



ESG Performance & Risk Management Handbook For Artisanal & Small-Scale Mining

Introduction

I. PURPOSE

The goal of The Impact Facility for Sustainable Mining Communities ('The Impact Facility') is to support the development of sustainable mining communities and their economies by providing small and medium-scale enterprises in mining communities with:

- access to technical assistance to strengthen organisational capacity and prepare small businesses to receive financial support and investment from outside organisations
- access to equipment and loans on fair terms for operational improvements to increase mine productivity and profitability
- access to international markets and customers paying fair prices for responsibly produced ASM minerals

The organisations that receive our support - small businesses, co-operatives and community-based organisations - require careful monitoring and active management. Poor ESG performance can present an operational and financial risk to The Impact Facility and its projects as well as a risk to reputation. Managing organisations with weak financial and internal controls may lead to losses in potential revenue or excessive expenditure, thereby compromising the long-term viability of the project. Where there is poor ESG performance, however, there is also the opportunity for improvement and for positive impact where it is most needed, not only in the organisations we support, but also in the communities and landscapes they affect. It is only through active engagement that we are able to promote change. For this reason, The Impact Facility works with its project counterparts at the operational level to improve ESG performance and minimise risk.

Although The Impact Facility's purpose is to support small and medium-scale mining enterprises [SMMEs], there will be some circumstances where The Impact Facility cannot engage, including situations where SMMEs persistently operate outside acceptable standards. Examples include instances where conflict or terrorism exist, or human rights abuses; where areas protected for ecological conservation are being degraded; or where there is little potential for change and improvement. The Impact Facility recognises, however, that the ESG performance of most rural, small-scale enterprises can be improved and that this represents a significant opportunity for positive change. Entry requirements to qualify for the program are therefore as inclusive as possible and progressive. We work with SMMEs that make good faith efforts to implement commitments to a continual improvement performance plan.

II. ENGAGING MINING COMMUNITIES

The Impact Facility operates on the principle of "leaving no-one behind"; an aim inspired by a commitment made in the UN Member States' Sustainable Development Agenda 2030. In line with this, we design and implement projects that strengthen SMMEs in mining communities - amongst the

most disadvantaged in the world - thereby promoting local economic resilience, safeguarding the environment and creating sustainable landscapes.

The Impact Facility provides technical assistance and training to SMMEs as well as equipment and access to equitable markets on fair terms. To eligible counterparts we also provide access to working capital to empower an organisation with the resources it requires to: a) improve its level of formalisation, b) reduce its environmental and social impact, and c) to operate as a profitable business.

The Impact Facility's success is measured by the impact of its projects on mining communities, their economies and the environment.

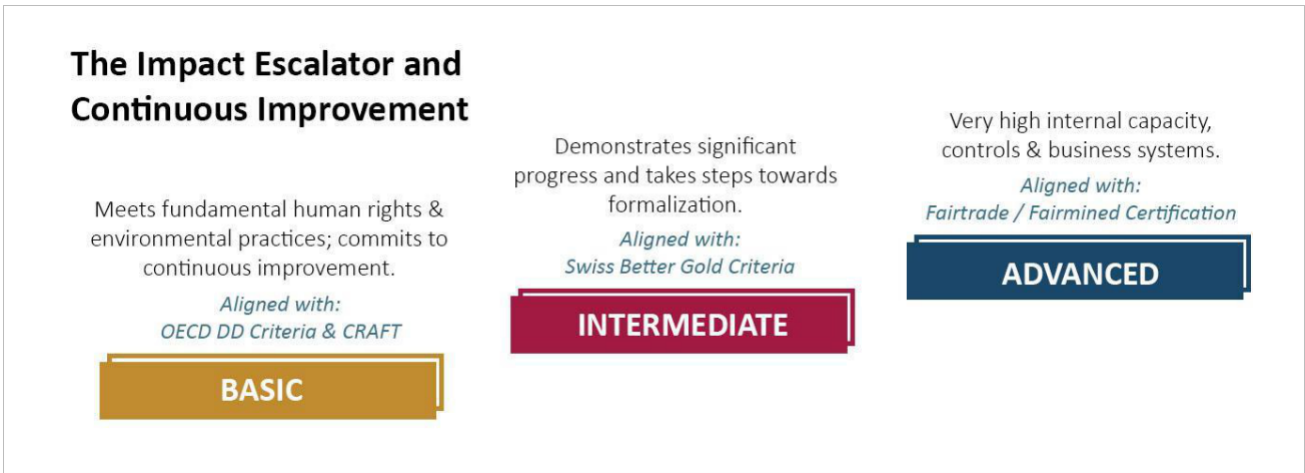
Organisations that receive our support are not exclusively mining organisations or businesses. Most often, however, The Impact Facility engages artisanal and small-scale mining organisations (ASMOs). ASMOs can best be defined by the following attributes:

- use of rudimentary tools and techniques for mining and mineral processing
a high ratio of workers to production output
- capital expenditure unlikely to exceed USD \$1 million

This ESG Management Guidance Handbook for ASM shall serve as a guide for ASMOs on their journey to responsible production.

III. THE IMPACT ESCALATOR – DRIVING CONTINUOUS IMPROVEMENT

The Impact Facility has developed a set of stepped criteria which gradually progress a SMME's ESG practices towards The Impact Facility's and down-stream industry's vision of best environmental, social and governance performance in rural small-scale enterprises. The criteria have been aligned with those of other service providers to the artisanal mining sector in order to provide incentives at every step.



The ESG criteria are designed to maximize positive impact by allowing organisations to engage at any performance level meeting or exceeding the Basic Criteria expected within the international market.

The Impact Facility's Basic Criteria screen for factors that would lead to rejection by most donors and development banks. The criteria generally align with the OECD Due Diligence Guidance for Responsible Mineral Supply Chains (OECD DD Guidance) and ARM's Code of Risk-mitigation for ASM engaging in Formal Trade better known as the CRAFT Code. When projects meet the Basic Criteria, The Impact Facility may provide technical assistance grants for training and support.

The Impact Facility's Intermediate Criteria generally align with the Swiss Better Gold Association (SBGA) criteria. Meeting the Intermediate Criteria allows The Impact Facility to negotiate sales of gold from artisanal gold mines to Swiss refiners. The Impact Facility may arrange a feeder system and broker equitable offtake agreements.

The Impact Facility's Advanced Criteria generally align with the Fairtrade and Fairmined year 0, 1, 3 and 6 criteria. This allows The Impact Facility to apply for certification from Fairtrade or Fairmined, adding market value to gold production from artisanal gold mines. This also allows artisanal gold mines to retain their Fairtrade or Fairmined certification in year 1 of their accreditation and eventually fulfil all criteria for Fairtrade or Fairmined certification securing long-term accreditation.

IV. CONTINUOUS IMPROVEMENT PLANS

Organisations differ in their capacity to achieve improvements in ESG practice therefore each enterprise receives its own personalised improvement plan based on the results of the ESG Performance Assessment. This plan deconstructs the ESG alignment stages into smaller, concrete and achievable steps, drawing a manageable path from one position to the next.

Organisational efforts to reach agreed improvement targets serve as a demonstration of good faith and allow The Impact Facility to engage and support SMMEs, e.g., by providing rental or lease equipment and free technical training. As a relationship of mutual trust emerges, organisations may apply for loan provision to receive a line of credit.

When The Impact Facility considers an investment application, it assesses an enterprise's level of progress against its historical improvement plan. Those that cannot demonstrate good faith efforts to meet their obligations may have their applications denied. Those that make satisfactory advances, however, are likely to have their applications approved and a new improvement plan agreed. The Impact Facility retains the right to terminate ongoing technical assistance or provision of credit where the investee does not show good faith efforts to meet their obligations. In this way, The Impact Facility's continual improvement plans and its underlying ESG alignment criteria are used to incentivise change.

V. ACHIEVING INDUSTRY-LEADING PRACTICES – ONE STEP AT A TIME

ESG Alignment Steps, and subsequent improvement plans, evolve strategically as an enterprise progresses towards conformity with Fairtrade or Fairmined certification, addressing issues of critical importance first.

The Basic Criteria screen for factors that prevent an organisation from being able to align with The Impact Facility's principles and vision for best practice in rural small- and medium-sized enterprises; specifically, the enterprise's involvement in or support of illegal or illicit activities, association with conflict or unauthorised operation in an area of high biodiversity.

The Intermediate Criteria tackle the most critical labour and environmental protection issues and ensure that the organisation has adequate governance to function and manage critical risks to their enterprise. The requirements take into consideration the funds available to the organisation to make changes to their business and the degree of informality of the organisation's governance.

The Advanced Criteria focus on internal improvements that an organisation can make through the procurement of more environmentally sensitive equipment, protective equipment for the safety of personnel, and by upgrading its governance e.g., by introducing basic social protection services, transparent trade, freedom of association and collective bargaining. The aim is to encourage organisations to build towards an outstanding level of practice, moving from an internal focus to an external one. This criteria ultimately challenges the organisation to actively engage with and support the surrounding communities and improve community-wide ESG practice.

VI. REFERENCES

The Impact Facility's ESG performance criteria have been formulated in alignment with leading industry standards and voluntary certification systems, including but not limited to: the Fairmined Standard for Gold from Artisanal and Small-Scale Mining, including Associated Precious Metals & the Fairtrade Standard for Gold and Associated Precious Metals for Artisanal and Small-Scale Mining, the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, the Swiss Better Gold Associations (SBGA) Sourcing Strategy as well as the World Bank's OP / BP 4.12, Involuntary Resettlement Policies, the ILO Guidance on Child Labour and the High Conservation Value Areas as defined by the HCV Network.

VII. IMPLEMENTATION & USE

This document is for project developers, capacity builders, auditors and assessors performing gap analyses on The Impact Facility's investees (small- and medium-sized mining enterprises [SMMs]). An assessment against The Impact Facility's ESG performance criteria does not result in certification but in the formulation of a customised continuous improvement plan. Progress in achieving these improvements will be monitored through quarterly self-assessments and bi-annual audits against the full ESG performance criteria.

Visible efforts to improve an organisation’s performance and to reach set targets will serve as a pre-condition for the continuation of service provision from The Impact Facility to the organisation.

VIII. TERMS AND DEFINITIONS

‘The Impact Facility’	Refers to The Impact Facility for Sustainable Mining Economies.
‘The organization’	Refers to rural, small-scale enterprises that stand to benefit from The Impact Facility’s service offering.
Artisanal mining’	A form of low-mechanised mining carried out by single or groups of miners to yield a subsistence living.

IX. QUALITY ASSURANCE

The organisations assessed will be audited against The Impact Facility’s ESG performance criteria every six months, by either second or third-party auditors. Most audits will be conducted by The Impact Facility’s local implementing partners after they have received appropriate training to conduct such audits. The integrity of these audits will be assessed at random by a third-party certification body such as FLOCERT. During the first year of collaboration every local implementing partner will be assessed at least once. Follow-up quality audits by local auditors will be conducted unannounced within the following three years.

X. PLANNED REVISION

The Impact Facility’s ESG performance criteria will be reviewed periodically as the need arises. The criteria will be updated at least every two years, building partly on public, industry and stakeholder consultations, as well as changes made to referenced standards and to real-life implementation of the ESG Performance Criteria.

ASSESSMENT PROCESS

The assessment consists of several steps that are designed to measure the organisation's progress and improvements against the full ESG performance criteria.

At least two weeks before the assessment takes place assessors should notify the organisation, discuss the scope and objectives with the management and request a list of documents that the organisation will need to make available on the day of the assessment. (See Annex 1)

For some criteria desk research is necessary, which needs to be carried out before the site visit.

During the assessment the assessor should record in a separate document the date of the assessment, the performance determination, and record any evidence / source that have informed the determination or the reason for insufficient information.

XI. STRUCTURE OF INDIVIDUAL CRITERIA

All performance criteria and policy requirements in this guidance consist of the following elements:

- **Criterion:** Specific performance requirement being checked
- **Level:** Performance level according to the Impact Escalator; either basic, intermediate or advance
- **Explanation:** further elaboration on requirements providing necessary context / interpretation
- **Data Collection Method:** Recommended method of verification (see XII for further guidance)
- **Data Collection Guidance:** Instructions for assessors regarding data capture and assessment preparation
- **Examples and Sources of Evidence:** Non-exhaustive list of potential sources for evidence
- **Performance Determination:** Guidance to evaluation of performance: meets, partially meets or misses (see XIV for further guidance)

XII. METHOD OF VERIFICATION

The assessment comprises four different types of verification methods; for some criteria, it can also be a combination of some or all of the forms:

Desk Research

Desk research needs to be carried out before the site visit. The assessor should identify all national environmental laws, licenses, permits and national legal requirements. The assessor must be aware of the challenges and issues and issues prevailing in the country where the assessment is to be conducted.

Document Review

Requested documents should be available on-site. All relevant documents and records should be documented and photographs are used as evidence. If documents or records are not available at the time of the assessment, the assessor should ask why this is the case and note reasons.

When the mine has established policies and procedures, assessors have the responsibility not only to archive and document the written policy but verify if workers know where to find and are aware of the policy and whether the organization carries out its work in accordance to the policy.

Observation

A site visit enables the assessor to observe the physical condition and current working practices and aims to collect evidence. The assessor should make notes on what is being observed and take, where possible, photographs of the evidence.

Interview

Interviews are used to ascertain / assess knowledge and understanding of workers / management / community members. Questions are generally used to confirm knowledge and understanding, address gaps in knowledge and authenticate evidence by asking people to explain part of the evidence (for example policies, procedures, roles, experiences, etc.).

The selected respondents must be representative from different workstations / activities, cultural backgrounds, from different shifts and the assessor should take the gender balance into account.

During the interview respondents should feel at ease and interviews can take place individually and in groups, in a formal and informal setting and without management present. Workers might feel more comfortable to speak freely about their concerns when they are off-site and the interview should preferably in their own language. It is extremely important to handle sensitive topics (e.g., sexual harassment) carefully and ensure confidentiality. The assessor must make notes including date and location of the interview (interview summary).

Additionally, multiple sources of information for the same issues can support validation of data through triangulation and can ensure that data gaps are filled. (triangulate evidence from worker and management interview and document review for example).

Sampling is used as an assessment approach and involves identifying a portion of the study population from which data can be collected. The number of people to be asked will depend on the number of workers in the mine. It should (as a minimum) be equal to the square root of the total number of workers.

Minimum worker interview sample size:

Total No. Worker	Minimum Interview Sample Size
25	5
50	7
100	10
300	17
900	30
1500	39

XIII. PERFORMANCE DETERMINATION

After gathering and evaluating evidence, the assessor should arrive at a conclusion on the level of performance achieved by the organization against the specific ESG criteria. It is the assessor's role to judge whether the organization has produced enough evidence as required in this document to determine whether the organization meets, partially meets or misses the criteria.

In case there is insufficient evidence, it is important to record a reason. This could have several reasons, for example the assessor was unable to conduct interviews with workers / leadership or documents / registries are not accessible at the point of the assessment.

STRUCTURE OF ESG CRITERIA & GUIDANCE

The ESG criteria are loosely organised around the following six main principles and their respective provisions.

PRINCIPLE 1: LEGAL COMPLIANCE	13
1.1. LEGITIMACY	13
1.2. FISCAL CONTRIBUTION	14
1.3. RIGHTS & PERMISSIONS SECURED	15
1.4. LEGAL TRADE	18
PRINCIPLE 2: GOOD GOVERNANCE	21
2.1 ORGANISATIONAL MANAGEMENT	21
2.2 RISK MITIGATION AND MANAGEMENT	24
2.3 INTERNAL CONTROLS	25
2.4 TRACEABILITY	27
PRINCIPLE 3: FINANCIAL MANAGEMENT	31
3.1 RECORDS & STATEMENTS	31
3.2. FINANCE AND INVESTMENT PLAN	35
PRINCIPLE 4: DECENT WORK	38
4.1 ERADICATION OF CHILD LABOUR	38
4.2 FREEDOM FROM DISCRIMINATION	41
4.3 PROTECTION FROM HARASSMENT	44
4.4 FREEDOM OF ASSOCIATION & COLLECTIVE BARGAINING	47
4.5 FAIR CONDITIONS OF EMPLOYMENT	49
4.6 UPHOLD OCCUPATIONAL HEALTH & SAFETY	55
PRINCIPLE 5: SOCIAL RESPONSIBILITY	67
5.1 SOCIAL PROTECTION OF WORKERS	67
5.2 COMMUNITY RELATIONS	70
PRINCIPLE 6: ENVIRONMENTAL STEWARDSHIP	76
6.1. MANAGEMENT OF HAZARDOUS SUBSTANCES	76

6.2. RESPONSIBLE GOLD PROCESSING (AU ONLY)	85
6.3. PROTECTION OF ECOLOGICAL INTEGRITY	92
6.4. SUSTAINABLE LAND MANAGEMENT.....	98
<i>GLOSSARY.....</i>	<i>101</i>
<i>ANNEX – INDEX OF EVIDENCE.....</i>	<i>112</i>
Policies	112
Basic Criteria	112
Intermediate Criteria	113
Advanced Criteria.....	114

Applicability: These criteria were developed for artisanal and small-scale mining. Where specifically applicable to gold mining the qualifier '(Au Only)', is used.



