

**RG
&
MMSS**

**Sustainability Reporting Guidelines &
Mining and Metals Sector Supplement**

Draft Sector Supplement for Public Comment
January 28 – April 29 2009

Sector-specific additions to the G3 are shaded like this. For simplicity,
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Introductory Section for the Mining and Metals Sector

For whom is the Sector Supplement intended?

The mining and metals sector includes exploration, mining and primary metal processing (including smelting, recycling and basic fabrication) and covers the complete project life cycle from development through operational lifetime to closure and post-closure. The sector is diverse, and can contain companies that specialize exclusively in one part of the cycle, such as exploration companies, as well as large multi-national or vertically-integrated enterprises. Large mining groups may encompass a wide range of different mineral products in their subsidiary operating companies. Junior and mid-tier miners can also be responsible for exploration and production operations, but because of their size or business models may face particular challenges in relating to sustainability issues; they too can usefully report on these challenges through the Supplement and improve their approaches.

The Guidelines give reporters the opportunity to describe their own scope of operation, particularly in the boundary-setting and materiality disclosures.

What is the context of this Sector Supplement?

This Supplement deals with the aspects of sustainable development that characterize the mining and metals sector, often because they are encountered more frequently or in greater measure than in other sectors. Reporting companies and the users of their reports are actively interested in these aspects, which therefore may merit a level of treatment not captured in the main Guidelines. The main contextual issues include:

- The control, use, and management of land
- The contribution to national economic and social development
- Community and stakeholder engagement
- Labor relations
- Environmental management
- Relationships with artisanal and small-scale mining
- An integrated approach to minerals use

How is the document organized?

The content of the Sector Supplement is presented in this document integrated into the Guidelines for ease of reference by users. Together, the disclosures and performance indicators in the Guidelines and the Sector Supplement make up the reporting framework for the mining and metals sector. In some cases, the Supplement offers commentaries on existing Guidelines content. Where a sector-specific issue is added to a Disclosure of Management Approach (DMA), it will normally appear as a new ASPECT, and as such reporting will be expected on all relevant DMA headings¹. However, most of the Supplement guidance is in the form of performance indicators (these are labelled as MM1, MM2,... etc) and their associated indicator protocols. In total, 12 sector-specific performance indicators are provided in the Supplement, and they all take their place as 'core' indicators.

¹ These are: Goals and Performance, Policy, organizational Responsibility, Training and Awareness, Monitoring and Follow-up, and Additional Contextual Information.

Part 2: Standard Disclosures

This section specifies the base content that should appear in a sustainability report, subject to the guidance on determining content in Part 1 of the Guidelines.

There are three different types of disclosures contained in this section.

- *Profile*: Disclosures that set the overall context for understanding organizational performance such as its strategy, profile, and governance.
- *Management Approach*: Disclosures that cover how an organization addresses a given set of topics in order to provide context for understanding performance in a specific area.
- *Performance Indicators*: Indicators that elicit comparable information on the economic, environmental, and social performance of the organization.

Reporting organizations are encouraged to follow this structure in compiling their reports, however, other formats may be chosen.

Profile

1. Strategy and Analysis

This section is intended to provide a high-level, strategic view of the organization's relationship to sustainability in order to provide context for subsequent and more detailed reporting against other sections of the Guidelines. It may draw on information provided in other parts of the report, but this section is intended to produce insight on strategic topics rather than simply summarize the contents of the report. The strategy and analysis should consist of the statement outlined in 1.1 and a concise narrative outlined in 1.2.

- 1.1 Statement from the most senior decision-maker of the organization (e.g., CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and its strategy.

The statement should present the overall vision and strategy for the short-term, medium-term (e.g., 3-5 years), and long-term, particularly with regard to managing the key challenges associated with economic, environmental, and social performance. The statement should include:

- Strategic priorities and key topics for the short/medium-term with regard to sustainability, including respect for internationally agreed standards and how they relate to long-term organizational strategy and success;
- Broader trends (e.g., macroeconomic or political) affecting the organization and influencing sustainability priorities;
- Key events, achievements, and failures during the reporting period;
- Views on performance with respect to targets;
- Outlook on the organization's main challenges and targets for the next year and goals for the coming 3-5 years; and
- Other items pertaining to the organization's strategic approach.

1.2 Description of key impacts, risks, and opportunities.

The reporting organization should provide two concise narrative sections on key impacts, risks, and opportunities.

Section One should focus on the organization's key impacts on sustainability and effects on stakeholders, including rights as defined by national laws and relevant internationally agreed standards. This should take into account the range of reasonable expectations and interests of the organization's stakeholders. This section should include:

- A description of the significant impacts the organization has on sustainability and associated challenges and opportunities. This includes the effect on stakeholders' rights as defined by national laws and the expectations in internationally-agreed standards and norms;
- An explanation of the approach to prioritizing these challenges and opportunities;
- Key conclusions about progress in addressing these topics and related performance in the reporting period. This includes an assessment of reasons for underperformance or over-performance; and
- A description of the main processes in place to address performance and/or relevant changes.

Section Two should focus on the impact of sustainability trends, risks, and opportunities on the long-term prospects and financial performance of the organization. This should concentrate specifically on information relevant to financial stakeholders or that could become so in the future. Section Two should include the following:

- A description of the most important risks and opportunities for the organization arising from sustainability trends;
- Prioritization of key sustainability topics as risks and opportunities according to their relevance for long-term organizational strategy, competitive position, qualitative, and (if possible) quantitative financial value drivers;
- Table(s) summarizing:
 - Targets, performance against targets, and lessons-learned for the current reporting period; and
 - Targets for the next reporting period and mid-term objectives and goals (i.e., 3-5 years) related to key risks and opportunities.
- Concise description of governance mechanisms in place to specifically manage these risks and opportunities, and identification of other related risks and opportunities.

2. Organizational Profile

2.1 Name of the organization.

2.2 Primary brands, products, and/or services.

The reporting organization should indicate the nature of its role in providing these products and services, and the degree to which it utilizes outsourcing.

- 2.3 Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.
- 2.4 Location of organization's headquarters.
- 2.5 Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.
- 2.6 Nature of ownership and legal form.
- 2.7 Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).
- 2.8 Scale of the reporting organization, including:
- Number of employees;
 - Net sales (for private sector organizations) or net revenues (for public sector organizations);
 - Total capitalization broken down in terms of debt and equity (for private sector organizations); and
 - Quantity of products or services provided.
- In addition to the above, reporting organizations are encouraged to provide additional information, as appropriate, such as:*
- *Total assets;*
 - *Beneficial ownership (including identity and percentage of ownership of largest shareholders); and*
 - *Breakdowns by country/region of the following:*
 - *Sales/revenues by countries/regions that make up 5 percent or more of total revenues;*
 - *Costs by countries/regions that make up 5 percent or more of total revenues;*
and
 - *Employees.*
- 2.9 Significant changes during the reporting period regarding size, structure, or ownership including:
- The location of, or changes in operations, including facility openings, closings, and expansions; and
 - Changes in the share capital structure and other capital formation, maintenance, and alteration operations (for private sector organizations).
- 2.10 Awards received in the reporting period.

3. Report Parameters

REPORT PROFILE

- 3.1 Reporting period (e.g., fiscal/calendar year) for information provided.
- 3.2 Date of most recent previous report (if any).
- 3.3 Reporting cycle (annual, biennial, etc.)

3.4 Contact point for questions regarding the report or its contents.

REPORT SCOPE AND BOUNDARY

3.5 Process for defining report content, including:

- Determining materiality
- Prioritizing topics within the report
- Identifying stakeholders the organization expects to use the report.

Include an explanation of how the organization has applied the 'Guidance on Defining Report Content' and the associated Principles.

3.6 Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance.

3.7 State any specific limitations on the scope or boundary of the report.

If boundary and scope do not address the full range of material economic, environmental, and social impacts of the organization, state the strategy and projected timeline for providing complete coverage.

3.8 Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.

3.9 Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report.

Explain any decisions not to apply, or to substantially diverge from, the GRI Indicator Protocols.

3.10 Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods).

3.11 Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.

GRI CONTENT INDEX

3.12 Table identifying the location of the Standard Disclosures in the report.

Identify the page numbers or web links where the following can be found:

- Strategy and Analysis 1.1 – 1.2;
- Organizational Profile 2.1 – 2.10;
- Report Parameters 3.1 – 3.13;
- Governance, Commitments, and Engagement 4.1 – 4.17;
- Disclosure of Management Approach, per category;
- Core Performance Indicators;
- Any GRI Additional Indicators that were included; and
- Any GRI Sector Supplement Indicators included in the report.

ASSURANCE

- 3.13 Policy and current practice with regard to seeking external assurance for the report. If not included in the assurance report accompanying the sustainability report, explain the scope and basis of any external assurance provided. Also explain the relationship between the reporting organization and the assurance provider(s).

4. Governance, Commitments, and Engagement

GOVERNANCE

- 4.1 Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.
Describe the mandate and composition (including number of independent members and/or non-executive members) of such committees and indicate any direct responsibility for economic, social, and environmental performance.
- 4.2 Indicate whether the Chair of the highest governance body is also an executive officer (and, if so, their function within the organization's management and the reasons for this arrangement).
- 4.3 For organizations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members.
State how the organization defines 'independent' and 'non-executive'. This element applies only for organizations that have unitary board structures. See the glossary for a definition of 'independent'.
- 4.4 Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.
Include reference to processes regarding:
- *The use of shareholder resolutions or other mechanisms for enabling minority shareholders to express opinions to the highest governance body; and*
 - *Informing and consulting employees about the working relationships with formal representation bodies such as organization level 'work councils', and representation of employees in the highest governance body.*
- Identify topics related to economic, environmental, and social performance raised through these mechanisms during the reporting period.*
- 4.5 Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance).
- 4.6 Processes in place for the highest governance body to ensure conflicts of interest are avoided.
- 4.7 Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organization's strategy on economic, environmental, and social topics.

- 4.8 Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.
Explain the degree to which these:
- *Are applied across the organization in different regions and department/units; and*
 - *Relate to internationally agreed standards.*
- 4.9 Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.
Include frequency with which the highest governance body assesses sustainability performance.
- 4.10 Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.

