the worst impacts of climate change and future-proof business growth based on sound science.<sup>107</sup> They should be aligned with the latest climate science and goals of the Paris Agreement to limit global temperature risk to well below 2 degrees Celsius above pre-industrial levels, with a pursuit to limit it to 1.5 degrees. Establishing a *science-informed target* does not need to be done under the Science Based Target Initiative, other temperature-aligned target-setting methods may be used, such as ISO 14068. For the purposes of this standard, the use of *targets*, *objectives* and other such terms provides companies with flexibility to formulate terms in addition to ‘targets’ which reflect their particular circumstances and climate strategy. Regardless of the terminology adopted, companies are expected to clearly define the terms they use and detail the actions they will take to meet their stated objectives.

**Scope 1, 2, 3 GHG emissions:**

- a. **Scope 1 GHG emissions:** The total global direct emissions from sources owned or controlled by the reporting *Facility*, including stationary combustion, mobile combustion, process emissions and fugitive emissions.

---

<sup>106</sup> Adapted from [TSM Climate Change Protocol](#) (2021)

<sup>107</sup> Adapted from [SBTi Science-Based Targets](#) (no date)

- b. **Scope 2 GHG emissions:** Indirect GHG emissions that result from the *Facility's* purchase of energy in the form of electricity, heat, cooling or steam. Scope 2 emissions are generated at the *Facility* from which the energy is purchased or acquired.
- c. **Scope 3 GHG emissions:** Indirect emissions (other than Scope 2 emissions) that arise as a consequence of a *Facility's* activities from sources that are owned or controlled by others.

**Scope 1 and 2 targets:** Targets may be set separately for Scope 1 and 2 or may be integrated into a single target that addresses GHG emissions broadly.

**Social co-benefit:** additional positive social, environmental, and economic outcomes that arise from a project or initiative, beyond its primary goal, often related to climate *mitigation* or sustainability, and can include improvements in public health, job creation, and poverty alleviation.

**Social value:** this may consist of financial benefits or various other types of benefits such as social and economic development outcomes, significant cultural or spiritual value, or other aspects which lead to improved outcomes for *stakeholders* and *rights-holders* see *Benefit Sharing* (Performance Area 14: Indigenous Peoples).

**Stakeholders:** Any individual, group of individuals or organisation, or their legitimate representatives, such as interest groups, government agencies or corporate entities who have rights or interests related to the Performance Areas covered by the Consolidated Standard that are or could be affected by *adverse impacts* associated with the *Facility's* operations. They could include politicians, commercial and industrial enterprises, labour unions, academics, religious groups, national social and environmental groups, public sector agencies, the media and communities. Legitimate representatives include trade unions, as well as civil society organisations and others with experience and expertise related to business impacts on *human rights*.

## References:

- [International Standardization Organization \(ISO\) 14064-1:2018 Greenhouse Gases Part 1: Specification with Guidance at the Organization Level for Quantification and Reporting of Greenhouse Gas Emissions and Removals](#)
- [International Standardization Organization \(ISO\) 14067:2018 Greenhouse Gases – Carbon Footprint of Products – Requirements and Guidelines for Quantification](#)
- [International Standardization Organization \(ISO\) 50001:2018 Energy Management Systems – Requirements with Guidance for Use](#)
- [Science Based Targets Initiative \(SBTi\)](#)
- [Task Force on Climate-related Financial Disclosures \(TCFD\)](#)
- [World Resources Institute: Greenhouse Gas Protocol](#)

## Performance Area 21: Tailings Management

Intent: Manage *tailings* in a safe and responsible manner throughout the *life cycle* with the objective of minimising harm to people and the environment by implementing a *tailings management system (TMS)* that reflects comprehensive, risk-based management and governance practices in line with internationally recognised standards.

Other relevant Performance Areas:

- 4 New Projects, Expansions and Resettlement
- 5 Human rights
- 9 Safe, Healthy and Respectful Workplaces
- 10 Emergency Preparedness and Response
- 12 Engagement
- 13 Community Impacts and Benefits
- 14 Indigenous Peoples
- 15 Cultural Heritage
- 17 Grievance Management
- 18 Water Stewardship
- 19 Biodiversity, Ecosystem Services and Nature
- 20 Climate Action
- 22 Pollution Prevention
- 23 Circular Economy
- 24 Closure

**NOTE:** This Performance Area refers to two existing international standards for *tailings* management (see Glossary and Interpretive Guidance for further information and links):

- The *Global Industry Standard on Tailings Management* (GISTM).
- Mining Association of Canada's (MAC) *Tailings Management Protocol*, including the Table of Conformance which is a mandatory tool for performance measurement.

Companies implementing the Consolidated Standard may implement either the GISTM or MAC Standard to achieve the intent described above (noting that membership requirements of individual associations may prescribe which standard applies). Over time, the CMSI will explore the potential for these two standards to come together. In addition, companies should note the establishment of the Global Tailings Management Institute (GTMI), which may require adjustments to some requirements over time.

**Applicability:** This Performance Area is applicable to all *tailings facilities* under the control of companies implementing the Consolidated Standard, except:

- For companies applying the GISTM: *tailings facilities* that meet the GISTM definition of "safe closure".
- For companies applying the MAC *Tailings Management Protocol*: inactive *tailings facilities* (as defined in the Protocol) that meet the conditions under which reporting would not be required, described in Appendix 1 of the March 2023 version of the Protocol.
- Mining operations that commence production after 1 January 2024 using riverine *tailings*, for which this Standard will not allow such facilities to demonstrate *conformance* with this Performance Area.