Principle I

Legal Compliance

PRINCIPLE 1: LEGAL COMPLIANCE

Objective: *It is of utmost importance that suppliers are operating legally. Many artisanal and small-scale miners operate illegally, however. This may be because they are deliberately operating outside the law and are even involved in organised crime; secondly, this might be because they are unaware of their legal obligations or the laws that apply to them; or thirdly, because the laws and regulations in their country of operation are non-existent for the ASM sector, are inconsistent, overly complex or prohibitively expensive to apply. Most of the organisations starting to engage with The Impact Facility fall into the second and third categories. The goal of this principle is to compel and enable an organisation wishing to receive support to demonstrate that they comply with all the legal requirements of their country or, if they are currently not compliant, to commit to and become compliant with them as soon as is practicable.*

1.1. LEGITIMACY

Criterion 1.1.1 | **Basic** | **The organisation is legally registered with the government**

Data Collection Method: Document review

Data Collection Guidance: Assessors should document and archive a letter of registration – which should be signed or stamped by the applicable government authority - where the core business activities of the organisation are stated and where the description aligns with its operational activities.

Examples and Sources of Evidence: Certificate or letter of registration

Performance Determination:

- **Meets:** There is evidence to show that the organisation has a certificate or letter of registration signed or stamped by the applicable government authority.
- **Partially Meets:** There is evidence to show that the organisation has a certificate or letter of registration of its company, but the description does not align with its operational activities.
- **Misses:** There is evidence to show that the organisation does not have a certificate or letter of registration for its company.

1.2. FISCAL CONTRIBUTION

Criterion 1.2.1 | **Basic** | **Royalties on production are paid at the legally obligated rate**

Explanation: In accordance with national requirements, miners pay due royalties on production.

Data Collection Method: Document review

Data Collection Guidance: Assessors should document and archive relevant documents relating to production for the previous year. A record of the historical availability of receipts should be recorded and archived, noting the date of the first royalty payment.

Examples and Sources of Evidence: Receipts for royalty payment

Performance Determination:

- **Meets:** There is evidence to show that the organisation has copies of receipts of royalty payments showing that royalties on production are paid at the legally obligated rate.
- **Partially Meets:** There is evidence to show that the organisation is making good faith efforts to pay royalties on production at the legally obligated rate, but some royalties are missing.
- **Misses:** There is evidence to show that the organisation is missing receipts of royalty payments made on all production, or receipts show that royalties on production are not paid at the legally obligated rate.

Criterion 1.2.2 | **Intermediate** | **All taxes, fees, royalties and other tributes as required by applicable legislation must be paid to the relevant authority**

Data Collection Method: Document review

Data Collection Guidance: Document and archive annual financial records as submitted to the governmental taxation authority. Financial records are in full and include information on: 1. the organisation's net income; 2. a breakdown of the cost of goods sold, such as the inventory that the organisation retained at the beginning and end of the year cost of labour; materials and supplies and purchases that were made; 3. a breakdown of business expenses, such as utilities, business insurance, supplies, interest on loans, meals and petty cash; 4. a record of all business assets retained at the beginning and end of the year.

The organisation can provide a copy of recognition from the taxation authority showing that all taxes have been paid in full.

Examples and Sources of Evidence: Financial records / receipts for royalty payment / confirmation of tax payments

Performance Determination:

- Meets: There is evidence to show that the organisation has a copy of its annual financial records as well as a copy of recognition from the taxation authority showing that all taxes have been paid in full.
- Partially Meets: There is evidence to show that the organisation is making good faith efforts to pay taxes, but taxes have not been paid in full.
- Misses: There is evidence to show that taxes, fees, royalties and other tributes have not been paid.

1.3. RIGHTS & PERMISSIONS SECURED

Criterion 1.3.1 | **Basic** | **The organisation or its members must possess, or be granted land-rights and permissions for all areas on which it operates from the government or the original land holder/s**

Data Collection Method: Document review

Data Collection Guidance: Document and archive relevant documents which prove the right to operate on the land area occupied by all its operations. Where land is owned by the government this must be an official document or letter, stamped or signed by a government official. Where land is privately owned, this must be an official document or letter signing over ownership or lease of the land. Permissions must be in date and needs to be renewed at least three months before expiry.

Examples and Sources of Evidence: Official document or letter to prove the right to operate on land / signed statement by landowner

Performance Determination:

- Meets: There is evidence to show that the organisation has an official document or letter stamped or signed to prove the right to operate on the land area occupied by all its operations.

- Partially Meets: There is evidence to show that the organisation has an official document or letter stamped or signed to prove the right to operate on the land area occupied by all its operations, but permissions do not have a minimum of three month remaining or are expired.
- Misses: There is evidence to show that the organisation is missing official documents to prove the right to operate on the land area occupied by all its operations.

Criterion 1.3.2 | **Intermediate** | **The organisation or its members must possess, or be granted, necessary permits / licenses for the activities of its operation**

Explanation: The organisation might be subject to many different legal requirements including mining permits and licenses for the activities of its operation. If the organisation extracts mineral from the ground, then it must possess a mining or exploration permit, depending on its operation's match with government authority criteria.

If the organisation extracts mineral from ore, tailings or other, then it must possess a mineral processing permit, unless the organisation possesses an alternative permit allowing this activity (e.g., a mining permit which allows mineral processing).

If the organisation trades in commodities or goods, then it must possess an applicable traders' permit or resellers' license, unless the organisation possesses an alternative permit allowing this activity (e.g., a mining permit which allows trading).

If the organisation exports commodities or goods, then it must possess the appropriate export permit for the form and type of commodity or goods exported, unless the organisation possesses an alternative permit allowing this activity (e.g., a traders' permit that permits export).

If the organisation uses, or handles explosives, then it must possess a blasting license, or explosives handling license as applicable.

If the organisation plans to build on a plot of land, then they must possess the necessary building permits for the proposed structure.

If the organisation manufactures or provides any other goods or services, then it must possess the applicable occupation license.

Data Collection Method: Document review

Data Collection Guidance: Assessors should document and archive proof of all necessary permits or licenses that grant it the right to carry out such activities at its operation including but not

limited to environmental licenses, mining or exploration permit, land tenure / permission to cross private land, water abstraction / discharge permit, license to hold or trade explosives, etc.

Where the government license authority is currently in reform period, the organisation must request and be granted temporary permission to continue operation from a government official in the licensing department, proven by an official document or letter, signed or stamped by the government official. Where the government license authority is slow to process applications (i.e., an average of more than three months turnaround time), the organisation must produce proof of application for the permit and sufficient evidence that it has a high probability of being granted.

Where no permits or licenses exist for the activities of its operation, the organisation must produce proof that they have consulted the applicable government authority, who have determined that no permit or license is required.

Examples and Sources of Evidence: All applicable permits and licences for the activities of the mine's operation

Performance Determination:

- Meets: There is evidence to show that the organisation holds all necessary permits or licenses that grant it the right to carry out activities at its operation.
- Partially Meets: There is evidence to show that the organisation holds most of the licenses and permits required to carry out its activities.
- Misses: There is evidence to show that the organisation is missing necessary permits or licenses required to carry out its activities.

Criterion 1.3.3 | **Intermediate** | **The organisation must comply with national environmental laws and hold all environmental licenses, permits, or management plans according to national legal requirements**

Data Collection Method: Desk research / document review

Data Collection Guidance: The assessor should undertake desk research to identify all national environmental laws, licenses, permits and national legal requirements. Assessors should document and archive all environmental licenses and permits held by the organisation. Environmental permits are generally required if the organisation produces waste, uses hazardous chemicals (including fertilisers), works in, or near a waterbody, or if it keeps livestock in intensive farming conditions.

The organisation can produce proof of an environmental assessment carried out on its operations. The assessment must have been carried out by persons acceptable to, and to the standards required by national legal requirements.

The organisation can produce proof of an environmental management plan for the activities of its operations. The plan must be drafted by qualified persons, and in sufficient detail to satisfy the national legal requirement.

Examples and Sources of Evidence: Environmental permits and licenses / proof of environmental assessment / environmental management plan

Performance Determination:

- **Meets:** There is evidence to show that the organisation complies with national environmental laws. The organisation has all the necessary environmental permits and licenses, has carried out an environmental assessment and has an environmental management plan for the activities of its operations.
- **Partially Meets:** There is evidence to show that the organisation complies with national environmental laws, but some environmental permits and licenses are missing.
- **Misses:** There is evidence to show that the organisation is missing necessary environmental permits and licenses. The organisation cannot produce proof of an environmental assessment or an environmental management plan for the activities of its operation

1.4. LEGAL TRADE

Criterion 1.4.1 | **Intermediate** | **The organisation completes due diligence on all traders it sells to**

Explanation: Gold is known to be associated with money laundering and the financing of illicit activity such as human trafficking, forced labour and drug trade. As an upstanding organisation, a mine has a responsibility to ensure that traders operate in an ethical manner and full compliance with legal requirements. Requesting to document and archive a copy of the trader's legal permit poses a reasonable threshold of due diligence in the KYC process (know-your-customer).

Data Collection Method: Document review

Data Collection Guidance: Assessors should document and archive a registry of all significant business or trading partners which should include photographic evidence or copies of official traders' certificates or letters signed or stamped by the applicable government agency.

Examples and Sources of Evidence: Registry of business or trading partners including photographic evidence / copies of official traders' certificates / letters

Performance Determination:

- Meets: There is evidence to show that the organisation has a registry of all significant business or trading partners which includes photographic evidence, or copies of official traders' certificates or letters signed or stamped by the applicable government agency.
- Partially Meets: There is evidence to show that the organisation has a registry of all significant business or trading partners, but evidence in form of photographs, or copies of official traders' certificates or letters signed or stamped by the applicable government agency are missing.
- Misses: There is no evidence to show that the organisation has a registry of all significant business or trading partners.



Principle II

Good Governance

PRINCIPLE 2: GOOD GOVERNANCE

Objective: ASM is a term that applies broadly to a range of different situations, from individuals working independently to gather and crush gold ore using only hand tools, to semi-industrial mechanised operations using modern techniques to recover precious metals. The organisational form and resident skills and knowledge of an ASM operation are important factors for The Impact Facility as they indicate the ability of the operation to manage the risks its activities present to workers, neighbouring communities and the environment. They also provide an indication of potential risks of association with money laundering and support of illicit armed groups. A well-organised and governed operator can more easily demonstrate its ability to meet international standards and expectations of gold buyers globally. Improving organisational capacity is a key objective of The Impact Facility and the following criteria are intended to provide an incentive to organisations to make improvements, enabling them to become trusted partners in international supply chains, to better look after their workers and to build strong relations with local populations.

2.1 ORGANISATIONAL MANAGEMENT

Criterion 2.1.1 | **Basic** | **The organisation has a clear and transparent structure and decision - making process appropriate to the size of the organisation that enable the effective control and monitoring of business activities**

Explanation: In order to effectively communicate information and expectations, and to hold it to account, the organisation's structure and decision-making process must be sufficient for its size.

Data Collection Method: Document review / interview

Data Collection Guidance: Assessors should interview workers and leadership in the operation to see if they have a similar understanding of the organisations structure and the decision-making process. In interviews with workers and leadership, the assessor should attempt to run through several scenarios where information needs to be relayed to management for a decision to be made. This will test whether individuals have a working understanding of the organisation's internal controls and decision-making structure, and whether these sufficiently cover the range of decisions that the organisation will be expected to make.

Review legal documents that require the names of those legally accountable for the actions of the organisation. Check that they match the names of the leaders that were given in the interview. If these differ, ask the leadership to explain why.

The assessor shall document and archive full names, job titles, phone numbers and copies of passports or identification documents for all members of the leadership team.

Examples and Sources of Evidence: Interview summaries / organigram / index of leadership

Performance Determination:

- **Meets:** There is evidence to show that the organisation has a clear leadership structure that is understood by its workers and decisions are communicated and made in a timely and consistent fashion.
- **Partially Meets:** There is evidence to show that the organisation has a clear leadership structure but it is not fully understood by its workers, and while there is a process for communicating and making decisions, practically, are not always made in a timely or consistent fashion.
- **Misses:** There is evidence to show that the organisation has no clear leadership structure and it appears to be no process to communicate or make decisions in a timely or consistent fashion.

Criterion 2.1.2 | **Basic** | **The organisation has a transparent ownership structure**

Explanation: The Impact Facility has been established to benefit mining communities at large. To ensure that engagement with the mines does support any illicit activities potentially resulting in negative impacts, the identity of owners and investors needs to be transparent to any member of the mining organisation.

Data Collection Method: Document review

Data Collection Guidance: The assessor shall document and archive full names, job title, phone number and copies of passports or identification documents for all owners and major investors. Contractual agreements with investors or stakeholders shall be summarised, recorded and archived by the assessor. Assessors should interview workers in the operation to see if the identity of owners and investors is transparent.

Examples and Sources of Evidence: Index of owners & investors / investor contracts / interview summaries

Performance Determination:

- Meets: There is evidence to show that the organisation keeps a complete list with the identities of owners that is transparent for its workers.
- Partially Meets: There is evidence to show that the organisation keeps a complete index of owners and investors, but it's not transparent for its workers.
- Misses: There is no evidence to show that the organisation keeps a complete list with the identities of owners that is transparent for its workers.

Criterion 2.1.3 | **Advanced** | **Organisational leadership and staff promotions are determined based on relevant experience and qualification in a transparent and accountable manner**

Explanation: For a business to be successful and investable, all positions should be filled by the most qualified individuals available for the task. Accordingly, it is important that the organisation has an objective and transparent process in place to determine promotions and nominations for leadership positions; a process known to and understood by qualified candidates.

Data Collection Method: Interview / document review

Data Collection Guidance: Assessors should interview leadership and workers about past promotions, requesting written or anecdotal evidence why chosen candidate was most qualified for the job. Assessor shall document and archive any written policy that might exist around hiring and promotion processes.

Examples and Sources of Evidence: Interview summaries / written policy

Performance Determination:

- Meets: There is evidence to show that the organisation has a transparent process in place to determine promotions and nominations for leadership positions.
- Partially Meets: There is evidence to show that the organisation has transparent process in place to determine promotions and nominations for leadership positions, but practically, positions are not always filled by the most qualified individuals available for the task
- Misses: There is no evidence to show that the organisation has a transparent process in place to determine promotions and nominations for leadership positions.

2.2 RISK MITIGATION AND MANAGEMENT

Criterion 2.2.1 | **Advanced** | **The organisation prevents, detects and remediates corruption**

Explanation: When dealing with government authorities or officials, or in business relations, the operation's leadership should not use payments or in-kind contributions to manipulate an outcome. Nor should the operation accept a bribe or attempt by another entity to manipulate a decision that the operation makes.

Data Collection Method: Interview / document review

Data Collection Guidance: The assessor should have a practical working knowledge of the methods used to manipulate an outcome through bribery or corruption and be able to recognise the signs of bribery and corruption. Prior to visiting the operation, the assessor should carry out desk-based research to identify whether corruption and bribery are commonplace in the operation's setting, as well as identify potential outcomes that might be manipulated, or that the operation's leadership may wish to manipulate.

Most workers can demonstrate a basic understanding of the organisation's policy and know where to find a written copy of the policy forbidding bribery and corruption.

During interviews with workers, instances where an allegation of bribery was made, investigated internally and the perpetrator disciplined as a result may be disclosed, which would imply that the operation's leadership upholds its obligation to implement an anti-corruption and anti-bribery policy. Conversely, a sign that bribery has occurred and is a systemic problem in the operation might be the presence of unexplainable cost items on the operation's balance sheet.

Examples and Sources of Evidence: Written anti-corruption policy / interview summaries / expense record analysis

Performance Determination:

- **Meets:** There is no evidence that the organisation is involved in the perpetration of corruption or bribery and it has a policy and processes in place that forbid and prevent bribery or corruption.
- **Partially Meets:** There is no evidence that the organisation is involved in the perpetration of corruption or bribery. It lacks a formal policy and procedure that forbids and prevents bribery or corruption.
- **Misses:** There is evidence that the organisation has involvement in the perpetration of corruption or bribery, and it does not have a policy that forbids bribery or corruption.

2.3 INTERNAL CONTROLS

Criterion 2.3.1 | **Basic** | The organisation maintains a registry of all workers and records of visitors accessing the site

Explanation: Monitoring site access, ensures that the organisation can mitigate security breaches and liability for health and safety incidents, while controlling the ingress of minors to the mine site. Furthermore, a worker registry serves as an HR tool documenting basic personal information including name, date of birth, address, national id number, primary work activity as well as next of kin contact information in case of accidents.

All workers going underground should be recorded on the site registry to account for everyone in the event of mine accidents.

Data Collection Method: Document review / observation

Data Collection Guidance: Assessors should record name, date of birth, national id number, name of the organisation to which the worker is employed, specific location of work and next of kin.

Examples and Sources of Evidence: Worker's registry

Performance Determination:

- **Meets:** There is evidence to show that the organisation keeps a worker registry (including name, date of birth, national id number, primary work activity and next of kin) and a record of visitors accessing the site.
- **Partially Meets:** There is evidence to show that the organisation keeps a worker registry (including name, date of birth, national id number, primary work activity and next of kin) and a record of visitors accessing the site, but registry and/or visitor record is not up-to-date.
- **Misses:** There is no evidence to show that the organisation keeps a worker registry or a record of visitors accessing the site.