COMMITMENTS TO EXTERNAL INITIATIVES

- 4.11 Explanation of whether and how the precautionary approach or principle is addressed by the organization.

Article 15 of the Rio Principles introduced the precautionary approach. A response to 4.11 could address the organization's approach to risk management in operational planning or the development and introduction of new products.
- 4.12 Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.

Include date of adoption, countries/operations where applied, and the range of stakeholders involved in the development and governance of these initiatives (e.g., multi-stakeholder, etc.). Differentiate between non-binding, voluntary initiatives and those with which the organization has an obligation to comply.
- 4.13 Memberships in associations (such as industry associations) and/or national/international advocacy organizations in which the organization:
- Has positions in governance bodies;
 - Participates in projects or committees;
 - Provides substantive funding beyond routine membership dues; or
 - Views membership as strategic.
- This refers primarily to memberships maintained at the organizational level.*

STAKEHOLDER ENGAGEMENT

The following Disclosure Items refer to general stakeholder engagement conducted by the organization over the course of the reporting period. These Disclosures are not limited to stakeholder engagement implemented for the purposes of preparing a sustainability report.

- 4.14 List of stakeholder groups engaged by the organization.
Examples of stakeholder groups are:
- Communities;

- Civil society;
- Customers;
- Shareholders and providers of capital;
- Suppliers; and
- Employees, other workers, and their trade unions.

4.15 Basis for identification and selection of stakeholders with whom to engage.

This includes the organization's process for defining its stakeholder groups, and for determining the groups with which to engage and not to engage.

4.16 Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.

This could include surveys, focus groups, community panels, corporate advisory panels, written communication, management/union structures, and other vehicles. The organization should indicate whether any of the engagement was undertaken specifically as part of the report preparation process.

4.17 Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.

Management Approach and Performance Indicators

Economic

The economic dimension of sustainability concerns the organization’s impacts on the economic conditions of its stakeholders and on economic systems at local, national, and global levels. The Economic Indicators illustrate:

- Flow of capital among different stakeholders; and
- Main economic impacts of the organization throughout society.

Financial performance is fundamental to understanding an organization and its own sustainability. However, this information is normally already reported in financial accounts. What is often reported less, and is frequently desired by users of sustainability reports, is the organization’s contribution to the sustainability of a larger economic system.

Disclosure on Management Approach

Provide a concise disclosure on the Management Approach items outlined below with reference to the following Economic Aspects:

- Economic Performance;
- Market Presence; and
- Indirect Economic Impacts.

Goals and Performance

Organization-wide goals regarding performance relevant to the Economic Aspects. Use organization-specific Indicators (as needed) in addition to the GRI Performance Indicators to demonstrate the results of performance against goals.

Policy

Brief, organization-wide policy (or policies) that defines the organization’s overall commitment relating to the Economic Aspects, or state where this can be found in the public domain (e.g., web link).

Additional Contextual Information

Additional relevant information required to understand organizational performance, such as:

- Key successes and shortcomings;
- Major organizational risks and opportunities;
- Major changes in the reporting period to systems or structures to improve performance; and
- Key strategies for implementing policies or achieving performance.

Economic Performance Indicators

Aspect	Disclosure
ECONOMIC PERFORMANCE	No additional sector-specific indicators
ECONOMIC	EC1 Commentary added

PERFORMANCE	
ECONOMIC PERFORMANCE	EC7 Commentary added

Environmental

The environmental dimension of sustainability concerns an organization's impacts on living and non-living natural systems, including ecosystems, land, air, and water. Environmental Indicators cover performance related to inputs (e.g., material, energy, water) and outputs (e.g., emissions, effluents, waste). In addition, they cover performance related to biodiversity, environmental compliance, and other relevant information such as environmental expenditure and the impacts of products and services.

MMSS commentary:

For the purposes of this supplement, the term 'biodiversity' includes ecosystems and the goods (e.g. timber, fodder, natural medicines, freshwater) and services (e.g. climate regulation, water purification, soil production, air quality regulation) that they provide. (see Annex)

Disclosure on Management Approach

Provide a concise disclosure on the Management Approach items outlined below with reference to the following Environmental Aspects:

- Materials
- Energy
- Water
- Biodiversity

(A) MMSS Commentary:

The disclosure on management approach to biodiversity should include discussion of ecosystems goods and services.

- Emissions, Effluents, and Waste
- Products and Services
- Compliance
- Transport
- Overall

Goals and Performance

Organization-wide goals regarding performance relevant to the Environmental Aspects. Use organization-specific Indicators (as needed) in addition to the GRI Performance Indicators to demonstrate the results of performance against goals.

(B) MMSS commentary on Emissions, Effluents, and Waste:

The disclosure on management approach regarding Emissions, Effluents, and Waste should include discussion of

- processes to assess and manage risks associated with overburden, waste rock, tailings, sludges and other residues (for example, structural stability of storage facilities, metal leaching potential, and hazardous properties).
- approaches taken to minimize waste and its potential environmental impacts.
- the management of fugitive emissions such as dust from mining and processing activities (i.e. monitoring activities, compliance with regulatory limits, or number of dust-related complaints and how they were addressed).

Policy

Brief, organization-wide policy (or policies) that defines the organization’s overall commitment related to the Environmental Aspects or state where this can be found in the public domain (e.g., web link).

Organizational responsibility

The most senior position with operational responsibility for Environmental Aspects or explain how operational responsibility is divided at the senior level for these Aspects. This differs from Disclosure 4.1, which focuses on structures at the governance level.

Training and awareness

Procedures related to training and raising awareness in relation to the Environmental Aspects.

Monitoring and Follow-Up

Procedures related to monitoring and corrective and preventive actions, including those related to the supply chain.
 List of certifications for environment-related performance or certification systems, or other approaches to auditing/verification for the reporting organization or its supply chain.

Additional Contextual Information

- Additional relevant information required to understand organizational performance, such as:
- Key successes and shortcomings;
 - Major organizational environmental risks and opportunities related to issues;
 - Major changes in the reporting period to systems or structures to improve performance; and
 - Key strategies and procedures for implementing policies or achieving goals.

Environmental Performance Indicators

Aspect	Disclosure
MATERIALS	EN2 Commentary added
BIODIVERSITY	EN12 Commentary added
BIODIVERSITY	EN13 Commentary added
BIODIVERSITY	EN14 Commentary added
BIODIVERSITY	MM 1 Amount of land (owned or leased, and managed for production activities or extractive use) disturbed or rehabilitated.

BIODIVERSITY	MM2 The number and percentage of total sites identified as requiring biodiversity management plans according to stated criteria, and the number (percentage) of those sites with plans in place.
EMISSIONS, EFFLUENTS, AND WASTE	EN20 Commentary added
EMISSIONS, EFFLUENTS, AND WASTE	EN22 Commentary added
EMISSIONS, EFFLUENTS, AND WASTE	EN23 Commentary added
EMISSIONS, EFFLUENTS, AND WASTE	MM3 Total amounts of overburden, rock, tailings, and sludges presenting potential hazards.

Labor Practices and Decent Work

The specific Aspects under the category of Labor Practices are based on internationally recognized universal standards, including:

- United Nations Universal Declaration of Human Rights and its Protocols;
- United Nations Convention: International Covenant on Civil and Political Rights;
- United Nations Convention: International Covenant on Economic, Social, and Cultural Rights;
- ILO Declaration on Fundamental Principles and Rights at Work of 1998 (in particular the eight core conventions of the ILO); and
- The Vienna Declaration and Programme of Action.

The Labor Practices Indicators also draw upon the two instruments directly addressing the social responsibilities of business enterprises: the ILO Tripartite Declaration Concerning Multinational Enterprises and Social Policy, and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises.

Disclosure on Management Approach

Provide a concf disclosure on the following Management Approach items with reference to the Labor Aspects listed below. The ILO Tripartite Declaration Concerning Multinational Enterprises and Social Policy (in particular the eight core conventions of the ILO) and the Organisation for Economic Co-operation and Development Guidelines for Multinational Enterprises, should be the primary reference points.

- Employment

(A) MMSS Commentary on Employment:
Report how policies, standards and practices relating to health and safety, environmental, and Labor conditions are applied to contractors.

- Labor/Management Relations

(B) MMSS Commentary:
Reporting on the representation and engagement with employees, other workers and their trade unions in stakeholder consultation processes is of high importance given their special status and their significance in mining operations.

- Occupational Health and Safety

(C) MMSS Commentary on Occupational Health and Safety:
Organizations should report in particular on the application of ILO Convention 176 on health and safety in mines.

- Training and Education
- Diversity and Equal Opportunity

Goals and Performance

Organization-wide goals regarding performance relevant to the Labor Aspects, indicating their linkage to the internationally recognized universal standards.

Use organization-specific Indicators (as needed) in addition to the GRI Performance Indicators to demonstrate the results of performance against goals.

Policy

Brief, organization-wide policy (or policies) that defines the organization’s overall commitment related to the Labor Aspects, or state where this can be found in the public domain (e.g., web link). Also reference their linkage to the international standards indicated above.

Organizational responsibility

The most senior position with operational responsibility for Labor Aspects or explain how operational responsibility is divided at the senior level for these Aspects. This differs from Disclosure 4.1, which focuses on structures at the governance level.

Training and awareness

Procedures related to training and raising awareness in relation to the Labor Aspects.

Monitoring and Follow-Up

Procedures related to monitoring and corrective and preventive actions, including those related to the supply chain.

List of certifications for labor-related performance or certification systems, or other approaches to auditing/verifying the reporting organization or its supply chain.

Additional Contextual Information

Additional relevant information required to understand organizational performance, such as:
 Key successes and shortcomings;
 Major organizational risks and opportunities;
 Major changes in the reporting period to systems or structures to improve performance; and
 Key strategies and procedures for implementing policies or achieving goals.