LEVEL	REQUIREMENT
<b>21.1 Tailings Management</b>	
Towards Good Practice	1. Publicly commit to safe and responsible management of <i>tailings</i> by implementing either the GISTM or the <i>MAC Tailings Management Protocol</i> .
	2. Conduct a gap analysis against the requirements of either the GISTM or the <i>MAC Tailings Management Protocol</i> . Develop action plans to address gaps and commit to a timeline to implement plans and achieve <i>conformance</i> .
	3. For mines using or proposing to use <i>non-conventional tailings management solutions</i> , as neither the GISTM nor the <i>MAC Tailings Management Protocol</i> directly apply, establish appropriate requirements for achieving the intent of this Performance Area with reference to existing good practice standards. <i>Facilities</i> should document and disclose the approach to managing <i>tailings</i> and commit to implement accordingly.
Good Practice	1. Achieve <i>conformance</i> with the GISTM or the <i>Tailings Management Protocol</i> of MAC for conventional <i>Tailings Facilities</i> .
	2. For mines using <i>non-conventional tailings management solutions</i> , achieve <i>conformance</i> with the <i>publicly disclosed</i> approach to managing <i>tailings</i> .
	3. Conduct <i>internal reviews</i> and complete <i>independent audits</i> or <i>assurance</i> (as applicable) of the status of <i>conformance</i> of <i>tailings</i> facilities, at the intervals specified in either the ICMC <i>Conformance Protocols</i> for the GISTM or the <i>Tailings Management Protocol</i> of MAC for conventional <i>tailings</i> facilities, or at defined and <i>publicly disclosed</i> intervals for <i>non-conventional tailings management solutions</i> .
	4. <i>Publicly disclose</i> the overall <i>conformance</i> status of <i>tailings</i> facilities in line with the intervals specified in either the ICMC <i>Conformance Protocols</i> * for the GISTM or the <i>Tailings Management Protocol</i> of MAC** for conventional <i>tailings</i> facilities, or against the <i>publicly disclosed</i> approach to <i>tailings</i> management for <i>non-conventional tailings management solutions</i> , clearly identify any gaps, and provide a timebound summary of actions to address them.
Leading Practice	1. Implement and <i>publicly disclose</i> progress on innovative approaches to either: (i) reduce the quantity of <i>tailings</i> to be disposed of; (ii) create value from <i>tailings</i> in a way that reduces the need for disposal; or (iii) reprocess historical <i>tailings</i> deposits in a way that significantly reduces the potential for harm to people and the environment.



\* Specified intervals for independent audits and disclosure of conformance for the GISTM are currently described in the [ICMM Conformance Protocols](#) (three years for 'extreme' and 'very high' consequence facilities, and 5 years for all others).

\*\* Independent audits and public reporting are required every three years for the MAC Tailings Management Protocol.

## Glossary and Interpretive Guidance:

**Conformance:** To be in *conformance* with a standard means to meet or satisfy all the 'requirements' of the standard. *Conformance* typically applies to voluntary standards or procedures (which can in many instances go beyond legal requirements), whereas the term 'compliance' is generally associated with meeting legal and regulatory obligations. Specifically in relation to the GISTM, the ICMM conformance protocols state that *conformance* means that an Operator can demonstrate that systems and processes are in place to implement all applicable requirements of the GISTM (not in conflict with the law). If there is any variation between the definitions used in this consolidated Standard and the GISTM, the definitions of the GISTM apply to this Performance Area. In relation to the *Tailings Management Protocol of MAC*, *conformance* is defined against the Tailings Management Table of Conformance that accompanies the Protocol.

**Global Industry Standard on Tailings Management (GISTM):** Introduced in 2020, the GISTM applies to existing and to-be-constructed *tailings* facilities. It strives to achieve the ultimate goal of zero harm to people and the environment with zero tolerance for human fatality. The GISTM describes 77 requirements in six topic areas:

- Affected communities
- Integrated knowledge base
- Design, construction, operation, and *monitoring*
- Management and governance
- Emergency response and long-term recovery
- Public disclosure and access to information

**Life cycle:** The series of activities or phases in the life of a *tailings Facility*, consisting of: project conception, design, construction, operation, *closure* and post-*closure*. At some sites, the *life cycle* may also include temporary suspension of operations. Some phases, such as operations, *closure* and post-*closure*, typically only occur once in the *life cycle* of a *tailings Facility*, while others, such as design and construction, may recur at different periods through the life of a *tailings Facility*.<sup>108</sup>

**Non-conventional tailings management solutions:** This would include in-lake, riverine and deep-sea *tailings disposal*.

In establishing appropriate requirements for achieving the intent of this Performance Area, facilities should demonstrate that they: identify potential and actual risks and impacts from *tailings*; respect the rights of *affected stakeholders* and meaningfully engage them at all phases of the *tailings* system lifecycle, including *closure*; implement a system to manage *tailings*; conduct *monitoring* and review; and *publicly disclose relevant information*.<sup>109</sup>

**Deep-sea tailings disposal:** refers to disposal of *tailings* in relatively deep marine environments. *Tailings* are discharges through a submerged pipe below depths where there is enough sunlight to

---

<sup>108</sup> From ICMM [Tailings Management Good Practice Guide](#) (2025)

<sup>109</sup> Adapted from [Copper Mark Guidance on Tailing Management Core Requirements](#) (2023)



support plant growth (point of discharge > 100 m) and the discharged *tailings* create a gravity flow that deposits the material on the deep seafloor (usually below 1000 m depth).<sup>110</sup>

***In-lake disposal of tailings:*** largely a legacy practice in regions with abundant lakes, such as Canada. *Tailings* are deposited within lake basins, typically in a manner that ensures that the *tailings* remain submerged to minimise the risk of acid mine drainage. Dams or other containment structures are typically constructed at the lake outlet to prevent downstream migration of *tailings* solids and provide a means of controlling water flow to facilitate water treatment prior to release.

***Riverine disposal of tailings:*** *tailings* are discharged directly into a river and are carried downstream to be deposited within depositional areas, river deltas, or in downstream marine environments. Companies using this method of *tailings* disposal typically conduct studies of the river flow to determine the optimum location for *tailings* discharge to be able to have some understanding over the deposition of *tailings* within the river and may construct levees or other structures to provide some level of control over deposition of the *tailings*.

***Tailings:*** A by-product of mining, consisting of the processed rock or soil left over from the separation of the commodities of value from the rock or soil within which they occur.<sup>111112</sup>

***Tailings Facility:*** A Facility that is designed and managed to contain the *tailings* produced by a mine, which could include in-pit storage or engineered structures on land. A *tailings Facility* includes the collective engineered structures, components and equipment involved in the management of *tailings* solids, other mine waste managed with *tailings* (e.g. waste rock, water treatment residues), and any water managed in *tailings* facilities, including pore fluid, any pond(s), and *surface water* and run-off.<sup>113</sup>

***Tailings Management Protocol of the Mining Association of Canada (MAC):*** Introduced in 2004 and updated most recently in 2023, the objective of implementing this Protocol is to continually work towards minimizing harm which encompasses both the physical and chemical risks associated with *tailings*, including zero catastrophic failures of *tailings* facilities and no *significant adverse impacts* on the environment or human health.