Criterion 2.3.2 | **Basic** | **The organisation has a dedicated bank account and maintains appropriate banking records for all its accounts**

Explanation: To engage in international business transactions, including the receipt of loan finance, an organisation needs to maintain a business bank account. Large volume cash transactions pose a major risk regarding conflict financing and money laundering and are therefore not an option.

Ideally, this bank account would be controlled by more than one signatory. Having a second signatory means funds can be accessed if the primary signatory is not available. A double signature policy can also be used as a safety measure to reduce the likelihood of error or fraud particularly for large transactions.

Data Collection Method: Document review

Data Collection Guidance: Assessors should document and archive bank details including type of bank account, account holder and bank account number as well as default currency.

Examples and Sources of Evidence: Bank details / bank statements

Performance Determination:

- Meets: There is evidence to show that the organisation has a business bank account.
- Partially Meets: There is evidence to show that the organisation is using personal bank account
- Misses: There is no evidence to show that the organisation has a business bank account.

Criterion 2.3.3 | **Advanced** | **The organisation has up-to-date bank receipts or statements**

Data Collection Method: Document review

Data Collection Guidance: Assessors should document and archive bank receipts which indicate the balance of the organisation's account at the last date of withdrawal, or within the last three months, whichever is most recent.

Examples and Sources of Evidence: Bank receipts

Performance Determination:

- Meets: There is evidence to show that the organisation maintains bank receipts indicating the balance of the organisation's account at the last date of withdrawal.

- Partially Meets: There is evidence to show that the organisation maintains bank receipts indicating the balance of the organisation's account at the last date of withdrawal, but bank receipts are not up to date.
- Misses: There is evidence to show that the organisation maintains no bank receipts indicating the balance of the organisation's account at the last date of withdrawal.

Criterion 2.3.4 | **Intermediate** | **The organisation has a procedure to monitor ingress to high -risk areas, such as mine shafts or pits**

Explanation: A procedure monitoring miners accessing high risk work areas helps prevent health and safety incidents at said places. A logbook, for example, could be signed by miners upon entry to the area, signing out again once the shift is over. Alternatively, miners could receive ID badges to be left at the pit/shaft entrance upon entry. This allows pit/shaft managers to keep an overview of at-risk miners at all times.

Data Collection Method: Document review / observation

Data Collection Guidance: The assessor shall evaluate the effectiveness of the procedure monitoring workers entering and exiting high risk areas.

Examples and Sources of Evidence: Description of procedure chosen / photograph of system / interview summaries

Performance Determination:

- Meets: There is evidence to show that the organisation keeps a record of all workers in high-risk areas.
- Partially Meets: There is evidence to show that the organisation keeps a record of workers in high-risk areas, but lists appear incomplete.
- Misses: There is no evidence to show that the organisation keeps a record of all workers in high-risk areas.

2.4 TRACEABILITY

Criterion 2.4.1 | **Basic** | **Product not produced by the organisation and product with unique selling point (i.e., mercury-free) must be kept physically separate and labelled as such from procurement to sale**

Explanation: Selling gold to international markets, the organisation needs to provide full assurance that all of the gold sold is produced in compliance with the Impact Facility scheme. Gold that does not originate from the organisation's mine site poses a risk, as the organisation cannot enforce production practices at mines owned and operated by third parties. Accordingly, it must be avoided that gold produced under the Impact Facility scheme is mixed with gold from foreign sources.

If the organisation leases its equipment to other producers or agrees to market product from other producers, or if it receives payment for services rendered in the form of gold or ore, or through any other means acquires gold or ore that was not directly derived from its own operation, then it must keep its own product stream separate. Each separate stream should be marked as either 'internal' or 'external' product. The organisation takes reasonable measures to avoid and minimize contamination with foreign material throughout the production process; i.e., machines are cleaned or tailings removed and kept separate when switching between gold sources.

On investigation, when the organisation reports its production to The Impact Facility, the distinction should be clearly made between internal and external production and that products with unique selling points such as mercury-free gold are kept separate from the rest i.e., mercury-processed gold.

Data Collection Method: Observation

Data Collection Guidance: Assessors should visit the site to determine whether products not produced by the organisation are kept physically separate and labelled from the point of procurement to the point of sale. A clearly distinction is made between internal and external production.

Assessors should also determine whether the organisation's product stream is kept separate from the point of extraction or harvest to the point of sale. Storage containers or facilities should be clearly labelled to identify the difference. Examples of such products are mercury-free gold vs mercury processed gold.

Examples and Sources of Evidence: Labels on products

Performance Determination:

- Meets: There is evidence to show that the organisation takes measures to ensure that all products not produced by the organisation are kept physically separate and products with unique selling points are also kept separate and clearly labelled from the point of procurement to the point of sale.

- Partially Meets: There is evidence to show that the organisation takes measures to ensure that all products not produced by the organisation are kept physically separate and products with unique selling points are also kept separate, but not all products are labelled.
- Misses: There is no evidence to show that the organisation takes measures to ensure that all products not produced by the organisation and products with unique selling points are kept separate and labelled from the point of procurement to the point of sale.

Criterion 2.4.2 | **Intermediate** | **All transactions between a producer organisation and trader are documented, including date, volume, price, physical form of the product when transacted, seller identity, trader identity and permit number where available**

Data Collection Method: Document review / interview

Data Collection Guidance: Assessors should document and archive a record of all transactions on an ongoing basis, and in chronological order. Records must include details of the date, volume, price, physical form of the product when transacted, seller identity, trader identity and permit number where available.

Examples and Sources of Evidence: Sales records / interview summaries

Performance Determination:

- Meets: There is evidence to show that all transactions between the producer organisation and trader are documented, including date, volume, price, physical form of the product when transacted, seller identity, trader identity and permit number where available.
- Partially Meets: There is evidence to show that transactions between the producer organisation and trader are documented, but records appear incomplete or specific details are not included.
- Misses: There is no evidence to show that all transactions between the producer organisation and trader are documented.



Principle III

Financial Management

PRINCIPLE 3: FINANCIAL MANAGEMENT

Objective: Sound financial management is the key to running a successful business. An operation needs to fully understand its financial performance, expense needs and profitability in order to plan for the future, invest and grow the business sustainably.

Without reliable records and documentation, the risk of investing in mining operations is too high for formalised financial institutions. Accordingly, the criteria comprised under the principle of financial management have been designed to ensure that the mining organisation is reaching a point of good financial management.

3.1 RECORDS & STATEMENTS

Criterion 3.1.1 | **Basic** | **The organisation maintains revenue and expenses of its production**

Explanation: Keeping and analysing financial data is key to commercial success. Reliable records help set budgets, are the foundation for financial accountability and allow organisations to make informed investment choices. While records should be kept by a dedicated person/team, the entire leadership should demonstrate awareness of the organisational financial situation.

Data Collection Method: Document review / observation / interview

Data Collection Guidance: Assessors should document and archive monthly records which capture significant revenue into the organisation including sales of minerals, rental of equipment and other business activity, as well as significant expenditure out of the organisation, including wages, fuel costs, repayments on loans and equipment rental and other business activities. This should not include personal expenses unless directly associated with the organisation's business activities. The assessor shall check consistency of quality and availability of records.

Examples and Sources of Evidence: Records of revenue and expenses

Performance Determination:

- **Meets:** There is evidence to show that the organisation holds a partial record of its revenues and expenses. Records are kept regularly and consistently.
- **Partially Meets:** There is evidence to show that the organisation is making good faith efforts to hold a partial record of its revenues and expenses, but record appears incomplete.
- **Misses:** There is evidence to show that the organisation has no partial record of its revenues and expenses.

Criterion 3.1.2 | **Intermediate** | **The organisation maintains full records of its production, revenue and expenses**

Data Collection Method: Document review

Data Collection Guidance: Assessors should document and archive daily records which capture all revenue, including sales of minerals, rental of equipment and other business activity, as well as every expenditure out of the organisation, including wages, fuel costs, repayments on loans and equipment rental and other business activities. This should not include personal expenses unless directly associated with the organisation's business activities. The assessor shall check consistency of quality and availability of records.

Examples and Sources of Evidence: Records of revenue and expenses

Performance Determination:

- Meets: There is evidence to show that the organisation maintains a full record of its revenue and expenses.
- Misses: There is no evidence to show that the organisation maintains a full record of its revenue and expenses.

Criterion 3.1.3 | **Intermediate** | **The organisation sets aside a budget for the following month**

Data Collection Method: Document review

Data Collection Guidance: Assessors should document and archive a paper-based budget for the following month which roughly outlines all major expenditures with reasonable accuracy based on anticipated expenses.

Examples and Sources of Evidence: Organisational budget

Performance Determination:

- Meets: There is evidence to show that the organisation sets aside a budget for the following month which roughly outlines all major expenditures with reasonable accuracy.
- Partially Meets: There is evidence to show that the organisation sets aside a budget for the following month, but accuracy is not reasonable.

- Misses: There is no evidence to show that the organisation sets aside a budget for the following month.

Criterion 3.1.4 | **Intermediate** | **The organisation maintains a list of assets**

Explanation: A mine should, at a minimum understand the assets it possesses and the market value of those assets. For example, equipment or buildings are a long-term asset but will depreciate over time as they age. Current assets may include cash or gold inventory and can be quickly disposed of to generate emergency cash flow. Understanding the total value of the businesses assets enables management to plan ahead or respond to unexpected cash needs. In some cases, finance institutions may consider some asset types as collateral for loans or finance.

Data Collection Method: Document review / observation

Data Collection Guidance: Assessors should document and archive records of all the organisation's assets and their estimated value. Records should focus on high value items owned by the organisation only. Records must be maintained monthly.

Examples and Sources of Evidence: Asset registry

Performance Determination:

- Meets: There is evidence to show that the organisation maintains monthly records of its assets and their value.
- Partially Meets: There is evidence to show that the organisation maintains monthly records of its assets and their value, but records appear incomplete.
- Misses: There is evidence to show that the organisation is missing monthly records of its assets and their value

Criterion 3.1.5 | **Intermediate** | **The organisation uses petty cash accountably to cover basic, immediate expenses**

Explanation: Petty cash use allows organisations to operate efficiently by enabling employees to make basic or intermediate purchases (for common consumable items for example) bureaucratic purchasing processes or obtaining proforma invoices. To ensure petty cash is not misused the organisation should keep reliable records and receipts of purchases made.

Data Collection Method: Document review / observation

Data Collection Guidance: Assessors should document and archive full and inclusive records of all petty cash kept, and all spent, with details of the amount, date, item (in the case of expenditure) and person responsible. Records should indicate that only small or urgent expenses are paid using petty cash. A site visit is needed to verify that the organisation maintains a level of petty cash at its operation.

Examples and Sources of Evidence: Full and inclusive records of all petty cash kept and spent / petty cash

Performance Determination:

- Meets: There is evidence to show that the organisation maintains a record of all petty cash kept and spent, showing that only small or urgent expenses are paid using petty cash. At the point of assessment, the organisation maintains a level of petty cash at its operation.
- Partially Meets: There is evidence to show that the organisation maintains a record of all petty cash kept and spent but records appear incomplete, or not only small or urgent expenses are paid using petty cash.
- Misses: There is evidence to show that the organisation lacks a record of all petty cash kept and spent. At the point of assessment, the organisation has no petty cash at its operation.

3.2. FINANCE AND INVESTMENT PLAN

Criterion 3.2.1| **Intermediate** | **The organisation identifies and addresses business risk**

Explanation: To ensure long term sustainability it is good practice to plan to understand the business strengths (e.g., understanding of how to prospect for high grade zones) and weaknesses (e.g., unreliable generator that requires frequent repairs) to best leverage opportunities (e.g., the exploitation of new high grade ore zones) and manage current or potential threats (e.g., high fuel prices due to political instability).

Data Collection Method: Document review / interview

Data Collection Guidance: Assessors should document and archive a risk analysis of the organisation, its team and operations. On investigation, any aspects identified in the analysis are reasonably inclusive and accurate. The organisation must provide details of actions it has taken to play to existing strengths and to grasp opportunities whilst working on areas of weakness and risk mitigation.

Assessors should interview the leadership team to elaborate on strengths and weaknesses and ensure they are planning ahead to maintain or grow their business at its current operational level.

Examples and Sources of Evidence: Risk analysis / interview summaries

Performance Determination:

- **Meets:** There is evidence to show that the organisation conducts a risk analysis on a six-monthly basis and that leadership can provide details of actions taken to overcome weaknesses and play to existing strengths to ensure long term (financially) sustainable business.
- **Partially Meets:** There is evidence to show that the organisation conducts a risk analysis, but not on a six-monthly basis. They may be considering financial sustainability but are not actively working to ensure it.
- **Misses:** There is no evidence to show that the organisation conducts a risk analysis on a six-monthly basis or that leadership can provide details about actions taken to overcome weaknesses and play to existing strengths.

Criterion 3.2.2 | **Advanced** | **The organisation maintains a finance and investment plan which is regularly updated and includes cash flow projection**

Explanation: The business plan is a tool to assist managers in visualising their business, making strategic decisions, manage risk and grow their business. It can also be used as evidence of a viable business operation when seeking loans from a bank.

Data Collection Method: Document Review / Interview

Data Collection Guidance: Assessors should review and archive the organisation's business plan. This shall consist of the organisation's plans for expansion, equipment or property upgrades and any new goods or services it will offer. The plans should be accompanied by an approximate date by which changes are expected to occur.

Examples and Sources of Evidence: Business plan / cash flow projection / interview summaries

Performance Determination:

- **Meets:** There is evidence to show that the organisation has a finance and investment plan to achieve its vision which is reviewed annually and includes a one-year cash flow projection.
- **Partially Meets:** There is evidence to show that the organisation has a finance and investment plan to achieve its vision, but a one-year cash flow projection is missing.
- **Misses:** There is no evidence to show that the organisation has a finance and investment plan to achieve its vision which is reviewed annually and includes a one-year cash flow projection.



Principle IV

Decent Work

PRINCIPLE 4: DECENT WORK

Objective: Decent work involves protecting peoples' rights at work, upholding fair employment terms, protecting vulnerable populations, promoting equality and creating the opportunity for dialogue between workers and managers. Decent work and working conditions are broadly accepted as developmental and ethical goals all should strive to achieve (see, for example, the UN's Sustainable Development Goals). In the industrial mining sector productivity has increased while the need for a large workforce has fallen. ASM, conversely, employs more than 40 million workers often producing significant shares of global commodity supply and is a considerable contributor to rural employment in many mining nations. Progress is needed in the ASM sector to reduce informal employment and labour market inequality, promote safe and secure working environments and improve access to economic safeguards such as insurance and pensions. The Impact Facility supports the implementation of the ILO Declaration on Fundamental Principles and Rights at Work and all other applicable ILO Conventions as references for decent working conditions.

4.1 ERADICATION OF CHILD LABOUR

Criterion 4.1.1 | **Basic** | **Worker's age must not be less than 15 years old, unless existing national law for the sector of employment specifies this to be higher**

Explanation: It is of upmost importance to ensure that a child's right to education is not compromised by his or her engagement in any operational activities. The universally accepted minimum age for engagement in professional work is 15 years, with the caveat that nobody under the age of 18 shall engage in hazardous work posing a threat to mental or physical health.

Please note: should an assessor or witness or suspect that a child is in direct danger of physical, mental or sexual abuse, it is the assessor's responsibility to take appropriate action to mitigate further harm and address any harm that has already occurred. This might involve alerting local authorities, the child's parents or trustworthy community members. The assessor shall not leave the child unsupervised and must discontinue the audit until the situation is resolved

Data Collection Guidance: The assessor shall review the organisation's worker registry and randomly sample between 5-10 workers currently operating at various work stations to test its completeness. Please document and archive at least one representative sample. Each worker profile shall include a picture of the worker, their name, emergency contacts and next of kin, as well as a copy of an official identification document to serve as proof of date of birth.

The assessor shall further review accuracy of daily logbooks, which shall include the full name and internal ID number of all workers as well as the times miners enter and exit mine shafts.

The assessor shall document and archive any occurrences of child labour, noting the nature of activity and approximate age and sex of the child. The goal is to ensure that the organisation has

a system in place that prevents children from engaging in any mining activity or activities that may cause them physical or mental harm.

Should children be on the processing site, even if they are not engaging in any work, the organisation needs to ensure that they are not in contact with mercury at any time.

If observations and evidence suggest that child labour might be an issue, the assessor is advised to extend the scope of interviews to local NGOs, community members and local educators, including a review of logbooks for school attendance, if accessible.

Examples and Sources of Evidence: Employment contracts / identification documents (e.g., National ID) / worker registry / photos / school attendance register / interview summaries / observations

Performance Determination:

- **Meets:** There is evidence to show that all workers on site are 15 or older and are identifiable through the organisation's worker registry.
- **Partially Meets:** No children have been spotted on the ground, but the mine lacks some elements of a formal system to determine worker ages and identities.
- **Misses:** Children have been spotted on the ground. Their engagement in work is resulting in non-attendance at school.