Labor Practices and Decent Work Performance Indicators

Aspect	Disclosure
LABOR/MANAGEMENT RELATIONS	MM4 Number of strikes and lockouts exceeding one week’s duration, by country
OCCUPATIONAL HEALTH & SAFETY	LA7 Commentary added

Human Rights

Human Rights Performance Indicators require organizations to report on the extent to which human rights are considered in investment and supplier/contractor selection practices. Additionally, the Indicators cover employee and security forces training on human rights as well as non-discrimination, freedom of association, child labor, indigenous rights, and forced and compulsory labor.

Generally recognized human rights are defined by the following Conventions and Declarations:

- United Nations Universal Declaration of Human Rights and its Protocols;
- United Nations Convention: International Covenant on Civil and Political Rights;
- United Nations Convention: International Covenant on Economic, Social, and Cultural Rights;
- ILO Declaration on Fundamental Principles and Rights at Work of 1998 (in particular the eight core conventions of the ILO); and
- The Vienna Declaration and Programme of Action.

MMSS commentary:

Additional standards of particular relevance to companies in the mining and metals sector include

- United Nations Declaration on Indigenous Peoples
- Voluntary Principles on Security and Human Rights

Disclosure on Management Approach

Provide a concise disclosure on the following Management Approach items with reference to the Human Rights Aspects listed below. The ILO Tripartite Declaration Concerning Multinational Enterprises and Social Policy (in particular the eight core conventions of the ILO which consist of Conventions 100, 111, 87, 98, 138, 182, 20 and 105), and the Organisation for Economic Co-operation and Development Guidelines for Multinational Enterprises should be the primary reference points.

- Investment and Procurement Practices
- Non-discrimination
- Freedom of Association and Collective Bargaining
- Abolition of Child Labor
- Prevention of Forced and Compulsory Labor
- Complaints and Grievance Practices
- Security Practices
- Indigenous Rights

MMSS commentary on Indigenous Rights aspect:

Report on any policies relating to free, prior and informed consent, including settings where such dialogues are required by company policy and where they are not required.

Goals and Performance

Organization-wide goals regarding performance relevant to the Human Rights Aspects, indicating their linkage to the international declarations and standards listed above.

Use organization-specific Indicators (as needed) in addition to the GRI Performance Indicators to demonstrate the results of performance against goals.

Policy

Brief, organization-wide policy (or policies) that defines the organization’s overall commitment to the Human Rights Aspects (including policies which may be reasonably considered likely to affect the decision of employees to join a trade union or bargain collectively), or state where this can be found in the public domain (e.g., web link). Also reference their linkage to the international declarations and standards indicated above.

Organizational responsibility

The most senior position with operational responsibility for Human Rights Aspects or explain how operational responsibility is divided at the senior level for these Aspects. This differs from Disclosure 4.1, which focuses on structures at the governance level.

Training and awareness

Procedures related to training and raising awareness in relation to the Human Rights Aspects.

Monitoring and Follow-Up

Procedures related to monitoring and corrective and preventive actions, including those related to the supply chain.

List of certifications for human rights-related performance, or certification systems, or other approaches to auditing/verifying the reporting organization or its supply chain.

Additional Contextual Information

Additional relevant information required to understand organizational performance, such as:
 Key successes and shortcomings;
 Major organizational risks and opportunities;
 Major changes in the reporting period to systems or structures to improve performance; and
 Key strategies and procedures for implementing policies or achieving goals.

Human Rights Performance Indicators

Aspect	Disclosure
FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING	HR5 Commentary added
INDIGENOUS RIGHTS	MMS Total number of operations taking place in or adjacent to Indigenous Peoples’ territories, and number and percentage of operations or sites where there are formal agreements with Indigenous Peoples’ communities.

Society

Society Performance Indicators focus attention on the impacts organizations have on the communities in which they operate, and disclosing how the risks that may arise from interactions with other social institutions are managed and mediated. In particular, information is sought on the risks associated with bribery and corruption, undue influence in public policy-making, and monopoly practices.

Disclosure on Management Approach

Provide a concise disclosure on the following Management Approach items with reference to the Society Aspects:

- Community
- (A) MMSS Commentary

 - Artisanal and Small-Scale Mining
 - Resettlement
 - Closure Planning
 - Grievance Mechanisms and Procedures
 - Emergency Preparedness
- Corruption
 - Public Policy;
 - Anti-Competitive Behavior
 - Compliance

Goals and Performance

Organization-wide goals regarding performance relevant to the Aspects above.

Use organization-specific Indicators as needed in addition to the GRI Performance Indicators to demonstrate the results of performance against goals.

Policy

Brief, organization-wide policy (or policies) that define the organization's overall commitment relating to the Society Aspects or state where this can be found in the public domain (e.g., web link).

(B) MMSS commentary on resettlement:

Report on procedures for consultation with households affected by resettlement and describe outcomes in actual cases where resettlement has taken place.

MMSS commentary on closure planning:

Report the scope of closure planning, and its coverage of social (including labor transition), environmental (including land use, biodiversity or ecosystem service value aspects) and economic aspects.

Organizational responsibility

The most senior position with operational responsibility for Society Aspects or explain how operational responsibility is divided at the senior level for these Aspects. This differs from Disclosure 4.1, which focuses on structures at the governance level.

Training and awareness

Procedures related to training and raising awareness in relation to the Society Aspects.

Monitoring and Follow-Up

Procedures related to monitoring and corrective and preventive actions, including those related to the supply chain.

List of certifications for performance or certification systems, or other approaches to auditing/verifying the reporting organization or its supply chain.

Additional Contextual Information

Additional relevant information required to understand organizational performance, such as:
 Key successes and shortcomings;
 Major organizational risks and opportunities;
 Major changes in the reporting period to systems or structures to improve performance; and
 Key strategies and procedures for implementing policies or achieving goals.

Society Performance Indicators

Aspect	Disclosure
COMMUNITY	SO1 Commentary added
COMMUNITY	MM6A Number and description of significant disputes relating to land use, customary rights of local communities and indigenous peoples. MM6B The extent to which grievance mechanisms were used to resolve disputes relating to land use, customary rights of local communities and indigenous peoples, and their outcomes.
ARTISANAL AND SMALL-SCALE MINING	MM7 Number (and percentage) of company operating sites where artisanal and small-scale mining (ASM) takes place on, or adjacent to, the site; describe the associated risks and the actions taken to manage and mitigate these risks.
RESETTLEMENT	MM8 List sites where resettlements took place, the number of households resettled in each, and how their livelihoods were affected in the process.
CLOSURE PLANNING	MM9 Number and percentage of operations with closure plans.
GRIEVANCE MECHANISMS AND PROCEDURES	MM10 Significant incidents involving communities in which grievance mechanisms have been invoked to address them together with their outcomes.
EMERGENCY PREPAREDNESS	MM11 Number and description of incidents affecting employees, communities, or the environment in which emergency preparedness procedures were activated.
COMPLIANCE	SO8 Commentary added

Product Responsibility

Product Responsibility Performance Indicators address the aspects of a reporting organization's products and services that directly affect customers, namely, health and safety, information and labeling, marketing, and privacy.

These aspects are chiefly covered through disclosure on internal procedures and the extent to which these procedures are not complied with.

Disclosure on Management Approach

Provide a concise disclosure on the following Management Approach items with reference to the Product Responsibility Aspects:

- **Materials Stewardship**
- Customer Health and Safety
- Product and Service Labeling
- Marketing Communications
- Customer Privacy
- Compliance

Goals and Performance

Organization-wide goals regarding performance relevant to the Product Responsibility Aspects.

Use organization-specific Indicators (as needed) in addition to the GRI Performance Indicators to demonstrate the results of performance against goals.

Policy

Brief, organization-wide policy (or policies) that defines the organization's overall commitment to the Product Responsibility Aspects, or state where this can be found in the public domain (e.g., web link).

Organizational responsibility

The most senior position with operational responsibility for Product Responsibility Aspects, or explain how operational responsibility is divided at the senior level for Product Responsibility Aspects. This differs from Disclosure 4.1, which focuses on structures at the governance level.

Training and awareness

Procedures related to training and raising awareness in relation to the Product Responsibility Aspects.

Monitoring and Follow-Up

Procedures related to monitoring and corrective and preventive actions, including those related to the supply chain.

List of certifications for product responsibility-related performance or certification systems, or other approaches to auditing/verifying the reporting organization or its supply chain.

Additional Contextual Information

Additional relevant information required to understand organizational performance, such as:
Key successes and shortcomings;
Major organizational risks and opportunities;
Major changes in the reporting period to systems or structures to improve performance; and
Key strategies and procedures for implementing policies or achieving goals.

Product Responsibility Performance Indicators

Aspect	Disclosure
MATERIALS STEWARDSHIP	MM12 Programmes and progress relating to materials stewardship.

INDICATOR PROTOCOLS

INDICATOR PROTOCOL

Category: Economic
Aspect: Economic performance

EC1 Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.

1. Relevance

Data on the creation and distribution of economic value provide a basic indication of how the organization has created wealth for stakeholders. Several components of the Economic Value Generated and Distributed (EVG&D) table also provide an economic profile of the reporting organization, which may be useful for normalizing other performance figures. If presented in country-level detail, EVG&D can provide a useful picture of the direct monetary value added to local economies.

2. Compilation

2.1 Presentation: The EVG&D data should be compiled, where possible, from data in the organization's audited financial or profit and loss (P&L) statement, or its internally audited management accounts. It is also recommended that the economic value data be presented on an accruals basis in a table that includes the basic components for the organization's global operations as included in the table below. Data can also be presented on a cash basis where this can be justified and disclosed in a table that includes the basic components as listed below.

Component	Comment
Direct economic value generated	
a) Revenues	Net sales plus revenues from financial investments and sales of assets
Economic value distributed	
b) Operating costs	Payments to suppliers, non-strategic investments, royalties, and facilitation payments
c) Employee wages and benefits	Total monetary outflows for employees (current payments, not future commitments)
d) Payments to providers of capital	All financial payments made to the providers of the organization's capital.
e) Payments to government (by country – see note below)	Gross taxes
f) Community investments	Voluntary contributions and investment of funds in the broader community (includes donations)
Economic value retained (calculated as Economic value generated less Economic value distributed)	Investments, equity release, etc.