The Protocol has five performance indicators that address:

- Tailings management policy and *commitment*
- Assigned accountability for tailings management
- Tailings management system and emergency preparedness
- Operation, maintenance, and surveillance (OMS) manual
- Annual tailings management review

Performance against these indicators must be measured using a [Table of Conformance](#) that describes in detail the technical and governance requirements that must be met. Implementation is supported by two guidance documents, updated most recently in 2021:

- [A Guide to the Management of Tailings Facilities](#) (the Tailings Guide)
- [Developing an Operation, Maintenance and Surveillance Manual for Tailings and Water Management Facilities](#) (the OMS Guide)

***Tailings management system (TMS):*** Comprises the key components for management and design of the *tailings* Facility and is often referred to as the ‘framework’ that manages these components. The TMS sits at the core of the standard and is focussed on the safe operation and management of the

---

<sup>110</sup> Adapted from [European Union \(2018\) Best Available Techniques \(BAT\) Reference Document for the Management of Waste from Extractive Industries on mine waste management](#).

<sup>111</sup> Adapted from [Global Tailings Review Global Industry Standard on Tailings Management](#) (2020)

<sup>112</sup> **NOTE:** residual material from dredging operations for the recovery of minerals sands or diamonds are not considered tailings and are not subject to this Performance Area.

<sup>113</sup> From ICMM [Tailings Management Good Practice Guide](#) (2025)

*tailings Facility* throughout its lifecycle (see above). The TMS follows the well-established plan-do-check-act cycle. Each operator develops a TMS that best suits their organisation and *tailings* facilities. A TMS includes elements such as: establishing policies, planning, designing and establishing performance objectives, managing change, identifying and securing adequate resources (experienced and/or qualified personnel, equipment, scheduling, data, documentation and financial resources), conducting performance evaluations and risk assessments, establishing and implementing *controls* for risk management, auditing and reviewing for continual improvement, implementing a *management system* with clear accountabilities and responsibilities, preparing and implementing the OMS and EPRP. The TMS, and its various elements, must interact with other systems, such as the environmental and social *management system* (ESMS), the operation-wide *management system*, and the regulatory system.<sup>114</sup>

### References:

- [Global Industry Standard on Tailings Management](#)
- [International Council on Mining and Metals \(ICMM\) Good Practice Guide: Tailings Management](#)
- [Mining Association of Canada \(MAC\) Tailings Management Protocol](#)

---

<sup>114</sup> Drawn from the Global industry Standard on Tailings Management (2020)

## Performance Area 22: Pollution Prevention

Intent: Apply the *mitigation hierarchy* to prevent pollution, manage releases and *waste* and address risks of *adverse impacts* to human health and the environment that the *Facility* has caused, contributed to or is directly linked with. Support the Minamata Convention's objective of reducing mercury emissions for the protection of human health and the environment.

Other Relevant Performance Areas:

- 4 New Projects, Expansions and Resettlement
- 5 Human Rights
- 9 Safe, Healthy and Respectful Workplaces
- 10 Emergency Preparedness and Response
- 18 Water Stewardship
- 19 Biodiversity, Ecosystem Services and Nature
- 21 Tailings Management
- 23 Circular Economy
- 24 Closure

**Applicability:** This Performance Area has a focus on pollution prevention. Some sub-categories are universally applicable to all facilities (such as sub-section 22.1 Non-mineral Waste and Hazardous Materials Management and sub-section 22.3 Non-GHG Air Emissions). Other sub-sections (notably sub-section 22.4 Mercury and sub-section 22.5 Cyanide) only apply to more limited subset of facilities. For sub-section 22.4 Mercury, this includes where mercury occurs naturally in ore bodies and may be a by-product, or where it is present in feedstock for *smelters*. For sub-section 22.5 Cyanide, this is limited to facilities that use cyanide in their operations.

LEVEL	REQUIREMENT
<b>22.1 Non-mineral Waste and Hazardous Materials Management</b>	
Towards Good Practice	1. Publicly commit to manage and minimise <i>waste</i> in line with the <i>waste mitigation hierarchy</i> (i.e. prevent, reuse/minimise, recycle, energy recovery, dispose), in line with national law and applicable International Conventions (such as the <i>Basel</i> , <i>MARPOL</i> , <i>Rotterdam</i> and <i>Stockholm Conventions</i> ).
	2. Identify <i>waste</i> streams, including hazardous and non-hazardous <i>waste</i> , and whether opportunities exist to avoid and reduce the amount of <i>waste</i> generated, and reuse or recycle residual <i>waste</i> .
	3. Develop and implement a plan to avoid and reduce the amount of <i>waste</i> generated across operational activities, including opportunities to substitute <i>hazardous materials</i> for less hazardous alternatives, and manage residual wastes responsibly in a manner that is protective of human health and the environment, including their safe disposal.
	4. Assess the hazards and risks of <i>adverse impacts</i> from all <i>hazardous materials</i> entering the <i>Facility</i> .

Good Practice	1. Identify the risks of waste generated having <i>adverse impacts</i> on human health and the environment (encompassing air, soil, flora, fauna, fresh and marine water bodies) including <i>adverse impacts</i> relating to the transportation, handling, storage and safe disposal of <i>hazardous materials</i> .
	2. Develop and Implement actions within the plan (see Towards Good Practice 3) to address identified <i>adverse impacts</i> from waste proportionate to the risk of harm to human health and the environment.
	3. Establish and monitor targets and/or objectives related to <i>waste</i> and <i>hazardous materials</i> management and reduction.
	4. Assess the hazards of the products of mining or refining according to the UN Globally Harmonized System of Hazard Classification and Labelling or equivalent relevant regulatory systems, train relevant <i>workers</i> and communicate to them and customers through safety data sheets and labelling.
	5. <i>Publicly disclose</i> performance related to waste, in line with an internationally recognised reporting standard, such as GRI 306: Waste 2020 (see Performance Area 1: Corporate Requirements, sub-section 1.2 Sustainability Reporting).
Leading Practice	1. Identify and implement actions to recover or repurpose <i>waste</i> , including through reuse and <i>recycling</i> , where technically feasible and economically and environmentally viable.
	2. Meet targets and/or objectives related to <i>waste</i> and <i>hazardous materials</i> management and reduction.

LEVEL	REQUIREMENT
<b>22.2 Mineral Wastes (excluding tailings, see Performance Area 21: Tailings Management)</b>	
Towards Good Practice	1. Publicly commit to manage and minimise <i>mineral waste</i> in line with the <i>waste mitigation hierarchy</i> (i.e. prevent, reuse/minimise, recycle, dispose) and to achieve safe, stable and non-polluting landforms.
	2. Identify <i>mineral waste</i> streams and whether opportunities exist to avoid and reduce the amount of <i>mineral waste</i> generated, and reuse or recycle residual <i>mineral waste</i> .
	3. Implement identified actions to avoid and reduce the amount of <i>mineral waste</i> generated and manage residual <i>mineral wastes</i> responsibly and safely.