Criterion 4.1.2 | **Basic** | **Persons under 18 years of age must not be employed or contracted for any type of hazardous labour, which, by its nature or the circumstances under which it is carried out, is likely to jeopardise their health, safety, morals or educational development**

Data Collection Method: Document review / observation / interview

Data Collection Guidance: The assessor shall review the organisation's worker registry and randomly sample a minimum of five workers¹ currently operating at various work stations to test its completeness. Please document and archive at least one representative sample. Each worker profile shall include a picture of the worker, their name, emergency contacts and next of kin, as well as a copy of an official identification document to serve as proof of date of birth.

The assessor shall further review accuracy of daily logbooks, which shall include the full name and internal ID number of all workers as well as the times miners enter and exit mine shafts.

¹ Sampling number should be equal to or higher than the square root of total worker, but no less than five

The assessor shall document and archive any occurrences of child labour, noting the nature of activity and approximate age and sex of the child. The goal is to ensure that the organisation has a system in place that prevents children from engaging in any mining activity or activities that may cause them physical or mental harm.

Should children be on the processing site, even if they are not engaging in any work, the organisation needs to ensure that they are not in contact with mercury at any time.

If observations and evidence suggest that hazardous child labour might be an issue, the assessor is advised to extend the scope of interviews to local NGOs, community members and local educators, including a review of logbooks for school attendance, if accessible.

Examples and Sources of Evidence: Worker registry / interview summaries / employment contracts

Performance Determination:

- Meets: All workers on site are identifiable through the organisation's worker registry. Workers engaged in hazardous work are 18 or older.
- Partially Meets: No persons under 18 have been spotted on the ground, but the mine lacks some elements of a formal system to determine worker ages and identities.
- Misses: Children engage in hazardous work, i.e., underground mining or mercury amalgamation. Their engagement with work is resulting in non-attendance at school.

Criterion 4.1.3 | **Basic** | **The organisation should ensure that if children are present on site, they should not be within the vicinity of mercury**

Explanation: A child's right to education should be a priority and not be compromised by the mining organisation activities. Should children be on the processing site, even if they are not engaging in any work, the organization needs to ensure that they are not in contact with mercury at any time.

Data collection method: observation / Interview

Data collection guidance: the assessor shall randomly sample a minimum of five individuals on site and request the mine leadership for copies of their official identification documents for clarification of their date of birth.

Please note: if children are found on site, assessors shall document their presence and this must be followed up with guardian or parent of children to mitigate the children against the operational health and safety dangers present at the mine site.

Examples and sources of evidence: Workers Registry / Interview summaries / Observation

Performance determination:

- Meets; No children have been spotted on the ground and the mine has a formal system to determine worker ages and identities.
- Partial Meets: No children have been spotted on the ground, but the mine lacks some elements of a formal system to determine worker ages and identities.
- Misses: Persons under the age of 18 have been spotted on the organisation's grounds and within the vicinity of mercury-based operations.

4.2 FREEDOM FROM DISCRIMINATION

Criterion 4.2.1 | **Intermediate** | **Discrimination of any kind must not be tolerated**

Explanation: The organisation's policies and criteria for selection of persons for the purpose of recruitment, promotion, access to training, remuneration, allocation of work, termination of employment, retirement or any other personal characteristics or activities, do not specify any bias towards, or against a particular race, colour, gender, sexual orientation, disability, marital status, age, religion, political opinion, membership of unions or other workers' representative bodies, national or social origin.

The organization's leadership should be familiar with the different ways women in the mining workforce are discriminated against while drafting the policies and make regular training of workers on the forms of discrimination and the consequences of those actions to emphasize the importance of a safe work environment for all. The organisation policies should consider equity in systems and processes to enable participation of marginalised groups especially women.

An exception can be made when the organisation is exercising positive discrimination attempting to benefit marginalised population or adhering to national/local laws. The organization shall make reasonable effort to include persons living with disabilities with equal opportunities to participate in appropriate work in recognition of their specific capabilities and needs.

Data Collection Method: Document review / interview

Data Collection Guidance: Average workers can demonstrate a basic understanding of the organisation's no-discrimination policy and know where to find a written copy of the policy.

Where a member of the organisation has been reported to have been in violation of the organisation's policy on discrimination, the organisation must provide an explanation of the actions it took to investigate the claim, and any disciplinary action taken when claims were verified.

On observation workers do not engage in, support or tolerate behaviour, including gestures, language and physical contact, that is sexually intimidating, abusive or exploitative.

Examples and Sources of Evidence: Written discrimination policy / interview summaries

Performance Determination:

- **Meets:** There is evidence to show that the organisation's decisions are not based on discriminatory criteria and the organisation has a written policy on discrimination.
- **Partially Meets:** There is evidence to show that the organisation's decisions are not based on discriminatory criteria, but workers are not aware of an existing policy.
- **Misses:** There is evidence to show that discrimination occurs on the basis of race, colour, gender, sexual orientation, disability, marital status, age, religion, political opinion, membership of unions or other workers' representative bodies or national or social origin.

Criterion 4.2.2 | **Advanced** | **The organisation has a grievance mechanism to effectively receive and respond to confidential complaints from workers**

Explanation: The organisation has a procedure in place, wherein complaints are accepted confidentially.

Data Collection Method: Observation / interview

Data Collection Guidance: Assessors should review effectiveness of grievance mechanism, documenting, in writing, how the mechanism functions. Workers should be interviewed regarding its accessibility and effectiveness.

Examples and Sources of Evidence: Written policy / description of mechanism / interview summaries

Performance Determination:

- **Meets:** There is evidence to show that members of the organisation are aware of and understand the existing grievance mechanism and the organisation ensures that the mechanism records and where possible resolves grievances effectively.

- **Partially Meets:** There is evidence to show that the organisation is making good faith efforts to promote the grievance mechanism, but that generally the members of the organisation are unaware of the mechanism or their use of the mechanism has not resulted in grievance resolution.
- **Misses:** There is evidence to show that members of the organisation are not aware of the grievance mechanism and there is evidence to show that the organisation does not attempt to resolve grievances.

Criterion 4.2.3 | **Advanced** | **Appropriate measures are taken to ensure equal representation of women in the organisation**

Explanation: For ASM to reach its full development potential it is important to ensure that economic benefits reach women as much as men, as women traditionally comprise anywhere between 30-60% of the total workforce. The Impact Facility expects operators to show a commitment to gender equality regarding all rights, including access to resources, the use of earnings and participation and impact on decision-making processes.

In practice this means that the organisation has a policy in place addressing gender equality, women are represented on the leadership board and cooperative membership is available to both men and women under the same terms.

The organization should aim at least having a third of its workforce to be women. While some activities might almost exclusively be performed by male workers due to their physical nature, men and women receive equal pay when executing the same or similar tasks. To offset the lack of women during extraction, the organization can prioritize working with more women in areas such as processing and trading. Furthermore, pregnant women are protected from exposure to hazardous substances such as mercury and mothers are provided a safe-environment in which to breastfeed their children.

Data Collection Method: Document review / interview / observation

Data Collection Guidance: The assessor shall note the proportion of female leadership members and their position within the leadership team.

During interviews with women across work stations the assessor shall investigate the subjective perception of equality between men and women.

Examples and Sources of Evidence: Employment contracts / interview summaries / gender policy / index of leadership

Performance Determination:

- **Meets:** There is evidence to show that equality exists between men and women in all rights including access to resources and participation in, and impact on, decision-making processes.
- **Partially Meets:** While the organisation is not actively addressing gender related issues, interviews with female workers indicate that they are generally content with their conditions.
- **Misses:** There is evidence to show that the organisation is not taking steps to respect the rights of women, or women's opportunities are limited by restricting or prohibiting them from engaging in certain activities or from joining miners' organisations.

4.3 PROTECTION FROM HARASSMENT

Criterion 4.3.1 | **Basic** | **The organisation and its workers do not engage in, support or tolerate the use of corporal punishment, mental or physical coercion or verbal abuse**

Data Collection Method: Interview / document review

Data Collection Guidance: On observation workers do not engage in or support initiatives which campaign for the use of corporal punishment, mental, physical or verbal abuse.

During interviews with leadership, information may be provided on the disciplinary action taken if a member of the organisation is found to have engaged in or supported initiatives that campaign for the use of corporal punishment or mental, physical or verbal abuse. Where this has been the case the organisation must provide an explanation of the actions it took to investigate claims, and any disciplinary action taken where claims were verified.

Average workers can demonstrate a basic understanding of the organisation's policy on corporal punishment and mental, physical and verbal abuse and know where to find a written copy of the policy.

Examples and Sources of Evidence: Interview summaries / written policy

Performance Determination:

- **Meets:** There is evidence to show that neither the organisation nor its members engage in or support initiatives which campaign for the use of corporal punishment or mental, physical or verbal abuse. The organisation has a policy for disciplinary action taken if one of its members is found to have engaged in any of these initiatives.

- **Partially Meets:** There is evidence to show that neither the organisation nor its members engage in or support initiatives which campaign for the use of corporal punishment or mental, physical or verbal abuse. The organisation has a policy for disciplinary action taken if one of its members is found to have engaged in any of these initiatives, but workers are not aware of the policy.
- **Misses:** There is evidence to show that the organisation or its workers engage in, support or tolerate the use of corporal punishment or mental, physical or verbal abuse.

Criterion 4.3.2 | **Basic** | **Workers must not engage in, support or tolerate behaviour, including gestures, language, and physical contact, that is sexually intimidating, abusive or exploitative**

Explanation: On investigation, neither the organisation nor its members engage in behaviour, including gestures, language, and physical contact, that is sexually intimidating, abusive or exploitative. The organisation must have a policy, which can be recited by its leaders, for disciplinary action taken if one of its members is found to have engaged in such behaviour. Where a member of the organisation has engaged in such behaviour the organisation must provide an explanation of the actions it took to investigate claims, and any disciplinary action taken where claims were verified.

As women in mining are significantly on the receiving end of this kind of harassment, the policy should be of zero-tolerance to such behaviour and the identity of the victims should be protected at all cost. In cases of extreme behaviour, law enforcement should be consulted to get justice for the victims.

Data Collection Method: Observation / interview / document review

Data Collection Guidance: On observation workers do not engage in behaviour, including gestures, language, and physical contact, that is sexually intimidating, abusive or exploitative.

During interviews with leadership information may be provided on the disciplinary action taken if one of its members is found to have engaged in sexually intimidating, abusive or exploitative behaviour. Where a member of the organisation has engaged in such behaviour, the organisation must provide an explanation of the actions it took to investigate claims, and any disciplinary action taken where claims were verified.

Average workers can demonstrate a basic understanding of the organisation's policy and know where to find a written copy of the policy on sexually intimidating, abusive or exploitative behaviour. During interviews with workers across work stations the assessor shall investigate whether women and other workers feel safe at work.

Examples and Sources of Evidence: Interview summaries / written policy

Performance Determination:

- **Meets:** There is evidence to show that neither the organisation nor its members engage in behaviour, including gestures, language, and physical contact, that is sexually intimidating, abusive or exploitative. The organisation has a policy for disciplinary action taken if one of its members is found to have been engaged in such behaviour, and workers feel they can complain if necessary.
- **Partially Meets:** There is evidence to show that neither the organisation nor its members engage in behaviour, including gestures, language, and physical contact, that is sexually intimidating, abusive or exploitative. The organisation has a policy for disciplinary action taken if one of its members is found to have engaged in such behaviour, but workers are not aware of the policy.
- **Misses:** There is evidence to show that the organisation or its workers engage in behaviour, including gestures, language, and physical contact, that is sexually intimidating, abusive or exploitative.

Criterion 4.3.3 | **Intermediate** | **The organisation does not tolerate gender-based violence**

Explanation: Gender-based violence is a particularly sensitive topic that is difficult to measure due to a variety of factors, including cultural barriers. Cases of violence against women recorded in administrative systems do not represent the full extent and nature of the problem. Regardless of such difficulties, mines are still expected to set in place policies and procedures that indicate to employees that gender-based violence is not tolerated on site.

The policies should be recited regularly during organizational meetings and the consequences reiterated. Members of the leadership team should hold separate meetings with the men and women in the organization to have more in depth conversations of the same hence emphasizing the need for a safe work environment for all genders.

Data Collection Method: Interview / document review

Data Collection Guidance: Workers demonstrate an understanding of the organisation's policy on gender-based violence and its prevention, and know where to find a written copy of the policy in their local language. During interviews with women across work stations, the assessor should use their best judgement to determine whether the interviewees feel safe at work, and if they have experienced gender-based violence.

Examples and Sources of Evidence: Written policy on gender-based violence / interview summaries

Performance Determination:

- **Meets:** The organisation has a policy on gender-based violence and takes steps to raise awareness that sexual violence and harassment is unacceptable.
- **Partially Meets:** While the organisation has no written policy on gender-based violence, interviews with female workers confirm that women generally feel safe and avenues of complaint are open to them if necessary.
- **Misses:** There is evidence to show that the organisation is not taking steps to prevent gender-based violence and women feel unsafe.

4.4 FREEDOM OF ASSOCIATION & COLLECTIVE BARGAINING

Criterion 4.1.1 | **Intermediate** | **The organisation must recognise in writing and in practice the right of all workers to organise and to join workers' organisations of their own choice and to collectively negotiate their working conditions**

Explanation: Workers should be given the opportunity to join together in groups to advocate for the terms that they believe make their work meaningful. The company should protect the right of workers to do this even if it is not directly in their interest. If there is no union that is recognised and active in the locality, if unions are forbidden by law, or if unions are managed by government and not by members, then workers should be encouraged to democratically elect a form of independent workers organisation.

Data Collection Method: Interview / document review

Data Collection Guidance: The assessor should have an understanding of the types of worker organisations typically present in the country of operation, and of national laws pertaining to worker's rights and company obligations to worker's organisations.

Note that certain entity types, such as co-operatives or self-help groups, are led in a democratic manner by their members, so elected leaders are automatically assumed to hold the right to negotiate working conditions on behalf of the group. Where an entity exists as a co-operative or similar type but some or all of its workers are not members of the group, the workers should be granted the right to organise for the purpose of collective negotiation.

The operation may have policies that allow workers to organise. This will provide an indication that the operation understands its obligation to allow workers to organise, however the implementation of such policies should be verified through interviews with workers.

During interviews workers may provide an indication that in the process of organising for the purpose of collective bargaining they were subject to harassment, or alternatively were supported by the operation's leadership. This will provide a clear indication of the operation's intent to support its workers to organise.

Examples and Sources of Evidence: Interview summaries / written policy

Performance Determination:

- Meets: The operation allows workers to organise, and there are no allegations of harassment or resistance by the operation's leadership when workers have attempted to organise for the purpose of collective bargaining.
- Partially Meets: The operation does allow workers to organise, but there are some minor allegations of harassment or resistance by the operation's leadership when workers have attempted to organise for the purpose of collective bargaining.
- Misses: The operation does not allow workers to organise, or there are significant allegations of harassment or resistance by the operation's leadership when workers have attempted to organise for the purpose of collective bargaining.

Criterion 4.4.2 | **Advanced** | **The organisation provides workers' representatives with facilities, resources and time during working hours for meetings with workers and to effectively carry out their functions**

Data Collection Method: Interview / observation

Data Collection Guidance: The assessor should interview members of workers' unions regarding accessible resources for meetings.

On investigation, the organisation permits workers and their workers' unions at least two hours per month, during the working day, to gather.

During the site visit the assessor should verify whether the organisation provides workers' representatives with a suitable meeting area of acceptable condition, the use of pens, paper and computer access if available, and any additional basic requirements.

Examples and Sources of Evidence: Existing meeting area / interview summaries

Performance Determination:

- Meets: There is evidence to show that the organisation provides workers' representatives with facilities, resources and time during working hours for their meetings.

- Partially Meets: The organisation allows worker's representatives time for meetings during working hours, but facilities and resources necessary for such meetings are lacking.
- Misses: There is no evidence to show that the organisation provides workers' representatives with facilities, resources and time during working hours for their meetings.

4.5 FAIR CONDITIONS OF EMPLOYMENT

Criterion 4.5.1 | **Basic** | **All workers' wages must be equal to or exceed the sector national average wages or official minimum wages for similar occupations, whichever is higher, or workers receive shares of production or profit that are representative of their work**

Explanation: An important part of guaranteeing decent working conditions is the provision of an adequate wage for workers in the form of a fixed salary or day wage. The organisation is expected to pay wages in line with or exceeding national laws and agreements on minimum wages.

Alternatively, the organisation should pay their workers with shares of production at ratios agreed upon before commencement of work or in the form of profit sharing from mine production.

Data Collection Method: Document review / interview

Data Collection Guidance: Assessors are expected to be knowledgeable about the minimum legal wage in the country of business. The organisation must provide a full record of payments made to its workers that shows all workers receive a wage equal to, or above the national wage.

Where workers are paid through a profit-sharing agreement, this must be congruent to the work performed and, on an annualised basis, must not be less than the equivalent annual wage.

In addition to reviewing financial records, assessors should interview workers from various work stations (mining, crushing, transport, washing, etc) to confirm numbers stated in the financial records and enquire about timeliness of payments.

The assessor is advised to apply a gender-sensitive perspective, as activities predominately conducted by women are often paid significantly less. As income information might be perceived as a private matter, the assessor might devise a line of questions around household spending to determine available income. The assessor should note if workers are solely reliant on the activity in question or have other sources of income as part of a diversified livelihood strategy.