To better assess local economic impacts, EVG&D should be presented separately at country, regional, or market levels, where significant. Reporting organizations should identify and explain their criteria for defining significance.

2.2. Guidance on EVG&D Table Line Entries

- a) Revenues:
 - Net sales equal gross sales from products and services minus returns, discounts, and allowances.
 - Revenue from financial investments includes cash received as interest on financial loans, as dividends from shareholdings, as royalties, and as direct income generated from assets (e.g., property rental).
 - Revenues from sale of assets include physical assets (property, infrastructure, equipment) and intangibles (e.g., intellectual property rights, designs, and brand names).
- b) Operating costs:
 - Cash payments made outside the reporting organization for materials, product components, facilities, and services purchased. This includes property rental, license fees, facilitation payments (since these have a clear commercial objective), royalties, payments for contract workers, employee training costs (where outside trainers are used), employee protective clothing, etc.
- c) Employee wages and benefits:
 - Total payroll means employee salaries, including amounts paid to government institutions (employee taxes, levies, and unemployment funds) on behalf of employees. Non-employees working in an operational role should normally not be included here, but rather under Operating Costs as a service purchased.
 - Total benefits include regular contributions (e.g., to pensions, insurance, company vehicles, and private health), as well as other employee support such as housing, interest-free loans, public transport assistance, educational grants, and redundancy payments. They do not include training, costs of protective equipment, or other cost items directly related to the employee's job function.
- d) Payments to providers of funds:
 - Dividends to all shareholders;
 - Interest payments made to providers of loans.
 - This includes interest on all forms of debt and borrowings (not only long-term debt) and also arrears of dividends due to preferred shareholders.
- e) Payments to government:
 - All company taxes (corporate, income, property, etc.) and related penalties paid at the international, national, and local levels. This figure should not include deferred taxes because they may not be paid. For organizations operating in more than one country, report taxes paid by country. The organization should report which definition of segmentation has been used.

(A) MMSS Commentary:

- Include land use payments

f) Community investments:

- Voluntary donations and investment of funds in the broader community where the target beneficiaries are external to the company. These include contributions to charities, NGOs and research institutes (unrelated to the company's commercial R&D), funds to support community infrastructure (e.g., recreational facilities) and direct costs of social programs (including arts and educational events). The amount included should account for actual expenditures in the reporting period, not commitments.
- For infrastructure investments, the calculation of the total investment should include costs of goods and labor in addition to capital costs. For support of ongoing facilities or programs (e.g., an organization funds the daily operations of a public facility), the reported investment should include operating costs.
- This excludes legal and commercial activities or where the purpose of the investment is exclusively commercial. Donations to political parties are included but are also addressed separately in more detail in SO6.
- Any infrastructure investment that is driven primarily by core business needs (e.g., building a road to a mine or factory) or to facilitate the business operations of the organization should not be included. The calculation of investment may include infrastructure built outside the main business activities of the reporting organization, such as a school or hospital for employees and their families.

(B) MMSS commentary:

2.3 Report countries of operation that are either candidate to or compliant with the Extractive Industries Transparency Initiative (EITI).

3. Definitions

None.

4. Documentation

Finance, treasury, or accounting departments should have the information required by this Indicator.

5. References

- International Accounting Standard (IAS) 12 on Income Taxes, IAS 14 on segment Reporting, IAS 18 on Revenues, and IAS 19 on Employee Benefits should be consulted.

INDICATOR PROTOCOL

Category: Economic
Aspect: Community

EC7: Procedures for local hiring and proportion of senior management **MMSS** **commentary: and workforce** hired from the local community at significant locations of operation.

1. Relevance

Selection of staff and senior management is based on a range of considerations. Ensuring that senior management is populated with local residents can benefit the local community and the organization's ability to understand local needs. Diversity within a management team and the inclusion of members from the local area can enhance human capital, the economic benefit to the local community, and the organization's ability to understand local needs.

2. Compilation

2.1 Report whether the organization has a global policy or common practices for granting preference to local residents when hiring in significant locations of operation.

2.2 If so, report the proportion of senior management in significant locations of operation from the local community. Use data on full-time employees to calculate this percentage.

2.3 Report the definition of 'senior management' used.

MMSS Commentary:

2.4 In significant locations of operation, report proportion of the facility's total workforce from the local community. ('Workforce' is employees and supervised workers; as defined in LA1.)

3. Definitions

Local

Local refers to individuals either born in or who have the legal right to reside indefinitely (e.g., naturalized citizens or permanent visa holders) in the same geographic market as the operation. Reporting organizations can choose their own definition of 'local' because, in some cases, cities, regions, and even small countries could be reasonably viewed as local. However, the definition should be clearly disclosed.

4. Documentation

Personnel or human resources departments should have the information required by this Indicator.

5. References

None.

INDICATOR PROTOCOL

Category: Environmental
Aspect: Materials

EN2 Percentage of materials used that are recycled input materials.

1. Relevance

This Indicator seeks to identify the reporting organization's ability to use recycled input materials. Using these materials helps to reduce the demand for virgin material and contribute to the conservation of the global resource base. For internal managers and others interested in the financial condition of the reporting organization, substituting recycled materials can contribute to lowering overall costs of operation.

2. Compilation

- 2.1 Identify the total weight or volume of materials used as reported under EN1.
- 2.2 Identify the total weight or volume of recycled input materials. If estimation is required, state the estimation methods.
- 2.3 Report the percentage of recycled input materials used by applying the following formula:

$$EN2 = \frac{\text{Total recycled input materials used}}{\text{Input materials used}} \times 100$$

3. Definitions

Recycled input materials

Materials that replace virgin materials that are purchased or obtained from internal or external sources, and that are not by-products and non-product outputs (NPO) produced by the reporting organization.

MMSS commentary:

Includes both post-consumer recycled material and waste from industrial sources (e.g., new scrap from fabricators and old scrap from end-of-life equipment), but excludes internal recycling within the facility (home scrap).

4. Documentation

Potential information sources include billing and accounting systems, the procurement or supply management department, and internal production and waste disposal records.

5. References

- OECD Working Group on Waste Prevention and Recycling.

INDICATOR PROTOCOL

Category: Environmental
Aspect: Biodiversity

EN12 Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.

1. Relevance

This Indicator provides information on the significant direct and indirect impacts of the reporting organization on biodiversity in protected areas and areas of high biodiversity value outside protected areas. It also provides the background for understanding (and developing) an organizational strategy to mitigate these impacts. By asking for structured, qualitative information, the Indicator enables comparison across organizations and over time of the relative size, scale, and nature of impacts.

(A) MMSS commentary:

Environmental and social aspects are inter-linked, and environmental consequences may be linked to community resettlement arising from the opening of mining operations, or arising from mine closure.

During resettlement, the relationship between communities and local biodiversity may be broken, and potential new impacts on biodiversity may be introduced. Reporting the actions that mining companies take to reduce the negative impacts on communities, and the communities' impacts on biodiversity, will shed light on these issues. Where possible, descriptions of the impact (gain or loss) on sustainable land use are useful.

2. Compilation

2.1 Identify significant impacts on biodiversity associated with activities, products, and services of the reporting organization, including both direct impacts as well as indirect impacts (e.g., in the supply chain).

(B) MMSS commentary:

Include impacts related to resettlement and closure activities reported under Indicators MM8 and MM9 respectively.

2.2 Report the nature of significant direct and indirect impacts on biodiversity with reference to one or more of the following:

- Construction or use of manufacturing plants, mines, and transport infrastructure;
- Pollution (introduction of substances that do not naturally occur in the habitat from point and non-point sources);
- Introduction of invasive species, pests, and pathogens;
- Reduction of species;
- Habitat conversion; and
- Changes in ecological processes outside the natural range of variation (e.g., salinity or changes in groundwater level).

2.3 Report significant direct and indirect positive and negative impacts with reference to the following:

- Species affected;
- Extent of areas impacted (this may not be limited to areas that are formally protected and should include consideration of impacts on buffer zones as well as formally designated areas of special importance or sensitivity);
- Duration of impacts; and
- Reversibility or irreversibility of the impacts.

3. Definitions

Significant impact

Impacts that may adversely affect the integrity of a geographical area/region, either directly or indirectly. This occurs by substantially changing its ecological features, structures, and functions across its whole area and over the long term. This means that the habitat, its population level, and/or the particular species that make that habitat important cannot be sustained.

On a species level, a significant impact causes a population decline and/or change in distribution so that natural recruitment (reproduction or immigration from unaffected areas) cannot return to former levels within a limited number of generations. A significant impact can also affect subsistence or commercial resource use to the degree that the well-being of users is affected over the long term.

4. Documentation

Information for this Indicator can be found in the reporting organization's environmental management system or other internal documentation. If available, information can also be obtained from environmental and social impact assessments and/or lifecycle assessments, and from other organizations upstream/downstream in the supply chain.

5. References

GRI Cross-Reference: GRI Biodiversity Resource Document.

INDICATOR PROTOCOL

Category: Environmental
Aspect: Biodiversity

EN13 Habitats protected or restored.

1. Relevance

A biodiversity strategy contains a combination of elements related to the prevention, management, and remediation of damage to natural habitats resulting from the organization's activities. This Indicator measures the implementation of a specific strategy for preventing or redressing negative impacts associated with activities. Ensuring the integrity of natural habitats can enhance the reputation of the organization, the stability of its surrounding natural environment and resources, and its acceptance by surrounding communities.

2. Compilation

2.1 This Indicator refers to areas in which remediation has been completed or the area is actively protected (see Definitions). Areas in which operations are still active can be counted if they conform to the definitions of 'restored' or 'protected'.

2.2 Assess the status of the area based on its condition at the close of the reporting period.

2.3 Report the size and location of all habitat protected areas and/or restored areas (in hectares), and whether the success of the restoration measure was/is approved by independent external professionals. If the area is larger than one km², report in km².

2.4 Report whether partnerships exist with third parties to protect or restore habitat areas distinct from where the organization has overseen and implemented restoration or protection measures.