Good Practice	1. Store <i>mineral waste</i> in a manner that is designed to achieve physical and geochemical stability (for example, taking into consideration the potential for <i>Acid Rock Drainage (ARD)</i> and <i>Metal Leaching (ML)</i> ).
	2. Implement actions to address identified risks of <i>adverse impacts</i> from <i>mineral waste</i> proportionate to the risk of harm to human health and the environment.
	3. Construct, maintain and rehabilitate <i>mineral wastes</i> to achieve safe, stable and non-polluting landforms.
Leading Practice	1. <i>Collaborate</i> with <i>affected stakeholders</i> in the development of actions to address identified risks of <i>adverse impacts</i> from <i>mineral waste</i> proportionate to the level of risk of harm to human health and the environment.

LEVEL	REQUIREMENT
<b>22.3 Non-GHG Air Emissions</b>	
Towards Good Practice	1. Identify potential sources of air emissions, take action to avoid or minimise air emissions and implement a risk-based air emissions <i>monitoring</i> programme informed by regulatory or permit requirements.
	2. Establish <i>baseline data</i> on different types of air emissions from a defined reference date that, subject to an assessment of significance, may include but not be limited to: <i>particulate matter (PM)</i> ; sulphur oxides (SO <sub>x</sub> ); nitrogen oxides (NO <sub>x</sub> ); and volatile organic compounds (VOCs).
Good Practice	1. Identify and manage risks of <i>adverse impacts</i> of air emissions from the <i>Facility's</i> operational activities and infrastructure, on people and the environment (including soil, flora, fauna, and water bodies), and implement a <i>monitoring</i> programme informed by the presence and location of <i>sensitive receptors</i> , to assess identified risks of <i>adverse impacts</i> .
	2. Establish risk-based objectives and/or targets for air emissions against a defined baseline to be protective of human health and the environment and in line with the <i>mitigation hierarchy</i> . Develop and implement corresponding actions, including emission <i>controls</i> and <i>monitoring</i> , to meet objectives and/or targets.
	3. Monitor implementation of actions as per the <i>mitigation hierarchy</i> to avoid and minimise air emissions and related <i>adverse impacts</i> , including engagement with <i>affected stakeholders</i> where relevant.

	<p>4. Implement measures to prevent the release of Ozone Depleting Substances (ODS) into the atmosphere where they are used and when servicing or decommissioning systems or equipment containing ODS, ensure ODS are collected in a controlled manner and, if not reused, sent to appropriate reception facilities for banking or destruction (as required under the Montreal Protocol).</p>
	<p>5. <i>Publicly disclose</i> performance related to air emissions, including <i>material non-compliances</i> against regulatory limits, in line with internationally recognised reporting standards (see Performance Area 1: Corporate Requirements, sub-section 1.2 Sustainability Reporting).</p>
Leading Practice	<p>1. Provide opportunities for engaging <i>stakeholders and rights-holders</i> and in particular <i>affected stakeholders</i> in <i>participatory monitoring</i>.</p>

LEVEL	REQUIREMENT
<b>22.4 Mercury</b>	
Towards Good Practice	<p>1. Prohibit the use of mercury to extract gold in processing facilities and the procurement of gold produced by third parties using mercury in line with the Minamata Convention.</p>
	<p>2. Publicly commit to the responsible management of mercury which occurs naturally in ore bodies and which is produced as a by-product of processing and other waste streams.</p>
	<p>3. Identify significant point source mercury emissions to the atmosphere and significant point source mercury releases to the land or water arising from the <i>Facility's</i> activities and implement control measures and/or technologies to minimise them.</p>
	<p>4. Manage and dispose of <i>wastes</i> containing mercury in line with guidance developed under the Minamata Convention, which also applies to the interim storage of mercury and mercury containing compounds.</p>
	<p>5. Responsibly dispose of any mercury produced as a by-product, to prevent it from becoming accessible to the global market.</p>
Good Practice	<p>1. Quantify and <i>publicly disclose</i> significant point source mercury air emissions or releases to land and water from operations in line with internationally recognised reporting standards (see Performance Area 1: Corporate Requirements, sub-section 1.2 Sustainability Reporting for examples).</p>

	2. Participate in initiatives, where they exist, to support the elimination of mercury from <i>ASM</i> , where <i>legitimate ASM</i> occurs local to your operations.
Leading Practice	1. Actively advocate for and participate in regional, national or international multi-stakeholder initiatives aimed at mercury pollution prevention (see Performance Area 16: Artisanal and Small-Scale Mining).

LEVEL	REQUIREMENT
<b>22.5 Cyanide</b>	
Towards Good Practice	1. Where the <i>Facility</i> uses cyanide, <i>publicly commit</i> to manage the transport, storage, and use and disposal of cyanide in line with the standards of practice set out in the International Cyanide Management Code.
	2. Where the <i>Facility</i> uses cyanide, use International Cyanide Management Code Certified producers and transporters for the supply, storage and transport of cyanide.
	3. Conduct a self-assessment of <i>conformance</i> with the International Cyanide Management Code.
Good Practice	1. Where the <i>Facility</i> uses cyanide, achieve and maintain certification to the International Cyanide Management Code and be identified as certified on the International Cyanide Management Institute website.
Leading Practice	1. <i>Collaborate</i> with <i>stakeholders</i> to encourage broader industry adoption of the International Cyanide Management Code.

LEVEL	REQUIREMENT
<b>22.6 Accidental Polluting Releases</b>	
Towards Good Practice	1. Undertake a risk assessment of potential <i>accidental polluting releases</i> to air, soil, surface and groundwater, or seawater from the <i>Facility</i> and from the transportation, handling, storage and disposal of materials with the potential to cause pollution.
	2. Implement measures to prevent <i>accidental polluting releases</i> , including regular inspections and <i>monitoring</i> , record keeping and corrective actions.
Good Practice	1. Assess risks of <i>adverse impacts</i> on people and the environment from any significant <i>accidental polluting releases</i> to air, soil or surface and ground

	water by the <i>Facility's</i> operational activities and related infrastructure, including the import of process materials or export of products or waste.
	2. Address significant <i>accidental polluting releases</i> in the Emergency Preparedness and Response Plan as per Performance Area: 10 Emergency Preparedness and Response).
	3. Remediate <i>adverse impacts</i> from significant <i>accidental polluting releases</i> , in consultation with <i>affected stakeholders</i> where time permits (recognising that in some instances prompt action is needed to prevent this).
	4. If a significant <i>accidental polluting release</i> occurs, conduct a post-incident <i>internal review</i> to understand immediate and underlying causes, identify, and implement corrective and preventative actions, and report to senior management.
	5. <i>Publicly disclose</i> any significant <i>accidental polluting releases</i> with material <i>adverse impacts</i> and any associated legal actions or fines in line with internationally recognised reporting standards (see Performance Area 1: Corporate Requirements, sub-section 1.2 Sustainability Reporting).
Leading Practice	1. For significant <i>accidental polluting releases</i> , provide to locally <i>affected stakeholders and rights-holders</i> the results of post-incident <i>internal reviews</i> to understand immediate and underlying causes and details of corrective and preventative actions.