Examples and Sources of Evidence: Wage slips / financial records / interview summaries

Performance Determination:

- **Meets:** There is evidence to show that the organisation is paying at least minimum legal wages to its workers.
- **Partially Meets:** There is evidence to show that the organisation is paying at least minimum legal wages to its workers, however payments are not made regularly and in a timely manner.
- **Misses:** There is evidence to show that the organisation is paying less than minimum legal wages to its workers.

Criterion 4.5.2 | **Basic** | **Employed workers' remuneration must be made regularly and properly documented**

Data Collection Method: Document review

Data Collection Guidance: Assessors should document and archive a record of the dates on which payments to workers are disbursed by the organisation. This must show the payment interval to be no longer than fortnightly to waged workers and quarterly to workers paid as a share of production. Where workers are to be paid as a share of production and the mine is not yet in production then documentation should note as such.

Examples and Sources of Evidence: Record of the dates of payment

Performance Determination:

- **Meets:** There is evidence to show that the organisation holds a record of the dates on which payments to its workers are disbursed. This shows the payment interval to be no longer than fortnightly to waged workers and quarterly to workers paid as a share of production.
- **Partially Meets:** There is evidence to show that the organisation holds a record of the dates on which payments to its workers are disbursed, but the record appears incomplete.
- **Misses:** There is no evidence to show that the organisation holds a record of the dates on which payments to its workers are disbursed.

Criterion 4.5.3 | **Intermediate** | **Lowest wages must be gradually increased to 'living wage' levels equal to or above the official minimum wage**

Explanation: An important element of worker welfare is the ability to meet one's most basic needs. Legal minimum wage often times does not suffice to cover these expenses. The idea of a

living wage describes the concept of earning enough money during a 40h work-week to finance a dignified life, while saving money and being able to cover unexpected expenditures.

The living wage can be calculated as: cost of nutritious diet + cost of basic, acceptable housing + other essential expenses x average household number / number of full-time worker equivalents per household x 1.2 (factor for unforeseen events) x worker income tax rate.

Essential expenses include reasonable expenditure on healthcare, transport and education.

Data Collection Method: Document review / interview

Data Collection Guidance: Assessors should document and archive a record of payments made by the organisation to its workers, which show that all workers receive a wage equal to or above the living wage for the country in which the operation is located. Assessor should verify payment amount through interviews with miner workers, specifically those in traditionally low-paying tasks.

Examples and Sources of Evidence: Record of wages / interview summaries

Performance Determination:

- Meets: There is evidence to show that the organisation provides a full record of payments made to its workers and that all workers receive a wage that is above the official minimum wage.
- Partially Meets: There is evidence to show that the organisation is making good faith efforts to increase workers' wages to meet that of the living wage.
- Misses: There is evidence to show that the organisation is paying less than the official minimum wage.

Criterion 4.5.4 | **Advanced** | **All workers' wages must equal or exceed a 'living wage'**

Data Collection Method: Document review

Data Collection Guidance: Assessors should document and archive a record of payments made by the organisation to its workers, which show that all workers receive a wage equal to or above the living wage for the country in which the operation is located.

The living wage can be calculated as: cost of nutritious diet + cost of basic, acceptable housing + other essential expenses x average household number / number of full-time worker equivalents per household x 1.2 (factor for unforeseen events) x worker income tax rate.

Essential expenses include reasonable expenditure on healthcare, transport and education.

Examples and Sources of Evidence: Record of wages

Performance Determination:

- Meets: There is evidence to show that the organisation provides a full record of payments made to its workers and that all workers receive a wage equal to or above the living wage for the country in which the operation is located.
- Misses: There is evidence to show that the organisation is paying less than the living wage for the country in which the operation is located.

Criterion 4.5.5 | **Basic** | **Under normal conditions, working hours must not exceed 48 hours per week and include at least 24 consecutive hours of rest per week. Overtime must not exceed 12 hours per week or a maximum of 3 hours per day**

Data Collection Method: Document review

Data Collection Guidance: Assessors should document and archive records of the hours worked by the organisation's workers. The records should show that workers do not work more than 48 hours per week and that they receive 24 consecutive hours of rest per week in 40 weeks of a year, or that they do not work more than legally permitted maximum working hours per week in the country of operation, whichever is the lesser. For the remaining weeks of a year, atypical working hours can be established if these are determined and agreed upon by both employer and worker. These atypical working hours must not exceed 12 hours a week or a maximum of 3 hours a day. Work must include at least 45 minutes of rest every 8 hours.

Work must always include at least 45 minutes of rest every 8 hours, and under no circumstances can conditions be agreed upon that are detrimental to the employee or that ignore regulatory limits. Work records must consist of the worker's name, the hours worked per day, hours worked per week and the hourly wage, all signed and agreed by the worker.

Examples and Sources of Evidence: Record of working hours

Performance Determination:

- **Meets:** There is evidence to show that the organisation gives workers at least 24 consecutive hours of rest per week and that working hours do not exceed 48 hours per week. Overtime does not exceed 12 hours per week or a maximum of 3 hours per day.
- **Partially Meets:** The organisation is showing good faith efforts to provide rest hours for its workers, but there is evidence to show that workers do not always benefit from at least 45 minutes of rest every 8 hours.
- **Misses:** There is evidence to show that working hours exceed 48 hours per week, overtime exceeds 12 hours per week and the organisation provides insufficient hours of rest (less than 24 consecutive hours per week) to its workers.

Criterion 4.5.6 | **Basic** | **Deductions from salaries of hired workers are only permitted as agreed by national laws, as fixed by a collective bargaining agreement or if the employee has given their written consent**

Data Collection Method: Document review

Data Collection Guidance: Assessors should document and archive instances of deductions applied by the organisation to workers' salaries, including the worker's name, the amount deducted, the reason for the deduction, the worker's final wage with the deduction and a signed permission from the worker for the deduction. Permissible reasons for deduction include: payment of workers' tax, payments for workers' social protection (pensions, healthcare, occupational risk insurance, unemployment insurance), payment of other non-compulsory services (e.g., accommodation), repayment of loans, fines for misconduct (internal or as a result of a court order), corrections of monthly wages due to overpayment, or strike action. The worker's wage after deductions must not be less than Intermediate Criteria wages for the country of operation.

Examples and Sources of Evidence: Record of deductions

Performance Determination:

- **Meets:** There is evidence to show that the organisation holds a record of all deductions made from workers' salaries which includes the worker's name, the amount deducted, the reason for the deduction, the worker's final wage after the deduction and a signed permission from the worker for the deduction.
- **Partially Meets:** There is evidence to show that the organisation holds a record of all deductions made from workers' salaries, but reasons for the deductions are missing.
- **Misses:** There is no evidence to show that the organisation holds a record of all deductions made from workers' salaries.

Criterion 4.5.7 | **Basic** | **All third party hired workers, seasonal and migrant workers must receive employment conditions equal to or better than those provided to other workers within' the organisation for the same work performed**

Data Collection Method: Document review / interview

Data Collection Guidance: Assessors should review employments contracts to determine whether all workers employed through a third party receive the same conditions of employment as the organisation's own workers. Workers who have been employed at the organisation for more than three months are provided with the same level of social protection, conditions of employment and other benefits as those provided to any other worker, even if they are seasonal or migrant workers.

Examples and Sources of Evidence: Employment contracts / interview summaries

Performance Determination:

- Meets: There is evidence to show that the organisation provides all workers hired by third parties with the same employment conditions as those provided to other workers within the organisation.
- Misses: There is no evidence that the organisation provides all workers hired by third parties with the same employment conditions as those provided to other workers within the organisation.

4.6 UPHOLD OCCUPATIONAL HEALTH & SAFETY

Criterion 4.6.1 | **Basic** | **All workers must be fit for work**

Data Collection Method: Observation / interview

Data Collection Guidance: The organisation has control systems in place to ensure that all workers have the competence to carry out their duties, may not be sleep deprived or sick, intoxicated or under the influence of heavy medication.

The organisation should have a member in charge of assessing miners for obvious physical signs of being unfit for work that include:

- Signs of intoxication
- Shortness of breath
- Dizziness etc

Workers should be interviewed to assess their knowledge of these basic health and safety management measures.

Examples and Sources of Evidence: OHS Policy / interview summaries

Performance Determination:

- Meets: There is evidence to show that the organisation ensures workers' competence to fulfil their duty efficiently. During site inspection and interviews, the assessor finds no reason to believe that workers are intoxicated or under the influence of any drugs.
- Misses: The organisation has no systems in place to ensure a sufficient level of worker qualification. There is evidence to believe that not all workers are fit for work due to the state of their mental or physical health.

Criterion 4.6.2 | **Intermediate** | **The organisation provides support to all pregnant and breastfeeding workers, and assigns them appropriate, non-hazardous work**

Explanation: Pregnant and breastfeeding workers are the most vulnerable population on mining sites at the exemption of children especially due to the prevalence of mercury use in ASGM. Coupled with the exhaustion that comes out of carrying a pregnancy to term and breastfeeding an infant, the organization needs to make steps towards reducing the workload and providing them with non-hazardous work that will not be detrimental to their health and that of the infant.

Women previously partaking in amalgamation using mercury can be trained on other processing techniques/equipment to diversify their skill set while still getting access to a regular income. The work environment should be nurtured in such a way that as to encourage women to disclose their pregnancies once they find out by frequently listening to their needs.

Data Collection Method: Interview / document review

Data Collection Guidance: Assessors should interview female workers to determine their understanding of the dangers of physically demanding or hazardous work whilst pregnant and ask about working conditions for pregnant and breastfeeding workers. The assessor should establish whether the organisation allows breaks where required, e.g., for breastfeeding, providing a shaded space to rest. Women should be actively encouraged to inform the organisation as soon as they find they are pregnant, or if they are breastfeeding.

Assessors should interview the leadership team regarding their efforts to assign pregnant and breastfeeding staff to lighter, non-dangerous work where it is available, even if this means redistributing the workforce to put non-vulnerable persons in hazardous work.

Examples and Sources of Evidence: Interview summaries

Performance Determination:

- **Meets:** There is evidence to show that the organisation provides support to all pregnant and breastfeeding workers and assigns them lighter, non-dangerous work, and women are aware of the dangers of physically demanding or hazardous work.
- **Partially Meets:** There is evidence to show that the organisation is making good faith efforts to assign pregnant and breastfeeding staff to lighter, non-dangerous work where it is available, but female workers are not aware of the dangers of physically demanding or hazardous work.
- **Misses:** There is no evidence to show that the organisation provides support to pregnant and breastfeeding workers.

Criterion 4.6.3 | **Intermediate** | **The organisation should have personnel trained monitor and manage health and safety risks in the workplace, for the whole operational area of the organisation**

Explanation: The organisation assigns at least two people to the role of health and safety officer. The role must involve: hazard identification, risk analysis, de-risking procedure design and implementation management, training of workers in occupational health and safety, and reporting on-site health and safety risks to management.

The health and safety officer must visit sites regularly, including all underground workings, and must be granted permission to stop operations if they deem the site unsafe.

The role may be the exclusive role of an individual or a secondary role. The appointed officers must not be paid in the form of a profit share but through a fixed salary for all work undertaken for the organisation.

Data Collection Method: Observation / interview / document review

Data Collection Guidance: The assessor must have a good working knowledge of health and safety conditions in the workplace. A site visit to assess health and safety risks and the measures / actions in place will be needed.

The assessor should interview health and safety officers regarding their role and review weekly reports on on-site health and safety risks.

Interview a selection of workers to determine their understanding of occupational health and safety

Examples and Sources of Evidence: Interview summaries / weekly reports on-site health and safety risks

Performance Determination:

- Meets: There is evidence to show that the organisation has at least two members trained in operational health and safety, who make decisions and implements actions to manage and monitor health and safety risks in the workplace.
- Partially Meets: There is evidence to show that the organisation has at least two members trained in operational health and safety who make decisions and implements actions to manage and monitor health and safety risks in the workplace, but workers are not aware of occupational health and safety measures.

- Misses: There is no evidence to show that the organisation has at least two members trained in operational health and safety who make decisions and implements actions to manage and monitor health and safety risks in the workplace.

Criterion 4.6.4 | **Intermediate** | **Adequate measures for rock stability are used in all work areas, or areas that could lead to propagation of instability in work areas**

Explanation: Excavation size should be minimised in the planar direction, and where required, rock support using timbering, pins or jacks should be used to prevent collapse. In the case of open-pit mines, inclination of slopes and height of benches must not exceed limits generally considered safe for that type of soil or rock. As a rule of thumb, slope inclination for an unweathered, dry igneous or metamorphic rock may be up to 90° for five metres. For sedimentary or weathered igneous or metamorphic rock, however, this should not exceed 70° for more than two metres. There must be no signs of rock slides, mud failures or loss of rock blocks or wedges from the slope face. All areas of rock must be within reach using a pinch bar (or equivalent device used to release loose rock). Miners are all trained in the identification and management of rock instability. Workers all have the right to refuse to work in a mining area if they deem the rock to be unsafe. A pinch bar is available in working areas of hard rock mines. Wooden beams are constructed, and roof bolts are used, where required.

Miners should be made aware of the dangers of excavation near or into another excavation. Where this is done, the second excavation must be checked regularly to ensure its stability and that it is not filled with water.

Data Collection Method: Observation / interview

Data Collection Guidance: Assessors should have a working knowledge of adequate measures for rock stability. Interview the workers to ascertain their ability to identify and maintain rock instability and check miners' awareness of the dangers of excavation. Assessors should visit the site to assess whether the measures in place for ensuring rock stability are adequate.

Examples and Sources of Evidence: Interview summaries / existing rock support / photographs

Performance Determination:

- Meets: There is evidence to show that the organisation uses adequate measures for ensuring rock stability in all work areas, the organisation trains its workers in the identification and management of rock instability and workers have the right to refuse to work in a mining area if they deem the rock to be unsafe.
- Misses: There is no evidence to show that the organisation uses adequate measures for ensuring rock stability in all work areas. Workers are not trained in the identification and management of rock instability, and workers do not have the right to refuse to work in a mining area if they deem the rock to be unsafe.

Criterion 4.6.5 | **Intermediate** | **Adequate ventilation is provided in all work areas**

Explanation: Through-flow of air should be great enough to prevent workers from developing headaches due to lack of oxygen or build-up of toxic fumes. As a rule of thumb an air velocity of 1.5m / s is adequate. At this velocity, a 5 cm length of thread will visibly bend towards the down-stream flow direction when one end is held between thumb and forefinger.

Data Collection Method: Observation

Data Collection Guidance: A site visit is needed to assess the through-flow of air (see explanation).

Examples and Sources of Evidence: Adequate ventilation

Performance Determination:

- Meets: There is evidence to show that the organisation ensures adequate ventilation (see explanation) in all work areas.
- Partially Meets: There is evidence to show that the organisation is making good faith efforts to ensure adequate ventilation, but this is lacking in some work areas.
- Misses: There is no evidence to show that the organisation ensures adequate ventilation (see explanation).

Criterion 4.6.6 | **Basic** | **The organisation encourages all workers to use personal protection equipment (PPE) appropriate to their respective work activity**

Explanation: Activities that warrant PPE include anything exposing workers to a high risk of injury through falling rocks, extreme heat, exposure to dust or chemicals or extreme noise. Appropriate PPE includes but is not limited to:

- Where the organisation's activities involve work with heavy items (including rock), workers wear footwear with hard toe protection (hard leather or steel) and hard hats.
- Where the organisation's activities involve work with sharp items (saws, axes, etc) workers wear gloves and footwear with sufficient protection to resist a cut.
- Where the organisation's activities involve work with hot items (welding machines, smelting furnace, etc) workers wear leather gloves, aprons and footwear and eye protection.

- Where the organisation's activities involve work with bright light (arc welders, etc) workers wear eye protection that filters out harmful light.
- Where the organisation's activities involve work in the proximity of high decibel noises or sounds, workers must wear ear protection.
- Where the organisation's activities involve work in dust-filled environments, workers must wear dust masks.
- Where the organisation's activities involve handling of hazardous chemicals, all workers in the splash zone must wear chemical-resistant rubber gloves, overalls and eye protection. There must also be a source of water available with sufficient capacity to wash workers down if they are splashed.

The organisation helps miners' access appropriate PPE through procuring the equipment in bulk and providing it at a discount and allowing the miners to pay for the equipment through reasonable payment plans agreed upon by all parties partaking in the transactions.

Data Collection Method: Document review / observation

Data Collection Guidance: A site visit is needed to verify that basic PPE is made available to the miners on site by the organisation.

Examples and Sources of Evidence: Photographs

Performance Determination:

- Meets: There is evidence that all workers use appropriate PPE.
- Partially Meets: There is evidence to show workers in most hazardous activities routinely use PPE. PPE use, however, is not systemic.
- Misses: There is no evidence to show that workers use adequate PPE on a regular basis.

Criterion 4.6.7 | **Intermediate** | **The organisation enforces the use of personal protective equipment (PPE) by all workers appropriate to their respective work activity**

Explanation: The organisation ensures that all miners on site have on PPE's during work hours to ensure operational health and safety is prioritised at all times

Data Collection Method: Document review / observation

Data Collection Guidance: A site visit is needed to verify that basic PPE is provided free of charge.

Examples and Sources of Evidence: Photographs

Performance Determination:

- Meets: There is evidence that all workers use appropriate PPE.
- Partially Meets: There is evidence to show workers in most hazardous activities routinely use PPE. PPE use, however, is not systemic.
- Misses: There is no evidence to show that workers use adequate PPE on a regular basis.