MMSS commentary:

2.5 Report on the use of biodiversity offsets as part of the overall policy and approach to habitat protection and restoration.

3. Definitions

Area restored

Areas that were used during or affected by operational activities, and where remediation measures have either restored the environment to its original state or to a state where it is a healthy and functioning ecosystem.

Area protected

Areas that are protected from any harm during operational activities, and the environment remains in its original state with a healthy functioning ecosystem.

4. Documentation

Information on protected areas can be found in the documentation of the organization's environmental management system, site plans, environmental and social impact assessments, or organizational policies.

Information on land restoration (i.e., requirements for land restoration) can be found in lease, rent, or purchase contracts of the land, or in environmental and social impact assessments or risk registers.

5. References

None.

Category: Environmental
Aspect: Biodiversity

EN14 Strategies, current actions, and future plans for managing impacts on biodiversity.

1. Relevance

Performance against biodiversity policies, objectives, and commitments depends on having structured programs in place for managing impacts. The presence and structure of programs is particularly important when national regulations do not provide clear reference points for an organization planning its biodiversity management.

This Indicator enables both internal and external stakeholders to analyze how well the reporting organization's strategies, current actions, and future plans address potential impacts on biodiversity. The quality of the organization's approach to managing impacts on biodiversity (as identified in EN11 and EN12) will affect its exposure to risks such as reputational damage, fines, or rejection of planning or operating permissions. Actions to protect or restore habitats and species are of particular relevance.

2. Compilation

2.1 If national regulations have influenced the specific strategies, actions, or plans reported under this Indicator, this should be noted.

2.2 Report the organization's strategy for achieving its policy on biodiversity management including:

- Integration of biodiversity considerations in analytical tools such as environmental site impact assessments;
- Methodology for establishing risk exposure to biodiversity;
- Setting specific targets and objectives;
- Monitoring processes; and
- Public reporting.

MMSS commentary:

Disclosures on biodiversity management approaches can include the use of 'ecosystems goods and services' value analyzes. (See Annex for sources of information on ecosystems goods and services value.)

2.3 Report actions underway to manage biodiversity risks identified in EN11 and EN12, or plans to undertake such activities in the future.

3. Definitions

None.

4. Documentation

Information on programs and targets can be found in management guidelines or obtained from the organization's Environmental Management System, Environmental and Social Impact Assessments, Corporate Social Responsibility policies, or Risk Registers.

5. References

None.

INDICATOR PROTOCOL

Category: Environmental
Aspect: Biodiversity

MM1 Amount of land (owned or leased, and managed for production activities or extractive use) disturbed or rehabilitated.

1. Relevance

Mining companies can own or hold licenses over very large areas of land. Often, the extraction sites, infrastructure, or other production activities may disturb a small proportion of that land holding. The impact on habitats and biodiversity is therefore more accurately assessed against the amount of land disturbed, and by the amount of land returned to licensed beneficial use, and by the impacts on ecosystems value and services.

2. Compilation

Report the following data:

2.1 This indicator should be reported in hectares.

2.2 This indicator refers to land disturbed by the company's operations.

2.3 This indicator refers to land that is owned or leased and is being managed for production activities or extractive use.

2.4 Report the following data:

- Total land disturbed and not yet rehabilitated (A: opening balance);
- Total amount of land newly disturbed within the reporting period (B);
- Total amount of land newly rehabilitated within the reporting period to the agreed upon end use (C);
- Total land disturbed and not yet rehabilitated ($D = A + B - C$; closing balance).

The above set of figures allows the reader to assess both the stock of land disturbed and the annual changes.

3. Definitions

Disturbance may include both physical and chemical alteration to land as a result of operations.

Agreed end use: use to which land is returned upon completion of rehabilitation, as a result of negotiation with affected parties where appropriate. 'Agreed use' does not necessarily mean returning land to its prior condition, as post-mining end use may result in a changed state (such as flooded open-cast workings creating wetland habitat).

4. Documentation

Sources of information will include the company's land holdings data (purchases and leases) together with site-level records of land management.

5. References

INDICATOR PROTOCOL

Category: Environmental
Aspect: BIODIVERSITY

MM2 The number and percentage of total sites identified as requiring biodiversity management plans according to stated criteria, and the number (percentage) of those sites with plans in place.

1. Relevance

Mining operations have the potential to impact biodiversity in various ways and to various degrees depending on the location of the operation, and the sensitivity and value of the area. These interactions and the resultant opportunities and risks need to be assessed and effectively managed.

The organization-wide approach to biodiversity management can be stated in the Environment DMA and in Indicator EN14. This indicator will provide information on how this approach is translated into decisions on whether, and to what degree, a specific site requires a Biodiversity Management Plan (BMP) and thus indicates how an organization assesses biodiversity management priorities.

Data on the number of sites requiring BMPs will indicate the extent to which the company is operating in biodiversity sensitive areas and the level to which the company is managing associated risks and opportunities. The degree of coverage of such sites with active BMPs will indicate the company's progress in protecting and enhancing functioning eco-systems.

2. Compilation

2.1 Identify the total number of sites. Sites reported under EN11 (i.e. those located in or adjacent to high biodiversity value areas) should be included in this reporting.

2.2 Report criteria for deciding that a BMP is required. For the purposes of this indicator, a BMP would be considered to be a plan that covered most of the following:

- Scale of impact
- Sensitivity of the area
- Local community use of biodiversity
- Ecosystems services provided by the local environment – e.g. wetlands (water purification, carbon sequestration), etc
- Cultural relevance
- Protected status (or proximity to protected areas)
- Iconic species or red listed species
- Potential post closure use
- Business case/risk aspects

2.3 Report the number (and percentage) of total sites that have been assessed under the criteria as in need of a BMP.

2.4 Of the number of sites in need of a BMP, report the number (and percentage) that have a BMP in place and operational.

3. Definitions

Biodiversity management plan (BMP): A plan to ensure the protection and enhancement of the habitats and biodiversity of an area.

4. Documentation

5. References

- IFC Performance Standard 6 on Biodiversity Conservation and Sustainable Natural Resource Management

INDICATOR PROTOCOL

Category: Environmental
Aspect: Emissions, Effluents and Waste

EN20 NO_x, SO_x, and other significant air emissions by type and weight.

1. Relevance

This Indicator measures the scale of the organization's air emissions and can demonstrate the relative size and importance of these emissions compared to other organizations.

Air pollutants have adverse effects on habitats and human and animal health. Deterioration of air quality, acidification, forest degradation, as well as public health concerns has led to local and international regulations to control air emissions. Reductions in regulated pollutants lead to improved health conditions for workers and neighboring communities. Reductions or demonstrated performance beyond compliance can enhance relations with affected communities and workers, and the ability to maintain or expand operations. In regions with emission caps, the volume of emissions also has direct cost implications for the organization.

2. Compilation

2.1 Identify significant air emissions and calculate their weight.

MMSS commentary:
Include emissions from both major mobile sources and on-site stationary sources.

2.2 Since calculating certain air emissions such as NO_x requires complex quantification efforts, indicate the methodology used for calculations, selecting one of the following approaches:

- Direct measurement of emissions (e.g., online analyzers, etc.)
- Calculation based on site specific data
- Calculation based on default data; or
- Estimation (if estimations are used due to a lack of default figures, indicate on what basis figures were obtained).

2.3 Report the weight of significant air emissions (in kilograms or multiples such as tonnes) for each of the following categories:

- NO_x
- SO_x
- Persistent organic pollutants (POP)
- Volatile organic compounds (VOC)
- Hazardous air pollutants (HAP)
- Stack and fugitive emissions
- Particulate matter (PM); or
- Other standard categories of air emissions identified in regulations.

3. Definitions

Significant air emissions

Air emissions that are regulated under international conventions and/or national laws or regulations, including those listed on environmental permits for the reporting organization's operations.

4. Documentation

Information can be drawn from emissions measurements, calculated from accounting data and defaults, or estimated.

5. References

- Geneva Protocol to the Convention on Long-Range Transboundary Air Pollution, 1979.
- Helsinki Protocol to the Convention on Long-Range Transboundary Air Pollution, 1985.
- Rotterdam Convention on the Prior Informed Consent (PIC) Procedure, 1998.
- Stockholm Convention on Persistent Organic Pollutants (POPs) (Annex A, B, and C), 2001.
- Sofia Protocol to the Convention on Long-Range Transboundary Air Pollution, 1988.
- Gothenburg Protocol to the 1979 Convention on Long-Range Transboundary Air Pollution to abate acidification, eutrophication, and ground-level ozone.

INDICATOR PROTOCOL

Category: Environmental
Aspect: Emissions, Effluents and Waste

EN22 Total weight of waste by type and disposal method.

1. Relevance

Data on waste generation figures over several years can indicate the level of progress the organization has made toward waste reduction efforts. It can also indicate potential improvements in process efficiency and productivity. From a financial perspective, the reduction of waste contributes directly to lower costs for materials, processing, and disposal.

Information about the disposal destination reveals the extent to which a reporting organization has managed the balance between disposal options and uneven environmental impacts. For example, land filling and recycling create very different types of environmental impacts and residual effects. Most waste minimization strategies emphasize prioritizing options for recovery, reuse, or recycling over other disposal options, wherever possible.

2. Compilation

- 2.1 Identify the amount of waste created by the organization's operations, by:
- Hazardous waste (as defined by national legislation at the point of generation); and
 - Non-hazardous waste (all other forms of solid or liquid waste excluding wastewater).

MMSS commentary:

Indicator EN22 refers to site waste, e.g., waste oils, spent cell lining, office, canteen and camp waste, scrap steel, tyres and construction waste.

Large-volume mining and mineral processing waste should be reported under MM3

- 2.2 If no weight data are available, estimate the weight using available information on waste density and volume collected, mass balances, or similar information.
- 2.3 Report the total amount of waste in tonnes by type as identified in 2.1 for each of the following disposal methods:
- Composting;
 - Reuse;
 - Recycling;
 - Recovery;
 - Incineration (or use as fuel);
 - Landfill;
 - Deep well injection;
 - On-site storage; and

- Other (to be specified by the reporting organization).
- 2.4 Report how the method of disposal has been determined:
- Disposed directly by the reporting organization or otherwise directly confirmed;
 - Information provided by the waste disposal contractor; or
 - Organizational defaults of the waste disposal contractor.