LEVEL	REQUIREMENT
<b>22.7 Noise, Vibration and Light Pollution/Nuisance</b>	
Towards Good Practice	1. Identify potential sources of noise, vibration, or light pollution/nuisance, identify the presence and location of <i>sensitive receptors</i> (people, flora and fauna) and implement a <i>monitoring</i> programme informed by regulatory or permit requirements.
	2. Establish <i>baseline data</i> on different types of noise, vibration, or light from a defined reference date.
Good Practice	1. Identify risks of <i>adverse impacts</i> from noise, vibration or light pollution/nuisance on <i>sensitive receptors</i> (people, flora and fauna), and implement a <i>monitoring</i> programme informed by the presence and location of <i>sensitive receptors</i> , to assess identified risks of <i>adverse impacts</i> .



	2. Implement measures to avoid, minimise or otherwise mitigate <i>adverse impacts</i> from noise, vibration, or light pollution/nuisance.
	3. Monitor the effectiveness of <i>mitigation</i> measures <i>at defined intervals</i> informed by permit requirements and the presence and location of people, flora and fauna.
Leading Practice	1. Provide opportunities for engaging <i>stakeholders and rights-holders</i> , and in particular <i>affected stakeholders</i> , in participatory <i>monitoring</i> .

## Glossary and Interpretive Guidance:

**Acid Rock Drainage (ARD) and Metal Leaching (ML):** *Tailings*, waste rock and features such as heap leach and stockpiles can contain sulphide minerals such as pyrite which oxidise when exposed to air. When water comes into contact with oxidised sulphides, this can acidify the water which has the potential to leach (dissolve) metals in the *tailings* or waste rock. This can create an outflow of acidic water known as *ARD* (sometimes referred to as Acid Mine Drainage) or *ML* which is drainage with elevated metals regardless of the acidity. *ARD* and/or *ML* can seep into groundwater or emerge in surface streams and impact *biodiversity* or potable waters. Without effective prevention and management, *ARD* and *ML* can continue to contaminate waterways and aquatic environments for decades or centuries after mining has stopped.<sup>115</sup>

**Accidental polluting releases:** Releases of polluting materials to the environment in a sudden, unintentional manner with a risk of damage to people or the environment. Examples include a loss of containment of a stationary storage vessel, accidental rupture of a storage vessel due to a road traffic accident, an incident during the loading or unloading of product, process chemicals or fuel at a railway or port *Facility*, etc.

**Adverse impacts:** Negative effects, including those related to social, environmental or human rights, that the *Facility* could cause, contribute to, or to which it is directly linked. Actual *adverse impacts* indicate adverse effects that have already occurred or are occurring; potential *adverse impacts* indicate an adverse effect that could occur.

**Affected stakeholders:** Any individual, group of individuals or organisation, or their legitimate representatives, who are affected by a *Facility's* operations, actions and decisions. (See also 'Stakeholders'.)

**Baseline data:** A description of existing conditions (or those that existed at a defined point in time) to provide a starting point (e.g. pre-project condition) against which comparisons can be made (e.g. post-impact condition), allowing the change to be quantified.<sup>116</sup>

**Basel, MARPOL, Rotterdam and Stockholm Conventions:** The *Basel, MARPOL, Rotterdam and Stockholm Conventions* are multilateral environmental agreements, which share the common objective of protecting human health and the environment from hazardous chemicals and wastes<sup>117</sup>.

**Cyanide substances:** Cyanide is a rapidly acting, potentially deadly chemical that interferes with the body's ability to use oxygen. Cyanide can be a colourless gas or liquid, such as hydrogen cyanide (HCN) or cyanogen chloride (CNCl). Cyanide can also be a crystal (solid) form such as hydrogen

<sup>115</sup> Adapted from the International Network for Acid Prevention's (INAP's) [definition of Acid Mine Drainage](#)

<sup>116</sup> Adapted from [RJC Code of Practices](#) (2019) and [Copper Mark Criteria Guide](#) (2023)

<sup>117</sup> Adapted from [UNITAIR Portfolio](#) (no date)

cyanide (HCN), cyanogen chloride (CNCl), potassium cyanide (KCN), and predominantly sodium cyanide (NaCN)<sup>118</sup>.

**Hazardous materials:** Materials that represent a potential source of harm to human health, property, or the environment due to their physical or chemical characteristics.<sup>119</sup>

**Hazardous waste:** Waste with properties that make it potentially dangerous or harmful to human health or the environment.<sup>120</sup>

**Mineral Waste:** Includes waste rock (or overburden), spent ore (from leaching pads), and other *mineral waste* streams such as slag material from smelting. Waste rock includes granular, broken rock that ranges from fine sand to large boulders, depending on the nature of the formation and mining methods employed. Spent ore usually ranges in size from sand particles to pebbles.

**Non-Mineral Waste:** Includes solid or liquid materials generated by the *Facility* that are discarded or no longer needed. For mining, this would include wastes generated during the extraction, beneficiation, or processing of ore. For the purposes of this Standard, it includes material placed in waste rock dumps but excludes *tailings* (see Performance Area 21: Tailings Management). Wastes can cause pollution and adversely impact the environment if they are not properly managed.

**Particulate Matter (PM):** Refers to everything in the air that is not a gas and includes solid particles and liquid droplets. Some particles, such as dust, dirt, soot, or smoke, are large or dark enough to be seen with the naked eye. Others are so small they can only be detected using an electron microscope.