Criterion 4.6.8 | **Intermediate** | **Potable water and hygiene facilities are available to all workers**

Explanation: The organisation must ensure that an adequate supply of potable water is available to workers at the start and end of their shifts. Workers must be permitted to carry water with them to drink during the shift, except where this poses a safety risk. In this instance two-hourly drinking breaks must be allowed where the worker is permitted to retreat to a safe place to drink.

The organisation must ensure that all work places are equipped with a designated toilet. Where religion or local culture dictates, a separate male and female toilet should be available. As a minimum, toilets should consist of a bucket, or a hole at the surface, with a shield for privacy. When the receptacle is full, the method of waste disposal must be adequate to prevent leakage of effluent into waterways or work areas.

Data Collection Method: Observation

Data Collection Guidance: A site visit is needed to verify that potable water is available to workers at the start and end of their shifts. Assessors should interview workers regarding access to potable water and the availability of designated toilets.

Examples and Sources of Evidence: Potable water / designated toilets

Performance Determination:

- Meets: There is evidence to show that the organisation ensures an adequate supply of potable water to its workers at the start and end of their shifts and all work places are equipped with a designated toilet consisting of a bucket, or a hole at surface, with a shield for privacy.
- Partially Meets: There is evidence to show that the organisation is making good faith efforts to ensure an adequate supply of potable water to its workers at the start and end of their shifts and that all work places are equipped with a designated toilet, but a

method of waste disposal is not adequate to prevent leakage of effluent into waterways or work areas.

- Misses: There is evidence to show that workers do not have access to potable water or hygiene facilities.

Criterion 4.6.9 | **Intermediate** | **All workers must have access to information and awareness training on the main health, safety and security risks related to their area and activity of work and on procedures to prevent and respond to health and safety incidents**

Explanation: Artisanal mining is a highly hazardous industry, but with appropriate safety measures the health and safety risk can be significantly reduced. It is the responsibility of everyone who works at the operation to ensure that these safety measures are maintained. Key safety measures relate to the use of:

- Personal protective equipment (PPE);
- Ground stability;
- Ventilation;
- First aid and emergency response;
- Appropriate training for the hazards of the work;
- Access to water and energy for hot or heavy labour; and
- Physical barriers to prevent contact with hazardous items or areas.

The degree to which these measures require implementation depends upon the extremity of the hazard at the particular operation.

Data Collection Method: Document review / observation / interview

Data Collection Guidance: The assessor must have a good working knowledge of the hazards present and appropriate safety measures available in artisanal mines. The assessor should determine the particular hazards and safety measures in place to ensure that risk mitigation systems are operating.

Assessors should review the register of attendance and the materials used to support relevant training in health, safety and security hazard identification and management in the workplace. Key risks and their management should be highlighted, including navigation of unstable ground, use and handling of hazardous chemicals, production of dusts during drilling and milling, and

working from heights. On interview, workers are able to identify key hazards and know the correct procedures to manage them.

In each area of work, the organisation must clearly display instruction on procedures to manage a health and safety incident (e.g., an unintended explosion) and the main health and safety risks (e.g., rock instability). Information should include evacuation and refuge points, emergency contact numbers and first aid kit stations. Information should be displayed in at least the primary language used at the mine, with pictograms to support illiterate or non-native readers.

Examples and Sources of Evidence: Register of attendance / training materials

Performance Determination:

- **Meets:** There is evidence to show that the organisation provides all workers with information and awareness training on the main health, safety and security risks that relate to their area and activity of work, and on procedures to prevent and respond to health and safety incidents.
- **Partially Meets:** There is evidence to show that the organisation provides workers with information and awareness training on the main health, safety and security risks related to the area and activity of work and on procedures to prevent and respond to health and safety incidents, but not all workers are aware of the appropriate safety measures available.
- **Misses:** There is no evidence to show that the organisation provides all workers with information and awareness training on the main health, safety and security risks related to the area and activity of work or on procedures to prevent and respond to health and safety incidents.

Criterion 4.6.10 | **Intermediate** | **A first aid kit and trained person must be available in all areas of work**

Data Collection Method: Observation / interview

Data Collection Guidance: The organisation must make a first aid kit accessible at every work site. The kit must consist of at least a bandage, scissors, sterile sticky paper tape (for sealing lacerations), anti-bacterial cream, an eye washing kit and several large pads for application to wounds.

At least one person trained in basic first aid must be available during every shift and at each active work site. This shall be documented and managed through a first responder schedule. Assessors should interview persons trained in basic first aid at different workstations / activities to ascertain their knowledge of first aid procedures. Assessors should also document and archive a copy of the first responder schedule mentioned above.

Examples and Sources of Evidence: First aid kit / interview summaries / first responder schedule

Performance Determination:

- Meets: There is evidence to show that the organisation provides a first aid kit at every site at which a worker operates. At least one person trained in basic first aid is available at every site and shift.
- Partially Meets: There is evidence to show that the organisation provides a first aid kit at every site, but it lacks some items.
- Misses: There is evidence to show that the organisation does not provide a first aid kit at every site at which a worker operates. At some workstations there is no-one trained in first aid.

Criterion 4.6.11 | **Intermediate** | **The organisation maintains a register of all work-related accidents, fatalities and illnesses**

Data Collection Method: Document review / interview

Data Collection Guidance: Assessors should document and archive a register of every injury sustained during the course of an operation's activities for the last year. The register should include the date, the name of the worker injured and the name of the person responsible for risk reduction and action taken in line with this.

Examples and Sources of Evidence: Work-related accidents register

Performance Determination:

- Meets: There is evidence to show that the organisation records every injury sustained during the course of its activities, including the date, the name of the worker injured and the name of the person responsible for risk reduction and action taken in line with this.
- Partially Meets: There is evidence to show that the organisation is making good faith efforts to record all work-related accidents, fatalities and illnesses, but the register appears incomplete (missing dates, names or actions taken).
- Misses: There is no evidence to show that the organisation records every injury sustained during the course of its activities.

Criterion 4.6.12 | **Advanced** | **Mining operations have a mine evacuation and rescue plan**

Explanation: The organisation's health and safety officer has designed a procedure for the evacuation and rescue of personnel involved in health, safety or security incidents to minimise further injury or death. Incidents may include flooding and pit collapse during heavy rainfall, rise in explosive gas levels, etc.

Data Collection Method: Document review / interview

Data Collection Guidance: Interview the health and safety officer regarding the procedure for evacuating and rescuing personnel involved in health, safety or security incidents to minimise further injury or death. Incidents may include flooding and pit collapse during heavy rainfall, rise in explosive gas levels, etc.

Interview a selection of workers to determine their understanding of the evacuation and rescue procedure.

Examples and Sources of Evidence: Mine evacuation and rescue plan

Performance Determination:

- **Meets:** There is evidence to show that the organisation has a procedure in place for the evacuation and rescue of personnel involved in health, safety or security incidents to minimise further injury or death and workers are aware of the procedure.
- **Partially Meets:** There is evidence to show that the organisation has a procedure in place for the evacuation and rescue of personnel involved in health, safety or security incidents to minimise further injury or death, but workers are not aware of the procedure.
- **Misses:** There is no evidence to show that the organisation has a procedure in place for the evacuation and rescue of personnel involved in health, safety or security incidents to minimise further injury or death.



Principle V

Social Responsibility

PRINCIPLE 5: SOCIAL RESPONSIBILITY

Objective: ASM is one of the most significant livelihoods in many parts of the world. To fully harness its potential as a driver for development and prosperity, mining organisations need to ensure that the social impact of their activities is not influencing workers and local population negatively.

Taking responsibility for your social footprint is an important aspect of organisational capacity and ensures that the organisation holds what is commonly referred to its social license to operate. This chapter provides a variety of criteria ensuring that an organisation is operating in the best interest of its community.

5.1 SOCIAL PROTECTION OF WORKERS

Criterion 5.1.1 | **Advanced** | **The organisation must assist workers to access social protection**

Explanation: The organisation must make workers aware of their legal rights to social protection and provide all legally obligated social protections. Even if no social protection is mandated by the government, or by the organisation directly, where such schemes exist the organisation must make workers aware of how to access:

- Medical care
- Sickness benefit
- Unemployment benefit
- Old age benefit
- Accident/Injury benefit
- Family benefit
- Maternity benefit
- Invalidity benefit
- Survivor benefit

Data Collection Method: Document Review / interview

Data Collection Guidance: Assessors should document and archive relevant documents that describe legal rights to social protection and payments for social protection.

Assessors should interview a selection of workers to determine their understanding of their legal rights to social protection and how to access social protection.

Examples and Sources of Evidence: Interview summaries / record of payments for social protection

Performance Determination:

- Meets: There is evidence to show that the organisation makes workers aware of their legal rights to social protection and offers all payments for social protections.
-
- Partially Meets: There is evidence to show that workers can access social protection services, but workers are not aware of their legal rights to social protection.
- Misses: There is no evidence to show that the organisation makes workers aware of their legal rights to social protection or that it offers all payments for social protections.

Criterion 5.1.2 | **Advanced** | **In the absence of a national social security systems, workers affected by accidents or occupational disease receive adequate financial support**

Explanation: As a socially responsible business, an organisation needs to take responsibility for the short and long-term consequences of work-related accidents and diseases. The organisation should establish a transparent mechanism supporting workers suffering from work-related illness or disability financially.

Data Collection Method: Document review / interview

Data Collection Guidance: Interview workers that are injured or developed work-related disease through the course of their work, regarding their monthly remuneration. The organisation should ensure that workers that are injured or that develop occupational disease through the course of their work receive monthly remuneration for as long as they or their families are impacted. In the case of death this should be for no less than one year. Remuneration should equate to the worker's salary prior to the incident.

Examples and Sources of Evidence: Interview summaries / written policy

Performance Determination:

- **Meets:** There is evidence to show that workers affected by accidents, occupational disease or disaster or family members of deceased workers receive adequate financial support.
- **Partially Meets:** There is evidence to show that workers affected by accidents or occupational disease or family members of deceased workers, receive adequate financial support derived from a profit share scheme, but remuneration does not equate to the worker's salary prior to the incident.
- **Misses:** There is no evidence to show that workers affected by accidents, occupational disease or disaster or family members of dead workers' financial support.

Criterion 5.1.3 | **Advanced** | **The organisation makes best efforts to ensure that women workers have access to childcare facilities**

Explanation: The organisation must provide details of the work it has undertaken to provide female staff with access to female and infant health services and childcare facilities as well as social security benefits available in the local area. Where such services are not available in the local community, the organisation must show good faith efforts to establish access for the community. Such efforts may include engaging in discussions with local or national government, community leaders or service providers. The organization can regularly liaise with local health practitioners for the enrolment of the women into the National Health Insurance Fund and where required, the organisation should assist women to save for these services or complete paperwork in cases of illiteracy.

Data Collection Method: Interview / document review / observation

Data Collection Guidance: Assessors should interview the leadership regarding efforts made to provide female staff with access to female and infant health services, childcare facilities, and social security benefits available in the local area. Assessors should document and archive any reporting, policies or procedures observed during site visit.

Assessors should interview female staff across work stations regarding the accessibility of childcare facilities where they can breastfeed their infants.

Examples and Sources of Evidence: Interview summaries

Performance Determination:

- **Meets:** There is evidence to show that the organisation makes best possible efforts to work with local authorities to ensure that women are able to access health services, childcare facilities, and social security benefits where applicable.

- Partially Meets: There is evidence to show that the organisation is making some faith efforts to provide female workers with access to female and infant health services.
- Misses: There is no evidence to show that the organisation is making any efforts to ensure that women are able to access health services and childcare facilities.

5.2 COMMUNITY RELATIONS

Criterion 5.2.1 | **Intermediate** | **Where peoples are threatened with displacement by the organisation's activities, the organisation must conform to international best practice**

Explanation: If the organisation plans to expand its operations, it must provide evidence that it has conducted a scoping study to identify all persons affected, and developed a plan to mitigate the risks of displacement in line with the legal requirements in the country of the organisation's activities which include:

1. As far as reasonably possible involuntary displacement should be avoided by exploring all alternative site locations or designs;
2. Where alternative designs and locations are not feasible, resettlement activities should be conceived and executed as sustainable development programs. Sufficient investment resources should be provided to enable the persons displaced by the project to share in project benefits. Displaced persons should be meaningfully consulted and should have opportunities to participate in planning and implementing resettlement programs;
3. Displaced persons should be assisted in their efforts to improve their livelihoods and standards of living, or at least to restore them, in real terms, to pre-displacement levels or to levels prevailing prior to the implementation of the project, whichever is higher.

Data Collection Method: Document review / interview

Data Collection Guidance: Assessors should investigate through interviews with affected population and mine management, what steps the organisation has taken to ensure that people are not displaced against their will and that replacement resulted in appropriate compensation by the mining organisation. The assessor should document if displaced persons feel adequately consulted and whether they are content with how the displacement was executed.

Examples and Sources of Evidence: Interview summaries / policies / written documentation

Performance Determination:

- **Meets:** The organisation has followed international best practice during the displacement. It consulted with the affected community, ensured that displacement was the only viable option for their organisation to expand and displaced persons were compensated adequately.
- **Partially Meets:** The organisation has shown good effort to consult and compensate displaced persons but are facing some grievances from the affected community. In general, however, the process went positively.
- **Misses:** There are serious grievance claims voiced by affected community members and the mining organisation is unable to provide any evidence for having followed international best practice procedures.

Criterion 5.2.2 | **Advanced** | **The organisation has free, prior and informed consent from project-affected communities and indigenous peoples for its operation**

Explanation: An 'affected community' generally refers to a place-based grouping of people who live in close proximity to an ASM operation and who are presumed to have some sense of shared identity and concerns / challenges as a result of the operation's activities. Communities affected by transport routes where trucks carry mined products or people and equipment to and from an ASM operation would also be considered 'affected'. For many project-affected communities and Indigenous Peoples, free, prior, and informed Consent (FPIC) represents a critical tool for ensuring the right of self-determination. Free means that there must be no coercion, harassment, intimidation or manipulation by companies in order to obtain stakeholder consent. Prior means that consent should be sought and received before any activity on community land is commenced. Informed means that there must be full disclosure by project developers of their plans in a language and format acceptable to the affected communities. Consent means that communities have a real choice and can say 'yes' if there will be a good flow of benefits and development opportunities for them, or 'no' if they are not satisfied with the deal. (IAIA, 2015)

Data Collection Method: Interview / document review / observation

Data Collection Guidance: Assessors are expected to be knowledgeable about responsible and respectful community engagement with communities at the organisation's operations. Assessors should also have specific knowledge and expertise regarding Indigenous Peoples in the relevant country context and be able to conduct their assessment in an appropriate language that is inclusive for the communities being engaged.

Assessors should document and archive the Indigenous Peoples Policy, outlining the organisation's approach to engaging, consulting with and disseminating information to Indigenous Peoples' communities, including designation of specific personnel responsible for conducting these activities. Assessors should review the organisation's legal registry that details all relevant national legislation with which it needs to comply, together with international human rights legal mechanisms applicable to Indigenous Peoples in this context and the stakeholder map

produced in a participatory manner with potentially affected communities. The map should clearly show all potentially affected rights-holders and their land, resources and other assets (e.g., cultural) that may be impacted by the mining operation.

Assessors should document and archive social, environmental and cultural impact assessments, including baseline studies conducted in a participatory manner with potentially affected communities, as well as the signed agreement that details the affected community's consent for the operation to commence and the conditions that this agreement is dependent upon i.e. the scope of the project, its duration, potential impacts, compensation or benefit-sharing agreements and in what contexts the consent-seeking process needs to be revisited i.e. in the event that any of the above conditions change.

Interview the leadership to ascertain their knowledge of the rights of Indigenous Peoples in this context, the organisation's policy on engaging and consulting with Indigenous Peoples, and the system for monitoring ongoing compliance of the operation with the conditions outlined in the agreement with the affected community.

Interview leaders of the affected community, and members of the wider community, to confirm that they have participated in the creation of the stakeholder map, the social and environmental impact assessment and the agreement detailing their consent to mining operations. Confirm that they know and understand what these documents contain, where and how they can be accessed and that the principles of FPIC have been upheld throughout the process. Interview Indigenous Peoples regarding their understanding of the grievance mechanism which should address any claims made by the affected community that the operation is non-compliant with the conditions outlined in the agreement. Examples of grievances should be recorded and should include an account of how the organisation addressed these concerns.

Assessors should review the schedule of meetings held with the community, including meeting minutes and signed attendance registers.

Examples and Sources of Evidence: Indigenous people's policy / legal registry / stakeholder map / social, environmental and cultural impact assessment / signed agreement / grievance mechanism / schedule of meetings held with the community including minutes and signed attendance registers / transcripts of interviews / observation field notes

Performance Determination:

- Meets: There is evidence to show that the organisation has free, prior and informed consent from affected communities for its operations and affected communities are aware and understand their rights.
- Partially Meets: There is evidence to show that the organisation has free, prior and informed consent from affected communities for its operations, but not all relevant documents (see Examples and Sources of Evidence) are available.

- Misses: There is no evidence to show that the organisation has free, prior and informed consent from affected communities for its operations and affected communities are not aware and don't understand their rights.