3. Definitions

Disposal method

The method by which waste is treated or disposed, including composting, reuse, recycling, recovery, incineration, landfill, deep well injection, and on-site storage.

4. Documentation

Potential information sources include external waste audits by providers of disposal services or waste balance sheets from these providers, as well as internal billing and accounting systems, and the procurement or supply management department.

5. References

- Ban Amendment to the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal, 1989.
- London Dumping Convention, 1972.
- MARPOL Convention (International Convention for the Prevention of Pollution of Ships), 1973.

INDICATOR PROTOCOL

Category: Environmental
Aspect: Emissions, effluents, and waste

EN23 Total number and volume of significant spills

1. Relevance

Spills of chemicals, oils, and fuels can have significant negative impacts on the surrounding environment, potentially affecting soil, water, air, biodiversity, and human health. The systematic effort to avoid spills of hazardous materials is directly linked to the organization's compliance with regulations, its financial risk from the loss of raw materials, remediation costs, the risk of regulatory action, as well as damage to reputation. This Indicator also serves as an indirect measure for evaluating the monitoring skills of the organization.

2. Compilation

(A) MMSS commentary:
Spillage incidents where the emergency planning procedures have been invoked will also be recorded under MM11.

2.1 Identify all recorded significant spills and the volume of these spills.

2.2 Report the total number and total volume of recorded significant spills.

(B) MMSS commentary:
Include spillage of tailings, slimes, or other significant process materials.

(C) MMSS commentary:
Report follow-up to incidents including a description of actions taken to reduce number and seriousness of spills, even at a level before emergency procedures are required.

2.3 For spills that were reported in the organization's financial statement, report the additional following information for each such spill:

- Location of spill
- Volume of spill; and
- Material of spill, categorized by:
 - Oil spills (soil or water surfaces)
 - Fuel spills (soil or water surfaces)
 - Spills of wastes (soil or water surfaces)
 - Spills of chemicals (mostly soil or water surfaces)
 - Other.

2.4 Report the impacts of significant spills.

3. Definitions

Spill

Accidental release of a hazardous substance that can affect human health, land, vegetation, water bodies, and ground water.

Significant spill

All spills that are included in the reporting organization's financial statement (e.g., due to resulting liabilities) or recorded as a spill by the reporting organization.

4. Documentation

Potential information sources regarding spills of fuel, oils, and chemicals can be internal records within an existing environmental management system as well as official statements made to/by the relevant environmental regulatory agency.

5. References

INDICATOR PROTOCOL

Category: Environmental
Aspect: EMISSIONS, EFFLUENTS, AND WASTE

MM3 Total amounts of overburden, rock, tailings, and sludges presenting potential hazards.

1. Relevance

The mining sector deals with large quantities of material as a result of its extractive activities. Non-product materials (overburden) have to be removed to give access to product-bearing material (ores), which are processed, physically or chemically, to release them from their matrix and convert them into output products. Waste material can be generated at any or all of these stages, whether it be overburden, waste rock or processing tailings, slags, sludges, slimes or other process residues. These residues may be disposed of in a variety of different ways: in pits or underground; on site in engineered facilities; or off site.

Reporting on the presence, location (country level), quantities and the associated risk assessment regimes can indicate a company's ability to manage risks and mitigate any potential consequences.

2. Compilation

2.1 This indicator should be reported as tonnes.

2.2 Quantities that are hazardous should be reported.

2.3 When collecting hazardous waste data for reporting, the reporting organization should use the definitions contained in the regulations which apply to the site.

2.4 The relevance of whether specific types of waste should be reported will be determined by risk assessment. The combination of waste material and disposal location may define the hazard; for example, acid generating rock materials may leach acid products into water systems; inert materials may blanket ecosystems if disposed of in inappropriate settings; poorly engineered or maintained impoundments may give rise to toxic spills or structural failures.

2.5 Report the total amounts of overburden, rock, tailings, and sludges presenting potential hazards.

3. Definitions

4. Documentation

Information on quantities will be available from site production data. Hazard identification may be available from site risk assessments.

5. References

INDICATOR PROTOCOL

Category: Labor Practices and Decent Work
Aspect: Labor/Management Relations

MM4 Number of strikes and lock-outs exceeding one week's duration, by country

1. Relevance

Strikes and lockouts are indicative of a serious breakdown in labor/management relations, and a suspension of consultative processes. Data on the occurrence of such industrial incidents can convey a useful measure of the state of labor/management relations, and the direction of its progression over time. It will need to be set against the context of any limitations set by local legislation, and be benchmarked against norms for inter-country, inter-industry, and inter-sectoral comparisons.

2. Compilation

2.1 Identify the strikes exceeding one week's duration, by country.

2.2 Identify lockouts exceeding one week's duration, by country.

2.3 Report the total number of strikes and lock-outs that exceeded one week's duration during the reporting period, by country.

3. Definitions

Strike:

A work stoppage caused by the mass refusal by employees to perform work, usually in response to employee grievances.

Lockout:

A form of work stoppage in which an employer refuses to allow employees to work, often as a counter to a strike.

4. Documentation

Information may be collated from Human Resources records at operating site level.

5. References

INDICATOR PROTOCOL

Category: Labor Practices and Decent Work
 Aspect: Occupational Health and Safety

LA7 Rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities by region.

1. Relevance

Health and safety performance is a key measure of an organization's duty of care. Low injury and absentee rates are generally linked to positive trends in staff morale and productivity. This Indicator will show whether health and safety management practices are resulting in fewer occupational health and safety incidents.

2. Compilation

- 2.1 This Indicator should provide a regional breakdown for the following:
- The total workforce (i.e., total employees plus supervised workers); and
 - Independent contractors working on-site to whom the reporting organization is liable for the general safety of the working environment.
- 2.2 Since some reporting organizations include minor (first-aid level) injuries in their data, indicate whether such injuries are included or excluded.
- 2.3 In calculating 'lost days' indicate:
- Whether 'days' means 'calendar days' or 'scheduled work days'; and
 - At what point the 'lost days' count begins (e.g., the day after the accident or 3 days after the accident).
- 2.4 Report injury, occupational diseases, lost days, and absentee rates in the reporting period using the following formulas by region:

Injury rate (IR)

$$IR = \frac{\text{Total \# of injuries}}{\text{Total hours worked}} \times 200,000$$

Note: The injury rate should capture fatalities.

Occupational diseases rate (ODR)

$$ODR = \frac{\text{Total \# of occupational disease cases}}{\text{Total hours worked}} \times 200,000$$

Lost day rate (LDR)

$$LDR = \frac{\text{Total \# of lost days}}{\text{Total hours worked}} \times 200,000$$

Absentee rate (AR)

$$AR = \frac{\text{Total \# of missed (absentee) days over the period}}{\text{Total \# of workforces days worked for same period}} \times 200,000$$

Note: The factor 200,000 is derived from 50 working weeks @ 40 hours per 100 employees. By using this factor, the resulting rate is related to the number of employees, not the number of hours.

- 2.5 Report fatalities in the reporting period using an absolute number, not a rate.

MMSS Commentary:

Provide a description of each accident resulting in a fatality, and actions taken following the accident. These may be aggregated where the causes of accidents or the actions taken are similar.

- 2.6 Report the system of rules applied in recording and reporting accident statistics. The 'ILO Code of Practice on Recording and Notification of Occupational Accidents and Diseases' was developed for the reporting, recording, and notification of workplace accidents. Where national law follows the ILO recommendations, it is sufficient to state that fact and that practice follows the law. In situations where national law does not comply, indicate which system of rules it applies and their relationship to the ILO code.

3. Definitions

Injury

A non-fatal or fatal injury arising out of or in the course of work.

Injury rate

The frequency of injuries relative to the total time worked by the total workforce in the reporting period.

Occupational disease

A disease arising from the work situation or activity (e.g., stress or regular exposure to harmful chemicals), or from a work-related injury.

Occupational disease rate

The frequency of occupational diseases relative to the total time worked by the total workforce in the reporting period.

Lost day

Time ('days') that could not be worked (and is thus 'lost') as a consequence of a worker or workers being unable to perform their usual work because of an occupational accident or disease. A return to limited duty or alternative work for the same organization does not count as lost days.

Lost day rate

The impact of occupational accidents and diseases as reflected in time off work by the affected workers. It is expressed by comparing the total lost days to the total number of hours scheduled to be worked by the workforce in the reporting period.

Absentee

An employee absent from work because of incapacity of any kind, not just as the result of work-related injury or disease. Permitted leave absences such as holidays, study, maternity/paternity, and compassionate leave are excluded.

Absentee rate

Refers to a measure of actual absentee days lost as defined above, expressed as a percentage of total days scheduled to be worked by the workforce for the same period.

Fatality

The death of a worker occurring in the current reporting period, arising from an occupational injury or disease sustained or contracted while in the reporting organization's employ.

4. Documentation

Employee records, employee contracts, attendance records, and accident records will provide relevant data for this Indicator.

5. References

ILO Convention 155, 'Occupational Health & Safety Convention' and Protocol 155, 1981.

ILO Code of Practice on Recording and Notification of Occupational Accidents and Diseases, 1995.

ILO Guidelines on Occupational Safety and Health Management Systems, 2001.

INDICATOR PROTOCOL

Category: Human Rights

Aspect: Freedom of Association and Collective Bargaining

HR5 Operations identified in which the right to exercise freedom of association or collective bargaining may be at significant risk, and actions taken to support these rights.

1. Relevance

Inherent in the right to freedom of association and collective bargaining is the protection of the right of workers (and employers) to organize collectively in organizations of their own choice. The Right to Freedom of Association is a fundamental provision of the UN Universal Declaration of Human Rights and is defined by ILO Core Conventions 87 & 98.

This Indicator aims to reveal actions that the reporting organization has taken to evaluate whether opportunities exist for workers to exercise their rights to freedom of association and collective bargaining. It also aims to reveal actions that have been taken to support these rights across the organization's range of operations. This Indicator does not require the reporting organization to express a specific opinion on the quality of national legal systems.