*Particulate matter* includes:

- **PM10:** inhalable particles, with diameters that are generally 10 micrometres and smaller; and
- **PM2.5:** fine inhalable particles, with diameters that are generally 2.5 micrometres and smaller.<sup>121</sup>

**Sensitive receptors:** Includes people at a heightened risk of negative health outcomes due to exposure to air pollution. For people, this could include children, elderly, asthmatics and others with underlying health conditions. *Sensitive Receptor* locations could include hospitals, schools, and daycare centres. Some plant and animal species are also highly sensitive to air, dust, noise and light pollution.

## References:

- [Global Reporting Initiative \(GRI\) 306: Waste 2020](#)
- [International Council on Mining and Metals \(ICMM\) and International Network for Acid Prevention \(INAP\) Tool for Acid Rock Drainage and Metal Leaching Prevention and Management](#)
- [International Cyanide Management Code](#)
- [International Finance Corporation \(IFC\) Performance Standard 3: Resource Efficiency and Pollution Prevention](#)
- [United Nations \(UN\) Globally Harmonized System on Classification and Labelling of Chemicals \(GHS\)](#)
- [United Nations Environment Programme \(UNEP\) Guidance on Best Available Techniques and Best Environmental Practices](#)

---

<sup>118</sup> Adapted from [CDC Cyanide: Exposure, Decontamination, Treatment](https://www.cdc.gov/chemicalemergencies/factsheets/cyanide.html) (no date)  
<https://www.cdc.gov/chemicalemergencies/factsheets/cyanide.html>

<sup>119</sup> Adapted from [IFC Performance Standards 5](#) (2012)

<sup>120</sup> Adapted from [Copper Mark Criteria Guide](#) (2023)

<sup>121</sup> Adapted from [USEPA Particulate Matter \(PM\) Basics](#) (no date)

- [United Nations Environment Programme \(UNEP\) Guidance on Mercury Releases](#)
- [United Nations Environment Programme \(UNEP\) Guidance on Environmentally Sound Interim Storage of Mercury Other Than Waste Mercury](#)
- [United Nations Environment Programme \(UNEP\) Guidance on the Methodology for Preparing Inventories of Releases Adopted Pursuant to Paragraph 7 of Article 9 of the Minamata Convention on Mercury](#)
- [United Nations Environment Programme \(UNEP\) Minamata Convention on Mercury](#)

DRAFT

## Performance Area 23: Circular Economy

Intent: Promote a *circular economy* through the collection, reuse and *recycling* of materials, the reduction of waste and increased resource efficiency in *Facility* design, operation and decommissioning.

### Other Relevant Performance Areas:

- 1 Corporate Requirements
- 3 Responsible Supply Chain
- 4 New Projects, Expansions and Resettlement
- 18 Water Stewardship
- 19 Biodiversity, Ecosystem Services and Nature
- 20 Climate Action
- 21 Tailings Management
- 22 Pollution Prevention
- 24 Closure

**Applicability:** This Performance Area focuses on circularity in both process and product design. It overlaps with other Performance Areas due to the connected and integrated nature of *circular economy* approaches. Sub-section 23.1 is focussed on the application of circular principles at all *Facilities*, whilst sub-section 23.2 is aimed specifically at *smelters* and covers the design of processes as well as requirements related to the processing of secondary materials.

LEVEL	REQUIREMENT
<b>23.1 Circular Economy for all Facilities</b>	
Towards Good Practice	1. Publicly commit to apply the <i>principles of circularity</i> in the <i>Facility's</i> operations through increased resource efficiency, reprocessing, reuse, recovery and <i>recycling</i> .
	2. Identify and document waste streams, mineral and non-mineral, from the <i>Facility</i> , and opportunities to separate waste that can be reprocessed, reused or recycled.
Good Practice	1. Identify opportunities to minimise and eliminate <i>pre-consumer scrap</i> , <i>run-around scrap</i> and non- <i>tailings</i> waste through increased resource efficiency, reuse recovery and <i>recycling</i> .
	2. Identify opportunities to minimise the production of <i>tailings</i> .
	3. Identify opportunities to produce or recover commercially viable products from industrial processes and/or waste streams.
	4. Identify opportunities to apply the principles of circularity across the operation's lifecycle from design of the <i>Facility</i> to <i>closure</i> planning, including but not limited to considering future land use opportunities, and the potential for reuse, recovery and <i>recycling</i> of waste remaining at the <i>Facility</i> .

Leading Practice	1. Establish, monitor and <i>publicly disclose</i> progress towards objectives and/or targets for <i>circular economy</i> at the <i>corporate level at defined intervals</i> .
	2. Identify and make documented progress towards collaborating with key <i>stakeholders</i> including <i>suppliers</i> and/or customers and/or adjacent industrial activities to increase circularity of materials and equipment used at the <i>Facility</i> .
	3. Identify and make documented progress towards opportunities to reduce or eliminate <i>tailings</i> and other waste by applying new technologies including support for innovation initiatives at the <i>Facility or corporate level</i> .

LEVEL	REQUIREMENT
<b>23.2 Additional Requirements for Smelters</b>	
Towards Good Practice	All <i>smelters</i> must comply with Towards Good Practices in 23.1
Good Practice	1. Identify opportunities to advance the collection, reuse and <i>recycling</i> of post-consumer products at their end-of-life.
	2. Identify opportunities to incorporate reclaimed <i>post-consumer scrap</i> .
	3. Measure <i>recycled content</i> using recognised methodologies or industry guidelines where available.
	4. Conduct <i>due diligence</i> on incoming materials to verify <i>recycled content</i> claims.
	5. Conduct <i>risk-based due diligence</i> on <i>scrap</i> , considering the type and country of origin of <i>scrap</i> materials.
Leading Practice	1. Provide information on <i>recycled content</i> to commercial partners on request including the methodology and system boundaries applied to determine the <i>recycled content</i> .
	2. Identify and assess <i>human rights, workers' rights</i> and environmental risks in the <i>scrap supply chain</i> and prioritise these based on their severity and likelihood (see Performance Area 3: Responsible Supply Chains).
	3. Establish and implement action plan(s) to prevent and mitigate prioritised impacts in Leading Practice 2 in <i>collaboration with stakeholders</i> .