Criterion 5.2.3 | **Basic** | **The organisation and its management recognise and protect sites of special cultural or religious significance to local communities if these lie within the organisation's boundary**

Data Collection Method: Document review / interview

Data Collection Guidance: Assessors are expected to be familiar with the concept of designated protected areas. Assessors should review the results of a scoping study that identifies all sites of special cultural, ecological, economic, religious or spiritual significance to communities living close to an organisation's operations, and those to which these communities hold legal or customary rights. The study should include consultations with local government officials from the Department of Culture and Department of the Environment, community elders and leaders, religious leaders, industry representatives and local farmers.

Interview the organisation's management regarding the recognition and protection of sites of special cultural, ecological, economic, religious or spiritual significance and those to which local communities hold legal or customary rights. Assess efforts to tailor the organisation's activities and operations to mitigate their impact on these areas.

Examples and Sources of Evidence: Interview summaries / results of scoping study

Performance Determination:

- Meets: There is evidence to show that the organisation recognises and protects sites of special cultural, ecological, economic, religious or spiritual significance and those to which local communities hold legal or customary rights. The organisation tailors its activities and operations to mitigate impacts on these sites.
- Partially Meets: There is evidence to show that the organisation has made good faith efforts to tailor its activities and operations to mitigate impacts on sites of special cultural, ecological, economic, religious or spiritual significance to the communities surrounding its site, but the scoping study lacks some elements.
- Misses: There is no evidence to show that the organisation recognises and protect sites of special cultural, ecological, economic, religious or spiritual significance to local communities, or those to which these communities hold legal or customary rights. The organisation is not mitigating impacts on these areas.

Criterion 5.2.4 | **Intermediate** | **The organisation should take measures to inform the local community about health and safety risks related to its activities**

Explanation: The organisation should have signposts within and outside of its' site vicinity that explicitly inform the community about the health and safety risks related to its activities.

Data Collection Method: Document review / interview

Data Collection Guidance: Assessors should interview local community members regarding their understanding of the main health and safety risks associated with participating in the organisation's operations.

Examples and Sources of Evidence: Interview summaries / photographs

Performance Determination:

- **Meets:** There is evidence to show that local communities are aware of the main health and safety risks of participating in the organisation's operations.
- **Partially Meets:** There is evidence to show that the organisation provides local communities with information on the main health and safety risks of participating in its operations, but communities are not aware of these educational measures.
- **Misses:** There is evidence to show that local communities are not aware of the main health and safety risks of participating in its operations.



Principle VI

Environmental Stewardship



PRINCIPLE 6: ENVIRONMENTAL STEWARDSHIP

Objective: Gold mining involves the extraction of mineralised ores from below the Earth's surface, the recovery of precious metals from those ores - very often using chemicals - and the transport of the mining operation's output to customers. All of these activities affect the physical environment and can potentially harm local ecosystems. They may also contribute to global environmental issues, such as climate change. Although some short-term impacts of mining are inevitable, many can be avoided or reduced when good practices are applied and, in the long term, can be mitigated through careful planning and restoration of mining areas. Where mining takes place in areas valued for their biodiversity, such as national parks and remote mountain areas, impacts can be particularly devastating and result in the loss of a species population locally or even globally. The objectives of the following criteria are to drive the adoption of responsible environmental practices at ASM operations that help avoid the worst environmental impacts and significantly reduce the residual effects of mining. The Impact Facility is careful not to apply the same standard for environmental management to ASM as that applied to industrial mining. There is emphasis instead on the gradual adoption of better practices and on an appropriate level of effort invested in environmental management commensurate with the scale and location of the ASM operation.

6.1. MANAGEMENT OF HAZARDOUS SUBSTANCES

Criterion 6.1.1 | **Basic** | **Hazardous substances and contaminated tailings must not be discharged into water or where they can reach water bodies**

Explanation: Tailings can contain a number of toxic elements including chemicals used for mineral processing (e.g., mercury or cyanide), oxidising sulphides (which cause acid rock drainage) and heavy metals. If these are released either directly or as runoff in water allowed to percolate through the tailings, they can have a harmful effect on both humans and wildlife. The fine tailings themselves, whilst not toxic, can also have an adverse impact. When released into water bodies they can block flowing water, cause canalisation, make water too cloudy for fish to survive or form silt deposits that prevent the accumulation of water in ponds.

Data Collection Method: Observation

Data Collection Guidance: The assessor should have a basic knowledge of the principles of tailings management in mining and be able to apply this knowledge to the ASM setting. A site visit is needed to verify that disposal of toxic tailings and associated wastewater is properly managed and that discharge into waterbodies is effectively avoided.

The assessor should first determine whether the tailings and waste water is toxic. If highly toxic then tailings should be contained in a way that prevents leaching of the toxic elements by percolating water. This may include capping off the waste with an impermeable membrane. If the waste is of low toxicity, then it may be diluted with non-toxic tailings to reduce their toxicity to a level that no longer presents a hazard. Similarly, any wastewater that is generated should be assessed

for toxicity. Wastewater with a high toxicity should be either de-activated (if practicable) or clay-based soils should be used to adsorb toxic elements. If the wastewater is of low toxicity, then it can be released into a waterbody that will sufficiently dilute it to a harmless level.

Assessors should visit the site to see whether mercury-contaminated tailings occur near to a waterbody. Contaminated tailings must be heaped more than 100 m from the nearest surface waterbody or well. Contaminated water must be released more than 250 m from the nearest surface waterbody or well. Contaminated water must be released into a pit or pond to allow gradual release over time, rather than flowing into a waterbody.

If the organisation is to dispose of fuels, oils or other hydrocarbon liquids, then it must first show good faith attempts to recycle the liquid. If recycling is not viable, then it must be disposed of by storage in plastic or metal receptacles underground, packed with soil or rock.

Examples and Sources of Evidence: Waste management system / storage system with sufficient capacity and permanence / environmental management plan

Performance Determination:

- Meets: There is evidence to show that hazardous substances and contaminated tailings are being disposed safely and they do not present a hazard to human health or wildlife.
- Partially Meets: Hazardous substances and contaminated tailings are being released in an uncontrolled manner, but neither tailings nor hazardous substances are being released into waterbodies and are not an immediate hazard to human health or wildlife.
- Misses: There is evidence to show that hazardous substances and contaminated tailings are being released in an uncontrolled manner and their disposal presents an immediate hazard to human health and wildlife.

Criterion 6.1.2 | **Basic** | **The organisation must not use hazardous chemicals within 10 metres of ongoing human activity and instruments and tools used for operations with a hazardous substance must not be used in any other domestic activity**

Explanation: The organisation uses hazardous chemicals i.e., mercury and cyanide within safe distance of human activity to maintain the health and safety of the miners present on site.

If the organisation's activity is gold mining, then the tools, receptacles and shelters (or the materials that they are constructed from) used in this activity should never be used for domestic purposes such as washing, collecting water, cooking or eating. For example, a basin used for storing mercury must not then be used for washing children. All basins and other implements commonly found in domestic settings but being used instead for handling hazardous chemicals must be labelled 'not for domestic use' in permanent marker.

If not already in place, the organization should have a budget in place to plan for the construction of a storage shed or a strong cabinet for the storage of the instruments and tools used with hazardous substances. These tools and instruments will be stored under lock and key and have a person in charge of the inventory.

Data Collection Method: Observation

Data Collection Guidance: Assessors should visit the site to confirm that the distance between areas of hazardous chemical use and areas of human habitation or assembly (without protection) is greater than 10 metres.

The assessor also needs to verify that all basins and other implements commonly found in domestic settings that are instead being used for handling hazardous chemicals are labelled 'not for domestic use' in permanent marker and stored safely. Hazardous substances or tools used in these processes should be securely stored. Ideally locked in a cabinet or equivalent.

Examples and Sources of Evidence: Photographs / Labelled containers, basins and other implements

Performance Determination:

- **Meets:** There is evidence to show that the organisation does not use hazardous chemicals within 10 metres of ongoing human activity and evidence to show that all basins and other implements commonly found in domestic settings are being used instead for handling hazardous chemicals be labelled 'not for domestic use' in permanent marker, stored safely with an accurate inventory and protected by padlock.
- **Partially Meets:** There is evidence to show that the organisation is making good faith efforts to keep hazardous substances such as explosives, mercury and cyanide in appropriate signposted places with adequate conditions for safe storage, inventory keeping and disposal, but the full inventory or labelling of all substances contained in the building seems incomplete.
- **Misses:** There is evidence to show that the organisation does use hazardous chemicals within 10 metres of ongoing human activity and there is no evidence to show that the organisation keeps hazardous substances such as explosives, mercury and cyanide in appropriate signposted places with adequate conditions for safe storage and inventory keeping.

Criterion 6.1.3 | **Advanced** | **Use, storage and disposal of hazardous chemicals must be planned for, using designated premises, proper equipment and trained personnel**

Explanation: If mercury is used to recover gold, burning of the mercury amalgam is only carried out in designated sites away from highly populated areas. Retorts and adequate ventilation should be used, and all personnel burning amalgam should be trained in the safest methods.

If cyanide is used then leaching should only be carried out in well-maintained tanks or ponds surrounded by overflow ditches, and safety fencing erected to prevent unauthorised persons and animals from entering. All personnel handling cyanide should be trained in its safe use and use appropriate PPE.

Use, storage and disposal of hazardous chemicals should take place at least 100 m from water-bodies. Storage and disposal of contaminated tailings must not take place in areas susceptible to flooding.

Contaminated tailings are sealed in an impermeable pond or container and not repurposed for building bricks or used in other construction or agricultural activities.

Data Collection Method: Observation / document review

Data Collection Guidance: The assessor should have a basic knowledge of the correct disposal methods for chemicals, tailings and wastewater. A site visit is needed to verify that disposal of toxic tailings and associated wastewater is properly planned and that discharge into waters is effectively avoided.

The assessor should review the environmental management plan to determine whether procedures for the safe and proper disposal of chemicals, tailings and wastewater are included. The organisation must provide evidence that the plan has been written by knowledgeable consultants and is followed by persons trained in carrying out this instruction. Evidence of consultancy advice should include the signature, date and address of the consultancy service provider which can be verified by an impartial body. Evidence of training should include a signed register of attendance at training workshops and test papers completed in the trainee's handwriting, signed by the trainee and showing a high level of understanding. Trained personnel can provide training to another person (e.g., the auditor).

Examples and Sources of Evidence: Paper-based plan and procedure for the safe and proper disposal of chemicals, Labelled containers, labelled storage facilities, report of recent staff training tailings and wastewater / signed register of attendance at training workshops

Performance Determination:

- **Meets:** There is clear evidence that the disposal of toxic tailings and associated wastewater is properly planned for and that discharge into waters is effectively avoided. Where mercury is used, the burning of the mercury amalgam is only carried out in designated sites away from highly populated areas. Where cyanide is used, leaching is only carried out in well-maintained tanks or ponds surrounded by overflow ditches, and safety fencing erected to prevent unauthorised persons and animals from entering. It is evident that all personnel handling toxic chemicals have been trained.
- **Partially Meets:** There is evidence to show that the ASM is making good faith efforts towards a written plan and procedure for the safe and proper disposal of chemicals, including the safe disposal of toxic tailings. Where mercury and cyanide are used, it is somewhat evident that they are maintained and disposed of accordingly. It is not clear whether personnel responsible for handling the toxic chemicals have been trained.
- **Misses:** There is no evidence to show that there is a written plan and procedure in place for the safe and proper disposal of chemicals. There is no evidence to show that the disposal of toxic tailings and associated wastewater is properly planned for or that discharge into waters is effectively avoided. Where mercury and cyanide are used, they do not appear to be handled properly or disposed of correctly by trained personnel.

Criterion 6.1.4 | **Intermediate** | **Workers are trained in procedures for cleaning up spills of hazardous chemicals**

Explanation: The organisation can provide proof that all its workers have been trained in safe and proper procedures for cleaning up spills of hazardous substances. Such evidence shall include a signed register of attendance at training workshops; test papers completed in the trainees' handwriting, signed by the trainees and showing a high level of understanding. Trained personnel can provide training to another person (e.g., the auditor).

Data Collection Method: Document review

Data Collection Guidance: Assessors should review the signed register of attendance at training workshops (safe and proper procedures for cleaning up spills of hazardous substances); test papers completed in the trainee's handwriting, signed by the trainee and showing a high level of understanding. Trained personnel can provide training to another person (e.g., the auditor).

Examples and Sources of Evidence: Register of attendance of training workshops / test papers

Performance Determination:

- **Misses:** There is evidence to show that all workers in the organisation have been trained in safe and proper procedures for cleaning up spills of hazardous substances. Test papers show a strong level of understanding.

- Partially Meets: There is evidence to show that all workers in the organisation have been trained in safe and proper procedures for cleaning up spills of hazardous substances, but test papers do not show a high level of understanding.
- Meets: There is no evidence to show that all workers in the organisation have been trained in safe and proper procedures for cleaning up spills of hazardous substances.

Criterion 6.1.5 | **Advanced** | **Spills of hazardous substances are cleaned up as far as practicable**

Explanation: To prevent contamination any spills should be dealt with immediately and contaminated material disposed of properly.

Data Collection Method: Document review / interview

Data Collection Guidance: Assessors should document and archive a paper copy of the organisation's procedure for cleaning up spills of hazardous substances.

Assessors should interview trained person / s in the organisation about the procedure followed for cleaning up spills of hazardous substances and sample a selection of workers to establish whether they know who to contact if a hazardous substance is spilled.

Assessors should visit the site to check for signs of poorly cleaned up spills.

Examples and Sources of Evidence: Paper copy of the organisation's procedure for cleaning up spills of hazardous substances / interview summaries

Performance Determination:

- Misses: There is evidence to show that the organisation has a paper copy of the procedure followed for cleaning up spills of hazardous substances; one person has been trained and workers know who to contact if a hazardous substance is spilled. There are no signs of poorly cleaned up spills on site.
- Partially Meets: There is evidence to show that the organisation has a paper copy of the procedure followed for cleaning up spills of hazardous substances and one person has been trained, but workers do not know who to contact if a hazardous substance is spilled.
- Meets: There is evidence to show that the organisation has no paper copy of the procedure followed for cleaning up spills of hazardous substances and no person has been trained. There are signs of poorly cleaned up spills on site.

Criterion 6.1.6 | **Basic** | **Explosives are handled only by persons holding a legally recognised blasting licence from, or accepted by, the national government**

Data Collection Method: Document review / observation

Data Collection Guidance: Sample workers handling explosives and check whether they hold a legally recognised blasting licence (granted in the country of operation by the appropriate authority, to meet local and national regulations, to handle, prime and detonate explosive substances.

Examples and Sources of Evidence: Original certificate / copy with person's name

Performance Determination:

- Meets: There is evidence to show that explosives are handled only by persons holding a legally recognised blasting license from the country of operation and local government.
- Misses: There is no evidence to show that explosives are handled only by persons holding a legally recognised blasting license from the country of operation and local government.

(AU ONLY) Criterion 6.1.7 | **Basic** | **The use of hazardous substances such as mercury and cyanide must be supervised by trained adults over 18 years of age and never pregnant or breastfeeding women or persons diagnosed with mental deficiencies or diseases of the gastrointestinal, urinary, nervous or respiratory systems**

Explanation: The organisation only permits persons over 18 years of age to handle mercury or to be in the proximity of the mercury vaporising process.

The organisation only permits persons over 18 years of age to handle hazardous substances, even if they are in a sealed container.

The organisation only permits persons over 18 years of age to handle, prime and detonate explosive substances.

The organization should issue out badges to persons over the age of 18 trained to handle mercury and other hazardous substances and these individuals are required to always have on the badges whenever handling the substances within the organisation's premises.

Data Collection Method: Observation / document review

Data Collection Guidance: A site visit is needed to verify that the use of hazardous substances, such as mercury and cyanide, is supervised by trained adults over 18 years of age, never pregnant or breastfeeding women or persons diagnosed with mental deficiencies or diseases of the gastrointestinal, urinary, nervous or respiratory systems.

Examples and Sources of Evidence: Signed register of attendance at training workshops / test papers completed in the trainee's handwriting, signed by the trainee and showing a high level of understanding / original certificate, or a copy, with the trainee's name

Performance Determination:

- **Meets:** There is evidence to show that the use of hazardous substances is supervised by trained adults over 18 years of age, never pregnant or breastfeeding women or persons diagnosed with mental deficiencies or diseases of the gastrointestinal, urinary, nervous or respiratory systems. The organisation can provide proof of existing training workshops.
- **Misses:** There is no evidence to show that the use of hazardous substances is supervised by trained adults over 18 years of age, never pregnant or breastfeeding women or persons diagnosed with mental deficiencies or diseases of the gastrointestinal, urinary, nervous or respiratory systems. The organisation cannot provide proof of existing training workshops.

Criterion 6.1.8 | **Intermediate** | **Disposal of tailings, chemical waste and wastewater must be properly planned and carried out by experienced persons**

Explanation: After various rounds of processing, tailings (the ground down, non-valuable by-product of mining) can contain a number of toxic elements including chemicals used for mineral processing (e.g., mercury or cyanide), oxidising sulfides (which cause acid rock drainage), and heavy metals. If these are released into the environment, either directly or as runoff in water allowed to percolate through the tailings, they can have a harmful effect on both humans and wildlife. The fine tailings themselves, whilst not toxic, can also have a harmful impact. If released into water bodies they can block flowing water, cause canalisation, make water too cloudy for fish to survive or cause silt deposits that prevent the accumulation of water in ponds.