2. Compilation

2.1 Identify operations in which employee rights to exercise freedom of association or collective bargaining may be at risk. The process of identification should reflect the organization's approach to risk assessment on this issue and can draw from recognized international data sources such as ILO reports (yearly report of ILO Committee of Experts on the implementation of ratified conventions and recommendations, as well as the Governing Body's reports on freedom of association).

2.2 Report operations identified in which employee rights to exercise freedom of association or collective bargaining may be at risk either in terms of:

- Type of operations (e.g., manufacturing plant); or
- Countries or geographical areas with operations considered at risk.

2.3 Report on any measures taken by the organization in the reporting period intended to support rights to freedom of association and collective bargaining. See the ILO Tripartite Declaration and OECD Guidelines for further guidance.

MMSS Commentary:

Report how the organization's freedom of association policy is implemented in practice.

3. Definitions

Freedom of association

Workers and employers may establish and join organizations of their own choosing without the need for prior authorization.

4. Documentation

Potential information sources include the reporting organization's legal, compliance, and human resources departments.

5. References

ILO Convention 87, 'Freedom of Association and Protection of the Right to Organise Convention', 1948.

ILO Convention 98, 'Right to Organise and Collective Bargaining Convention', 1949.

United Nations Universal Declaration of Human Rights, 1948.

International Covenant on Economic, Social and Cultural Rights, 1966.

INDICATOR PROTOCOL

Category: Human Rights

Aspect: INDIGENOUS RIGHTS

MM5 Total number of operations taking place in or adjacent to Indigenous Peoples' territories, and number and percentage of operations or sites where there are formal agreements with Indigenous Peoples' communities.

1. Relevance

The remote locations of mining operations have often brought mining companies into contact with Indigenous Peoples. The IFC's Performance Standard 7 (pertaining to Indigenous Peoples) ILO Convention 169 and the UN Declaration on the Rights of Indigenous Peoples have focused increased public attention on corporate performance in relation to Indigenous communities. This indicator measures the level of risk associated with a company's exposure in operating on or near territory claimed by Indigenous communities and the extent to which that risk is managed through formalized agreements recognized by all parties. Key stakeholders including investors, lenders and Indigenous Peoples themselves are increasingly interested in policies on free, prior and informed consent.

2. Compilation

2.1 'Adjacent' refers to land physically contiguous to the operating site.

2.2 'Formal agreements' refer to written agreements or other agreements that are recognized by the appointed leaders of the community.

2.3 If a site impinges upon a number of different indigenous communities, then the status of the agreement reached with each should be reported.

2.3 Report the number of sites on or adjacent to Indigenous territories and the percentage of production and/or reserves represented by these operations.

2.4 Report the number or percentage of these sites covered by formal benefit agreements or community development plans with Indigenous communities.

2.5 Report on significant disputes under existing agreements, and steps taken to resolve the disputes.

3. Definitions

Indigenous territories

Areas in which Indigenous Peoples hold title to land, or have filed formal land claims or have long standing land tenure, including areas where ownership is claimed by multiple parties.

4. Documentation

Potential information sources include the government identified areas of Indigenous territories and areas claimed by Indigenous Peoples; the reporting organizations agreements reached with Indigenous Peoples and the company's policies and procedures pertaining to free, prior and informed consent.

5. References

- International Finance Corporation Performance Standard 7 (Indigenous Peoples) April 30, 2006
- ILO Convention (169) Concerning Indigenous and Tribal Peoples in Independent Countries, 1991
- UN Declaration on the Rights of Indigenous Peoples, 2007

INDICATOR PROTOCOL

Category: Society
Aspect: Community

SO1: Nature, scope, and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting.

1. Relevance

Organizational operations such as entering, operating, and exiting have a number of significant impacts on the sustainability of a specific area. Indicators in the GRI Framework, such as environmental emissions or economic data, will offer an overall picture of these positive and negative impacts, but may not be able to break them down to the level of individual communities or geographic areas. As such, it is important to have a measure that reflects the approach used by the organization to manage its impacts, both negative and positive, systematically across the range of communities in which it operates.

(A) MMSS Commentary:

Reporting on systematic approaches to community participation is of particular importance for the extractive industry, which can often become a significant presence – in economic, social and environmental terms – in communities that may otherwise be poor, small, remote, or under-developed.

In that sense, reporting can usefully disclose how companies act to mitigate negative impacts, and contribute to local development, and how consultation processes ensure that the assessments of impact and the valuations of benefit properly reflect local views.

Reporting on the extent to which community participation processes are socially inclusive and which ensure the engagement with women or disadvantaged groups can indicate a company's ability to manage relationships with groups that otherwise might not benefit from its operations (a social responsibility aspect) or which can oppose operations if they do not feel that they are treated equitably (a risk mitigation aspect).

Reporting on community engagement processes is also valuable when it describes how wider and more indirect public benefits are provided (as may be reported in Indicator EC8), and can be indicative of a company's approach to building broad-based relationships with a local community, not just the direct beneficiaries.

Stakeholders are interested in the robustness of the approach the organization applies to managing the impacts it has on a community. Thus, having reliable management systems in place can enhance the brand and reputation of the organization as a potential partner. It also simultaneously strengthens the ability of organizations to maintain existing operations and to initiate new ones.

2. Compilation

2.1 Report whether there are programs in place for assessing the impacts of operations on local communities:

- Prior to entering the community
- While operating in the community
- While making decisions to exit the community

(B) MMSS commentary:

Issues for particular consideration include:

- Community economic development planning processes, including sources of community income, community access to services and social infrastructure, access to capital and natural resources, and access to further education and skills training
- Co-ordination with other agencies, for example on poverty alleviation and environmental conservation initiatives (which may affect access to natural resources)
- Procedures for identifying and protecting subsistence-related resources of local communities, including water, plants, and wildlife.

2.2 Report whether programs or policies define:

- How data is collected for such programs, including by whom; and
- How to select community members (individual or group) from whom information will be gathered.

2.3 Report the number and percentage of operations to which the programs apply.

2.4 Report whether the organization's programs for managing community impacts have been effective in mitigating negative impacts and maximizing positive impacts, including the scale of persons affected.

2.5 Report examples of how feedback and analysis of data on community impacts have informed steps toward further community engagement on the part of the reporting organization.

(C) MMSS Addition:

2.6 Report on measures in place for social inclusion, and in particular those that address gender-disadvantaged or other socially vulnerable groups. Such measures may be disclosed (for example) in corporate policies, approaches to stakeholder selection, participatory approaches in community consultation, and in assessment procedures.

3. Definitions

Impacts of operations

This refers primarily to social impacts, such as:

- Community health and safety regarding infrastructure, hazardous materials, emissions and discharges, and health and disease;

- Involuntary resettlement, physical and economic displacement and livelihood restoration; and
- Local culture, gender, indigenous peoples, and cultural heritage.

This definition excludes impacts covered by other Indicators, such as EN10 (water sources/habitats affected by water use), EN12 (areas with high biodiversity value), and LA8 (serious diseases). It also excludes voluntary contributions (in-kind and cash) to communities.

(D) Social inclusion:

Social inclusion describes the active engagement with groups which might be systematically disadvantaged because they are discriminated against on the basis of their ethnicity, race, religion, sexual orientation, caste, descent, gender, age, disability, HIV status, migrant status or where they live.

4. Documentation

Potential information sources include organizational policies and procedures, results of data collection from community programs, and analysis results of external stakeholder forums, joint community committees, stakeholder reports, and other inputs.

Both internal and external sources and references should be used.

5. References

None.

INDICATOR PROTOCOL

Category: Society
Aspect: COMMUNITY

MM6A Number and description of significant disputes relating to land use, customary rights of local communities and indigenous peoples.

1. Relevance

Extractive industries are highly dependent on stable access to land and natural resources. Land and related customary resources are of fundamental importance to local communities and indigenous peoples since they constitute the basis of their economic livelihood and are the source of their spiritual, cultural and social identity. Access to land and resources therefore often becomes a point of conflict between company facilities and local communities if management processes are not put in place to effectively assess and manage, if not prevent, the conflict.

The number of recorded incidents relating to land and other related resources provides information about the implementation of an organization's policies. This information will help indicate the state of relations with local stakeholder communities, particularly in regions where indigenous people reside or have interests near operations of the reporting organization.

2. Compilation

2.1 Identify significant disputes relating to land or resource use of local communities and indigenous peoples associated with current, planned or proposed future operations of the reporting organization. The criteria for classifying disputes as 'significant' should be reported.

2.2 Report the number of these disputes, and describe their nature.

3. Definitions

Indigenous peoples

Indigenous peoples are those whose social, cultural, political, and economic conditions distinguish them from other sections of the dominant national community, or who are regarded as indigenous on account of their descent from the populations which inhabited the country, or a geographical region to which the country belongs, at the time of conquest or colonization or the establishment of present state boundaries and who, irrespective of their legal status, retain some or all of their own social, economic, cultural, and political institutions.

4. Documentation

Potential information sources include the reporting organization's operating procedures and guidelines on the issue. Other information may be supplied by country managers and by legal specialists of the reporting organization.

5. References

- ILO Convention (169) Concerning Indigenous and Tribal Peoples in Independent Countries, 1991.

INDICATOR PROTOCOL

Category: Society
Aspect: COMMUNITY

MM6B The extent to which grievance mechanisms were used to resolve disputes relating to land use, customary rights of local communities and indigenous peoples, and the outcomes.

1. Relevance

This indicator is paired with MM6A.

The existence and use of grievance mechanisms can disclose the extent to which a company has made preparations for the resolution of disputes with local communities, and the outcomes of their use can indicate their effectiveness.

2. Compilation

- 2.1 Refer to the disputes relating to land or resource use of local communities and indigenous peoples as reported in MM6A .
- 2.2 Report the status of the disputes and actions taken, including the use and outcome of any grievance procedures.