	4. Increase, where feasible, the recovery, reuse, and <i>recycling</i> of materials against a baseline and as a percentage of material intake, ensuring that in doing so, environmental and economic viability and safety, technical and legal considerations are prioritised.
--	--

## Glossary and Interpretive Guidance

**Circular economy:** Within a *circular economy*, material producers and product manufacturers work with end users, communities, retailers, service providers and waste management facilities to “close loops” by reusing, performing maintenance on, repairing, refurbishing and *recycling* products and materials. In the mining sector, *circular economy* encompasses ‘process circularity’, which refers to the application of circular principles to the mining process, and ‘product circularity’, which focuses on ensuring that metals and minerals are kept in circulation through recovery, reprocessing and reuse.<sup>122</sup>

**Principles of circular economy:** The *circular economy* is based on three principles, driven by product and process design: eliminate waste and pollution; circulate products and materials (at their highest value); regenerate *nature*.<sup>123</sup>

**Recycled Content:** *Recycled material* refers to minerals or metals that have been previously processed, such as end-user, post-consumer, *scrap* and waste minerals or metals arising during *minerals or metals processing* and product manufacturing, which is returned to a minerals or metals processor or other downstream intermediate processor to begin a new *life cycle*.<sup>124</sup>

**Recycling:** Any recovery operation by which waste materials are reprocessed into products, materials or substances whether for the original or other purposes<sup>125</sup>

**Scrap:**

- a. **Pre-consumer scrap:** Material that is diverted from the waste stream from a manufacturing process or similar, in which the material has not been intentionally produced, is unfit for end use and not capable of being reclaimed within the same process that generated it.<sup>126</sup>
- b. **Post-consumer scrap:** Material that is reclaimed from a consumer or commercial product that has been used for its intended purpose by individuals, households or commercial, industrial and institutional facilities as end-users of the product which can no longer be used for its intended purpose.<sup>127</sup>
- c. **Run-around scrap:** *Run-around scrap*, sometimes referred to as *home scrap* or *in-house scrap*, is material generated and reclaimed at the same *Facility*.<sup>128</sup>

**Smelter:** *Facility* where smelting takes place. Smelting involves separating metal, as an element or compound, from processed ore by heating it to a high temperature in a suitable furnace, typically in the presence of a reducing agent, such as carbon, and a fluxing agent, to promote fluidity and remove impurities. For the purposes of the Standard, this excludes the smelting of gold to remove impurities as an integral part of a gold mining operation.

**Stakeholders:** Any individual, group of individuals or organisation, or their legitimate representatives, such as interest groups, government agencies or corporate entities who have rights or interests related

<sup>122</sup> Adapted from [Copper Mark Criteria Guide](#) (2023) and [ICMM Circular Economy](#) (2023)

<sup>123</sup> Adapted from [Ellen MacArthur Foundation Circular Economy Introduction](#) (no date)

<sup>124</sup> Adapted from [OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, Gold Supplement](#) (2016)

<sup>125</sup> From [Eurostat](#)

<sup>126</sup> Adapted from [Copper Mark Criteria Guide](#) (2023)

<sup>127</sup> Adapted from [Copper Mark Criteria Guide](#) (2023)

<sup>128</sup> Adapted from [Copper Mark Criteria Guide](#) (2023)

to the Performance Areas covered by the Consolidated Standard that are or could be affected by *adverse impacts* associated with the *Facility's* operations. They could include politicians, commercial and industrial enterprises, labour unions, academics, religious groups, national social and environmental groups, public sector agencies, the media and communities. Legitimate representatives include trade unions, as well as civil society organisations and others with experience and expertise related to business impacts on *human rights*.

**References:**

- [International Council on Mining and Metals \(ICMM\) Tools for Circularity](#)

DRAFT

## Performance Area 24: Closure

Intent: Plan and design for progressive *rehabilitation* and *closure* in consultation with relevant authorities, *stakeholders* and *rights-holders*, address *closure*-related environmental and social risks, impacts and opportunities and make *financial provision* to enable implementation of *closure* and *post-closure commitments*.

### Other Relevant Performance Areas:

- 5 Human Rights
- 12 Engagement
- 13 Community Impacts and Benefits
- 14 Indigenous Peoples
- 16 Artisanal and Small-Scale Mining
- 18 Water Stewardship
- 19 Biodiversity, Ecosystem Services and Nature
- 20 Climate Action
- 21 Tailings Management
- 22 Pollution Prevention
- 23 Circular Economy

**Applicability:** This Performance Area is applicable to all facilities.

LEVEL	REQUIREMENT
<b>24.1 Closure Management</b>	
Towards Good Practice	1. Publicly commit to responsible <i>closure</i> that integrates environmental, social and cultural considerations and achieves safe, stable and non-polluting <i>post-closure</i> conditions that do not pose ongoing material risks to people or the environment, from the design stage and throughout the life of the <i>Facility</i> .
	2. Develop a <i>closure</i> plan from the design stage consistent with regulatory requirements and, is updated <i>at defined intervals</i> during operations to integrate environmental, social and cultural aspects and estimated <i>closure</i> costs and is informed by <i>engagement</i> with potentially <i>affected stakeholders</i> and <i>rights-holders</i> .
	3. Where required by the regulator, establish <i>financial assurance</i> for <i>closure</i> through guarantees, bonds, or other financial instruments. <i>Financial assurance</i> may include self-funding where legally permissible.
Good Practice	1. Identify and manage risks and impacts related to <i>closure</i> and <i>rehabilitation</i> in consultation with <i>affected stakeholders</i> and <i>rights-holders</i> , including but not limited to those related to land, <i>biodiversity</i> , air, water bodies, water sources, climate change, <i>workers</i> , communities, infrastructure, and <i>post-closure</i> liabilities.



	2. Collaborate with <i>affected stakeholders</i> and <i>rights-holders</i> to identify beneficial opportunities and co-develop measures to support the post-operational social transition for communities, including <i>workers</i> and <i>local suppliers</i> , delivered through <i>closure</i> , as <i>closure</i> approaches.
	3. Collaborate with <i>affected stakeholders</i> and <i>rights-holders</i> and local or regional government planning authorities to identify and document the <i>closure</i> planning process, <i>closure</i> activities and measurable success criteria. This should focus on preventing <i>adverse impacts</i> and realising opportunities including but not limited to the protection of <i>biodiversity</i> and water sources, avoidance of <i>Acid Rock Drainage (ARD)</i> and <i>Metal Leaching (ML)</i> and <i>rehabilitation</i> of land and <i>beneficial future land uses</i> .
	4. Identify and incorporate <i>progressive closure</i> opportunities into the <i>closure</i> plan during the operating life of the <i>Facility</i> .
	5. Undertake <i>monitoring</i> , maintenance and management of <i>closure</i> and <i>rehabilitation</i> activities at <i>defined intervals</i> informed by risk, during <i>closure</i> and post- <i>closure</i> .
	6. Estimate the costs to implement the <i>closure</i> plan, update them at <i>defined intervals</i> and in response to significant changes to the mine plan. Make adequate <i>financial provision</i> to meet these costs and <i>publicly disclose</i> this annually (through aggregate corporate or <i>Facility</i> level reporting).
	7. Update the <i>knowledge base</i> on local environmental, social, cultural and economic conditions at <i>defined intervals</i> to inform <i>closure</i> planning and progressively improve the level of confidence that proposed <i>closure</i> activities will achieve <i>closure</i> objectives.
	8. Conduct a review and update the <i>closure</i> plan at <i>defined intervals</i> and whenever there are significant changes to the operational plan, to adapt it to changes in operational activities, changes in the environmental, social, cultural and economic circumstances, and to reflect the priorities of <i>affected stakeholders</i> and <i>rights-holders</i> as identified through ongoing <i>engagement</i> .
	9. Develop and estimate the costs of temporary or sudden <i>closure</i> activities as part of the <i>closure</i> plan to include maintenance, surveillance and emergency preparedness programmes for the protection of health, safety, and the environment and engage <i>affected stakeholders</i> and <i>rights-holders</i> in the process where possible.
Leading Practice	1. <i>Publicly disclose</i> how <i>closure</i> costs are estimated, including assumptions made in the calculations.

	2. <i>Collaborate with affected stakeholders and rights-holders to identify and realise opportunities to support the post-operational social transition for communities, including workers and local suppliers, throughout the life of the Facility.</i>
--	--

## Glossary and Interpretive Guidance

**Acid Rock Drainage (ARD) and Metal Leaching (ML):** *Tailings*, waste rock and features such as heap leach and stockpiles can contain sulphide minerals such as pyrite which oxidise when exposed to air. When water comes into contact with oxidised sulphides, this can acidify the water which has the potential to leach (dissolve) metals in the *tailings* or waste rock. This can create an outflow of acidic water known as *ARD* (sometimes referred to as Acid Mine Drainage) or *ML* which is drainage with elevated metals regardless of the acidity. *ARD* and/or *ML* can seep into groundwater or emerge in surface streams and impact *biodiversity* or potable waters. Without effective prevention and management, *ARD* and *ML* can continue to contaminate waterways and aquatic environments for decades or centuries after mining has stopped.<sup>129</sup>

**Adverse impacts:** Negative effects, including those related to social, environmental or human rights, that the *Facility* could cause, contribute to, or to which it is directly linked. Actual *adverse impacts* indicate adverse effects that have already occurred or are occurring; potential *adverse impacts* indicate an adverse effect that could occur.

**Affected stakeholders:** Any individual, group of individuals or organisation, or their legitimate representatives, who are affected by a *Facility's* operations, actions and decisions. (See also 'Stakeholders'.)

**Closure:** A process of planning and managing the decommissioning of a *Facility*, *smelter* and associated infrastructure and facilities, mitigating impacts, and undertaking *rehabilitation* to achieve post-closure environmental and social objectives.<sup>130</sup>

**Engagement:** Interactions between people, often a *company* and its *stakeholders*. Can involve but not restricted to consultation, communication, education and public participation.

**Financial Assurance:** Any financial instrument, including any surety bond to a government entity, insurance policy, letter of credit, line of credit or other financial instrument or account, required by any governmental entity in an amount and form maintained by the mine owner related to or in connection with the conduct of the business or the activities of the mine, principally used to fund *closure* and *rehabilitation* of a mining *Facility* when the mine owner or operator is unwilling or unable to do so.<sup>131</sup>

**Financial Provision:** Typically represents the public disclosure to support statutory accounting and reporting, is based on any legal liability or compliance as a minimum and represents a discounted cash flow estimation for the *closure* and *rehabilitation* costs of the current disturbed footprint and decommissioning of the mine infrastructure at the time of reporting (usually annually) over the remaining life of the asset. Also known as the Asset Retirement Obligation under [IAS 37](#).<sup>3</sup>

**Knowledge base:** The *knowledge base* is the repository for information that will be developed throughout the life of a *Facility*, with regular updates as data is collected and reviewed. This is the information that will inform site-specific *closure* planning, such as the environmental and

<sup>129</sup> Adapted from the International Network for Acid Prevention's (INAP's) [definition of Acid Mine Drainage](#)

<sup>130</sup> Adapted from the [SMI definition of mine closure](#)

<sup>131</sup> Adapted from ICMM [Financial Concepts for Mine Closure](#) (2019)

socioeconomic setting, environmental *baseline data*, operational data (such as volumes and types of waste currently and planned to be deposited, waste characterisation), *commitments* and compliance requirements.

**Progressive closure:** The implementation of ongoing efforts to advance *closure* activities during construction and operation of a *Facility*. The types of activities that can be implemented as *progressive closure* are controlled by site-specific conditions and mine plan but may include soil management, strategic placement of uneconomic materials, water diversions, revegetation, stabilisation works, cover placement, demolition of unneeded infrastructure and other things.<sup>132</sup>

**Rehabilitation:** The return of land to a safe, stable and non-polluting condition that supports the intended post-mining land use, having considered beneficial uses of the *Facility* and surrounding land. *Rehabilitation* could involve ‘reclamation’ (i.e. the recovery of pre-development ecosystems and related services and biogeochemical functions) or more commonly the repurposing of disturbed land.<sup>133</sup>

**Rights-holders:** *Rights-holders* are individuals or social groups that have particular entitlements in relation to specific duty bearers (e.g., state or non-state actors that may have a particular obligation or responsibility to respect, protect and fulfil *human rights* and abstain from *human rights* violations). In certain contexts, there are often specific social groups whose *human rights* are not fully realised, respected or protected, such as *Indigenous Peoples*.

**Sudden closure cost estimate:** An estimate of the costs to close the mine in its current state, including current disturbance and liability as well as non-legal costs. Sudden *closure* costs are usually for internal purposes only though are considered here as good practice to disclose to the regulator in jurisdictions where *financial assurance* is not legislated.

## References:

- [Intergovernmental Forum on Mining, Minerals, Metals and Sustainable Development \(IGF\) Global Review: Financial Assurance Governance for the Post-Mining Transition](#)
- [International Council on Mining and Metals \(ICMM\) Closure Maturity Framework](#)
- [International Council on Mining and Metals \(ICMM\) Financial Concepts for Mine Closure](#)
- [International Council on Mining and Metals \(ICMM\) Integrated Mine Closure: Good Practice Guide](#)

---

<sup>132</sup> Adapted from ICMM [Integrated Mine Closure Guide](#) (2019)

<sup>133</sup> Adapted from the [SMI definition of rehabilitation](#) and [RJC definition](#)