3. Definitions

4. Documentation

Potential information sources include the reporting organization's operating procedures and guidelines on the issue. Other information may be supplied by country managers and by legal specialists of the reporting organization. Where relevant grievance procedures exist, they may record relevant incidents.

5. References

- ILO Convention (169) Concerning Indigenous and Tribal Peoples in Independent Countries, 1991.

INDICATOR PROTOCOL

Category: Society
Aspect: Artisanal and small-scale mining

MM7 Number (and percentage) of company operating sites with artisanal and small-scale mining (ASM) taking place on, or adjacent to, the site; describe the associated risks and the actions taken to manage and mitigate these risks.

1. Relevance

Artisanal and small-scale mining can have negative impacts on both the environment and the health and safety of those involved. At the same time, ASM can provide an important source of livelihood for many communities. The context in which ASM exists can provide significant risk to companies. This indicator provides insight into how the company manages risks associated with ASM, such as:

- Environmental risks (e.g. mercury and cyanide pollution, dumping of tailings into river systems)
- Social issues, including potential conflict over land access and with security teams
- Hazards to health.

2. Compilation

2.1 Identify where ASM takes place on or adjacent to company sites, and presents risks to the company's operations.

2.2 Report these sites as a number and as a percentage of the company's total operating sites.

2.3 Report the nature of the risks and the actions taken to manage and mitigate them.

3. Definitions

Artisanal and small-scale mining

Whilst there is no internationally accepted definition of ASM, the broad distinction is made between artisanal mining which may involve only individuals or families, and small-scale mining which may be more extensive and more mechanized. They may both share some or all of the following characteristics:

- Exploitation of small or marginal deposits
- Low capital input
- Labor-intensive
- Poor access to markets and support services
- Low standards of occupational health and safety
- Significant environmental impact

4. Documentation

ESIA and risk assessments, stakeholder engagement registers, community development plans, etc.

5. References

INDICATOR PROTOCOL

Category: Society
Aspect: Resettlement

MMS List sites where resettlements took place, the number of households resettled in each, and how their livelihoods were affected in the process.

1. Relevance

The establishment of mining operations may involve the displacement and resettlement of people. Whether voluntary or involuntary, potential impacts may include: loss of productive land, loss of employment and income, loss of housing, loss of access to common resources and public services, and social fragmentation.

2. Compilation

2.1 Identify sites where resettlement of a community occurred.

2.2 Report the number of households involved in any resettlement programme. If available, the number of individuals can also be reported.

2.3 Report the measures put in place to re-establish the affected community, to mitigate any impacts of relocation, and the outcome of the measures upon livelihoods, including sustainable land use.

3. Definitions

Sustainable land use

Long-term patterns of land use for agricultural or other productive use that maintain and do not deplete both natural resource systems and biological ecosystems.

4. Documentation

Potential information sources include organizational policies and procedures, and country or site level reports.

5. References

World Bank Operational Policy on Involuntary Resettlement (OP 4.12, December 2001)

INDICATOR PROTOCOL

Category: Society
Aspect: Closure

MM9 Number and percentage of operations with closure plans.

1. Relevance

The withdrawal or closure of mining operations will have considerable potential impacts on the workforce, the wider community, the local economy and the environment. 'Closure' may take many forms; it may be sudden or progressive; it may leave behind residual operations or it may represent a complete withdrawal.

Whilst an operation may have a closure plan, the nature and content of the plan may vary with the different stages of a mining operation's life cycle; from conceptual at the outset to more detailed and practical as the planned closure stage approaches. Plans may cover social (including labor transition), environmental (including land use, biodiversity or ecosystem service value aspects) and economic aspects. This indicator seeks disclosure of the extent to which operational sites have associated closure plans; the impacts of actual closure upon the environment and upon communities may be recorded under Indicators EN12 and SO1 respectively.

2. Compilation

2.1 Identify company operations that have closure plans.

2.2 Identify the company's total number of operations.

2.3 Report the number of company operations that have closure plans, and the percentage of the company's total number of operations.

3. Definitions

Labor transition plans

The arrangements made by a company to assist the established workforce to manage the progressive transition to post-closure phase of operations (which may include aspects such as re-deployment, assistance with re-employment, resettlement, redundancy etc.)

4. Documentation

5. References

INDICATOR PROTOCOL

Category: Society

Aspect: Grievance mechanisms and procedures

MM10: Significant incidents involving communities in which grievance mechanisms have been invoked to address them, together with their outcomes.

1. Relevance

Many aspects of a mining operation's relationships with its local community depend upon adequate communication and consultation processes, deployed in a timely manner. When these relationships are put under strain, through an incident or any other cause for grievance, previously-agreed mechanisms become important in resolving the grievance and restoring relationships. Reporting on the occasions in which grievance mechanisms are deployed, together with their outcomes, provides information on a company's ability to prepare for and deal with challenges to community relationships.

2. Compilation

2.1 Report how 'significance' is defined; for example by reference to the organization's 'consequence/severity' matrix

2.2 Report incidents resulting from company operations during the reporting period.

2.3 Report incidents affecting the project arising from community objections

2.4 Note that specific incidents and the use of related grievance mechanisms may also be reported under MM5 (indigenous rights), MM6 (land use and customary rights)

3. Definitions

None

4. Documentation

5. References

- IFC Performance Standard 1: Social and Environmental Impact Assessment and Management Systems

INDICATOR PROTOCOL

Category: Society
Aspect: Emergency Preparedness

MM11 Number and description of incidents affecting employees, communities, or the environment in which emergency preparedness procedures were activated.

1. Relevance

Mining and metals activities may involve large-scale and complex processing operations, involving large volumes of materials and a range of process chemicals. The processing and storage of these materials have associated risks, not only during a site's operational life but which may persist after closure. An emergency preparedness plan may form part of the risk management process where there is a risk of sudden and widespread impacts affecting employees, communities, or the environment.

2. Compilation

2.1 Report number and description of incidents resulting from company operations during the reporting period which required the implementation of emergency preparedness procedures.

3. Definitions

4. Documentation

5. References

United Nations Environment Programme APELL (Awareness and Preparedness for Emergencies at Local Level) Programme.

INDICATOR PROTOCOL

Category: Society
Aspect: Compliance

S08 Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.

1. Relevance

The level of non-compliance within the organization helps to indicate the ability of management to ensure that operations conform to certain performance parameters. From an economic perspective, ensuring compliance helps to reduce financial risks that occur either directly through fines or indirectly through impacts on reputation. The strength of an organization's compliance record can also affect its ability to expand operations or gain permits.

Indicators EN28 and PR9 address compliance with specific aspects of law. An organization's overall record of compliance with the range of laws under which it must operate is equally of interest. This Indicator is intended to reflect significant fines and non-monetary sanctions under laws or regulations not covered by EN28 and PR9, such as laws and regulations related to accounting fraud, workplace discrimination, corruption, etc.

2. Compilation

2.1 Identify administrative or judicial sanctions levied against the organization for failure to comply with laws or regulations, including:

- International declarations/conventions/treaties, and national, sub-national, regional, and local regulations, and
- Cases brought against the organization through the use of international dispute mechanisms or national dispute mechanisms supervised by government authorities.

2.2 Report significant fines and non-monetary sanctions in terms of:

- Total monetary value of significant fines;
- Number of non-monetary sanctions; and
- Cases brought through dispute resolution mechanisms.

2.3 Where the reporting organization has not identified any non-compliance with laws or regulations, a brief statement to this fact is sufficient.

2.4 Organizations are encouraged to report fines and non-monetary sanctions in terms of the focus of laws.

MMSS Commentary:

2.5 Report a summary of judgments made against the organization in the areas related to health and safety and labor laws.

3. Definitions

None.

4. Documentation

Data sources include audit results or regulatory tracking systems operated by the legal department. Information regarding monetary fines can be found in accounting departments.

5. References

None.

INDICATOR PROTOCOL

Category: Product Responsibility
Aspect: MATERIALS STEWARDSHIP

MM12 Programmes and progress relating to materials stewardship.

1. Relevance

The mining and metals industry is generally characterized by long and complex production chains employing a high volume of materials. This presents opportunities for improving efficiencies and sustainability throughout procurement, production, use, and disposal processes. It also implies a high level of responsibility for materials life cycles.

2. Compilation

2.1 Identify programmes related to materials stewardship including activities such as:

- Communications of materials and product-related information to users up and down the value chain.
- Overall approach to, and progress with, use of Life-cycle Assessment (LCA) to improve processes and products.
- Processes for assessing the eco-efficiency and sustainability attributes of products (e.g., recyclability, material use, energy use, toxicity, etc.)
- Collaborative efforts with groups such as product designers, manufacturers, consumers, local authorities, etc.
- Support of scientific research activities.

2.2 Report programmes and progress related to materials stewardship.

3. Definitions

Eco-efficiency

Economically and environmentally efficient; the production of economically valuable goods and services while reducing the ecological impacts of production by using fewer resources and creating less waste and pollution.

Materials Stewardship

includes process and product stewardship

Industrial ecology

Industrial ecology is an interdisciplinary framework for designing and operating industrial systems as living systems interdependent with natural systems. It seeks to balance environmental and economic performance within an understanding of local and global ecological constraints.

4. Documentation

5. References

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Working Group members

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Annex: Further definitions and references

These definitions and references do not have their origin in internationally-adopted documents, conventions or protocols as those cited as formal references in the main text; they may however be useful sources of guidance to reporters when compiling indicators.

EN14 References for ecosystem goods and services:

- The Convention on Biological Diversity
- Millennium Ecosystem Assessment
- ICMM Good Practice Guidance for Mining and Biodiversity
- World Business Council on Sustainable Development
- Corporate Ecosystem Services Review (World Resources Institute)

MM2 IUCN/ICMM Good Practice Guidance for Mining and Biodiversity

MM5 ICMM Position Statement on Mining and Indigenous Peoples, May, 2008

MM7 Reference organizations:

Communities and Small Mining (CASM)

Artisanal and Small Mining (ASM)

CommDev

MM9 ICMM Planning for Integrated Mine Closure Toolkit

MM12 ICMM Best Practice Guide on Materials Stewardship ("Maximising Value")