Data Collection Method: Observation

Data Collection Guidance: The assessor should have a basic knowledge of the principles of tailings management in mining and be able to apply this knowledge to the ASM setting. A site visit is needed to verify that disposal of toxic tailings and associated wastewater is properly planned and that discharge into water bodies is effectively avoided.

The assessor should first determine whether the tailings and waste water are toxic. If highly toxic then tailings should be contained in a way that prevents leaching of the toxic elements by percolating water. This may include capping off the waste with an impermeable membrane. If the waste is of low toxicity, it may be diluted with non-toxic tailings to reduce its toxicity to a level that no longer presents a hazard. Similarly, any wastewater that is generated should be assessed for toxicity. Wastewater with high toxicity should be either. Neutralised (if this is possible) or the toxic

elements contained in it adsorbed onto clay-based soils. If the wastewater is of low toxicity, it can be released into a water body that will sufficiently dilute it to a harmless level.

The assessor should review the environmental management plan to see whether procedures for the safe and proper disposal of chemicals, tailings and waste water are included. The organisation must provide evidence that the plan has been written by knowledgeable consultants and is followed by persons trained in carrying out this instruction.

Examples and Sources of Evidence: Waste management system / environmental management plan including a plan for the disposal of waste / signature, date and address of the consultancy service provider / signed register of attendance at training workshops / test papers completed in the trainee's handwriting and showing a high level of understanding

Performance Determination:

- Meets: There is evidence to show that tailings and wastewater are being disposed of safely and do not present a hazard to human health or wildlife.
- Partially Meets: Tailings and wastewater are released in an uncontrolled manner, but neither tailings nor wastewater are being released into water bodies and are not an immediate hazard to human health or wildlife.
- Misses: There is evidence to show that tailings and wastewater are released in an uncontrolled manner and their disposal presents an immediate hazard to human health and wildlife.

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6.2. RESPONSIBLE GOLD PROCESSING (AU ONLY)

(AU ONLY) Criterion 6.2.1 | **Basic** | **A mercury-free concentration process precedes amalgamation to prevent whole ore amalgamation**

Explanation: Mercury is a toxic element used in the extraction of gold from ore. It has been shown to severely inhibit healthy cognitive development. Mercury bioaccumulates in the bodies of humans and other animals, so even low-exposure over an extended period of time can cause harm. As a result, member countries of the UN signed an international treaty designed to protect human health and the environment from anthropogenic emissions and releases of mercury into the environment. One of the actions being taken by signatory countries is to make the use (or sale) of mercury in ASM illegal.

Mercury amalgamation is still the most widely employed method of gold recovery in ASM and few readily available and affordable alternatives exist for artisanal miners. Methods such as cyanidation and gravity separation, however, are becoming more widely adopted by the industry and ASMOs should demonstrate that they are moving towards such alternatives.

Data Collection Method: Observation

Data Collection Guidance: Assessors should visit the site to determine whether the organisation pre-concentrates ore, as far as the equipment available to it will allow, before mercury is applied.

Examples and Sources of Evidence: Mercury-free concentration process

- **Meets:** There is evidence to show that the organisation is moving towards mercury-free gold recovery alternatives / methods and there exist affordable alternatives.
- **Partially Meets:** There is evidence to show that the organisation demonstrates good faith efforts to minimise mercury amalgamation, however there is a lack of affordable alternatives.
- **Misses:** There is no evidence to show that the organisation is moving towards mercury-free gold recovery alternatives / methods and there exist affordable alternatives.

(AU ONLY) Criterion 6.2.2 | **Basic** | **Mercury amalgam burning must only be carried out in designated premises and not indoors or near urban, residential or recreational areas where people without protection may be affected (particularly pregnant women, children and babies)**

Explanation: Mercury amalgamation is hazardous to health and Local exposures in mining communities that use mercury can be even more acute and so proper care to burn amalgams in designated areas should be a priority for any mining organization.

Pregnant women and children are at a particularly high risk of being exposed to mercury through the womb and this eventually leads to neurological complications that can be mitigated against if proper care is made to limit the amount of mercury they are exposed to.

Data Collection Method: Observation

Data Collection Guidance: Assessors should visit the site to see where the organisation burns mercury amalgam. Mercury amalgam must only be burnt in designated sites with good through flow of ventilation, outdoors, or in a shelter with open sides, and away from residential areas or areas where people regularly work.

Examples and Sources of Evidence: Photographs

Performance Determination:

- **Meets:** There is evidence to show that the organisation burns mercury amalgam in designated premises and not indoors or near urban, residential or recreational areas where people without protection may be affected.
- **Misses:** There is evidence to show that the organisation burns mercury amalgam indoors or near urban, residential or recreational areas where people without protection may be affected.

(AU ONLY) Criterion 6.2.3 | **Intermediate** | **Retorts or alternative mercury recovery techniques must be used for decomposing amalgam**

Explanation: If the organisation's activity is gold mining, then it first squeezes excess mercury from the amalgam into a receptacle for collection and re-use followed by the capture of mercury vapours or residues when the gold is separated. If the process uses heat to vaporise the mercury, then a retort is used.

Recycling mercury prevents the need for fresh mercury purchases ultimately lowering the cost for miners by reducing mercury consumption. Since mercury retorts are easy to fabricate, this can prove to be a sustainable and effective first step in moving towards mercury free processing.

Data Collection Method: Observation / interview

Data Collection Guidance: Inspect the processing site and talk with miners to understand how they are recovering mercury during the processes to minimise the release of mercury into the environment. Retorts may be used to capture the mercury vapour for example.

Examples and Sources of Evidence: Photographs of processes and equipment used to demonstrate alternate mercury recovery techniques / interview summaries

Performance Determination:

- **Meets:** There is evidence to show that the ASM squeezes excess mercury from the amalgam into a receptacle for collection and re-use, followed by the capture of mercury vapours or residues when the gold is separated. If the process uses heat to vaporise the mercury, then a retort is used to ensure mercury vapours are not released.
- **Partially Meets:** There is evidence to show that the ASM is making good faith efforts to use appropriate recovery techniques when decomposing amalgam. Retorts may be present for example but not used consistently and the process may have room for improvement however the release of mercury into the environment has been reduced.
- **Misses:** There is no evidence to show that the ASM is using appropriate mercury recovery techniques when decomposing amalgam and mercury is released into the environment.

(AU ONLY) Criterion 6.2.4 | **Intermediate** | **If acid is used to purify gold, silver or other metals, pickling waste must be neutralised before disposal and procedures should be performed by trained personnel in a designated site**

Explanation: If the organisation's activity uses acid to purify gold, silver or other metals, then waste acid and spent pickling waste must be neutralised to approximately pH 7 using appropriate apparatus. This may consist of a stainless steel, ceramic or glass receptacle resistant to high temperatures and chemical reaction, a stirring rod of the same material and a pipette. Spent liquid must be disposed of more than 250 m from the nearest surface waterbody or well.

The organisation must ensure that all reactions, whether dissolution of impurities or neutralisation, are performed at a designated site with good through-flow of ventilation, outdoors or in a shelter with open sides, and away from residential areas or areas where people regularly work. The organisation must provide evidence that all personnel who handle nitric acid substances are trained in their safe use, neutralisation, storage and disposal. Such evidence shall include a signed register of attendance at training workshops and test papers completed in the trainee's handwriting, signed by the trainee and showing a high level of understanding. Trained personnel can provide training to another person (e.g., the auditor).

Data Collection Method: Observation / document review

Data Collection Guidance: The responsible persons on site must demonstrate their qualification/training regarding acid waste neutralisation and disposal. It must also be clearly demonstrated that all the appropriate equipment and resources are present on site (such as lime) and that there is an appropriate disposal site more than 250 m from water sources (see explanation for more details).

Examples and Sources of Evidence: Site visit, signed register of attendance to the appropriate workshop for personnel handling nitric acid substances. Photo evidence on site of neutralising and disposal process.

Performance Determination:

- **Meets:** There is evidence to show that personnel handling the nitric acid substances has papers clearly stating their attendance of appropriate training workshops along with test papers, signed by the trainee, that clearly demonstrate their level of understanding. The acidic waste is neutralised and disposed of properly.
- **Misses:** There is evidence that personnel handling the nitric acid substances is unable to present any papers to demonstrate their relevant qualifications. Acid is not neutralised or disposed of correctly.

(AU ONLY) Criterion 6.2.5 | **Intermediate** | **Acid must not be used for dissolving amalgam**

Explanation: The organization never applies acid to mercury amalgamated gold. For example; some may process mercury gold tailings with cyanide. Cyanide dissolves mercury creating waste that can bind with organic molecules to become methylmercury. This is highly toxic and can accumulate in the food chain.

Data Collection Method: Observation

Data Collection Guidance: The responsible persons on site must demonstrate their process for dealing with mercury amalgam. The assessor must ascertain that acid is not used to dissolve amalgam or that the site is mercury free.

Examples and Sources of Evidence: Visual observation and interview

Performance Determination:

- **Meets:** There is strong evidence to show that acid is not being used for dissolving amalgam on site and alternative equipment is present and in use. OR the site is clearly operating mercury free.
- **Partially Meets:** There is evidence to show that there are alternative processes and equipment in place to avoid the use of acid in dissolving amalgam but there are suspicions that acid may, on occasion, still be used on site for dissolving amalgam.
- **Misses:** There is evidence that acid is being used for dissolving amalgam on site.

(AU ONLY) Criterion 6.2.6 | **Intermediate** | **The organisation has started trials with alternative processing methods to minimise and eliminate the use of mercury in the recovery of gold**

Explanation: Mercury is a toxic element used in the extraction of gold from ore. It has been shown to severely inhibit healthy cognitive development. Mercury bioaccumulates in the bodies of humans and animals, so even low-exposure over an extended period of time can cause harm. As a result, member countries of the UN signed an international treaty designed to protect human health and the environment from anthropogenic emissions and releases of mercury into the environment. One of the actions being taken by signatory countries is to make the use (or sale) of mercury in ASM illegal.

Mercury amalgamation is still the most widely employed method of gold recovery in ASM and few readily available and affordable alternatives exist for artisanal miners. Methods such as cyanidation and gravity separation, however, are becoming more widely adopted in the industry, and ASMOs should demonstrate that they are moving towards such alternatives.

Since a higher percentage of women in ASGM are involved in the processing end and are thus at a higher risk to be exposed to the health effects of mercury, ASMOs should prioritize women in the training and adaptation of alternative processing methods in the effort to gravitate away from mercury.

Data Collection Method: Observation / interview

Data Collection Guidance: The assessor should have a basic knowledge of how mercury is used in artisanal mining, including techniques such as the use of retorts to prevent release of mercury into the environment. They should also have a working knowledge of mercury-free alternatives in the recovery of gold.

A site visit is needed to verify the extraction and control methods used where mercury is used to recover gold.

The full gold processing circuit should be inspected to determine the stage at which mercury is applied to ore and how the mercury and gold are separated once amalgamation has taken place. The storage of mercury should also be inspected. Interview workers or those handling mercury to understand whether tools used in the mercury process are also used in the home setting, putting those in the home at risk of mercury poisoning. For example, are the basins used for mixing the mercury with the gold ore also used to bathe babies, or for cooking?

Where mercury is used, check for indications that the operation is making efforts to transition to gravity concentration methods using a concentrating device such as centrifugal separator, shaking table or effective sluice before mercury is applied to the ore.

Interview the leadership to determine why the organisation has not transitioned to a full mercury-free system and whether reasonable attempts have been made to do so.

Examples and Sources of Evidence: Interview summaries

Performance Determination:

- **Meets:** There is evidence to show that the organisation has transitioned to a mercury-free gold recovery or processing system.
- **Partially Meets:** There is evidence to show that the organisation uses mercury to process gold ore, but amalgamation is preceded by a pre-concentration step and reasonable efforts have been made to transition to a mercury-free processing system.
- **Misses:** There is evidence to show that the organisation uses mercury to process ore and recover gold, and no evidence to show that reasonable efforts have been made to transition to a mercury-free system.

(AU ONLY) Criterion 6.2.7 | **Advanced** | **Cyanide solutions and tailings must be detoxified in a lined pond or tank before discharge**

Explanation: If the organisation's activity uses cyanide, then tailings should be watered down and residual cyanide filtered out prior to heaping.

If the organisation's activity uses cyanide, then tailings should be heaped more than 100 m from the nearest waterbody.

If the organisation's activity uses cyanide, then waste cyanide should be detoxified by pouring the mix into an impermeable, lined pond where the fluid is first exposed to sun or other UV source then treated chemically. One such chemical treatment is the addition of sulphur dioxide, the reagent, and copper sulphate, the catalyst.

Data Collection Method: Observation

Data Collection Guidance: Seek physical evidence to confirm all criteria are being met as per the explanation.

Examples and Sources of Evidence: Photographs of appropriately located, fenced and secured tailings pond or tank including evidence of process / Presence of chemical treatment materials

Photographs / presence of chemical treatment materials

Performance Determination:

- **Meets:** The organisation has a pond or tank which meets all the requirements above and is treating the wastewater appropriately.
- **Misses:** There is no evidence that the mine is properly treating and containing its cyanide.
- If it is clear to the auditor that the mine is not treating and containing its cyanide appropriately, Immediate rectification of the situation is required. The auditor should pause the audit and contact The Impact Facility as well as their in-country contact and await further instruction. The Impact Facility may have to disengage until rectified.

(AU ONLY) Criterion 6.2.8 | **Advanced** | **Cyanide leaching of unprocessed amalgamated tailings is not permitted**

Explanation: If the organisation's activity is gold mining and cyanide is used to recover gold, then if amalgamated tailings are leached, mercury-recovering gravimetric pre-processing must precede cyanidation.

Data Collection Method: Observation

Data Collection Guidance: Inspect the site to ascertain if mercury is present, if so, how it is being used. Seek evidence of processing equipment, e.g., a gravimetric concentration circuit.

Examples and Sources of Evidence: Photographs / interview summaries / presence or absence of mercury

Performance Determination:

- **Meets:** The organisation is not using cyanide leaching on unprocessed amalgamating tailings. Cyanide leaching is used only after gravimetric concentration or other processes, free of amalgam.
- **Misses:** The organisation is using cyanide leaching on ore that has been treated with amalgam with no effort to concentrate the ore prior to application of chemicals.

(AU ONLY) Criterion 6.2.9 | **Advanced** | **All gold is processed with alternative processing methods (i.e. all gold is mercury free)**

Explanation: All gold is processed without the use of mercury.

Data Collection Method: Interview / observation

Data Collection Guidance: If the organisation's activity is gold mining, assessors should review photographic and interview evidence of its use of mercury alternatives. Such alternatives may be

a complete gravimetric concentration circuit or the use of non-mercury amalgamation chemicals. Assessors should interview the organisation's leadership team regarding the key pros and cons of the method used and receive a reasonable explanation of why it has or has not adopted the technique.

Examples and Sources of Evidence: Photographs of mercury alternatives / interview summaries

Performance Determination:

- Meets: There is evidence to show that a significant volume of gold is processed with alternative processing methods.
- Misses: There is no evidence to show that a significant volume of gold is processed with alternative processing methods.

6.3. PROTECTION OF ECOLOGICAL INTEGRITY

Criterion 6.3.1 | **Basic** | **The organisation must not operate in any area protected under national or international legislation unless expressly authorised by the conservation body**

Explanation: If the organisation's operations are in an area protected under national or supranational law due to its heritage or biodiversity value, the organisation must provide proof of permission to operate in such areas. Such proof shall consist of an official letter from the governing / conservation body granting permission to operate, signed or stamped by an appropriate official and dated. Where evidence is of questionable quality, permission should be re-confirmed through a call, email or letter from the conservation authority to an impartial party. Relevant environmental protection laws can be found on the ECOLEX database.

Data Collection Method: Desk research / document review

Data Collection Guidance: Assessors are expected to be familiar with the concept and location of designated areas of high ecological importance and to have accessed appropriate online databases and resources to establish whether the organisation is active in one of these areas. Relevant environmental protection laws can be found on the ECOLEX database.

Examples and Sources of Evidence: Online maps / official letter from the governing or conservation body

Performance Determination:

- Meets: The organisation is not active in designated areas of high ecological importance.
- Partially Meets: The organisation has limited activities in one or more designated areas of high ecological importance, is outside one such area but has significant impacts on its ecological integrity or is in the process of moving its operations outside of a designated area but this process is not completed.
- Misses: The organisation is active in one or more designated areas of high ecological importance and cannot provide proof of permission to operate in such areas.

Criterion 6.3.2 | **Intermediate** | **The organisation conducts an environmental impact assessment for its operation and puts in place mitigation measures where appropriate to limit damage**

Explanation: Environmental Impact Assessments (EIA) contain detailed analysis of how a specific project may have environmental impacts. The importance of an environmental impact assessment is to ensure that impacts are evaluated in order to protect the environment for both

organisms and humans in that vicinity and beyond. Many jurisdictions now require that any major project complete an EIA; it is almost always a legal requirement in order to obtain a mining permit.

Data Collection Method: Document review / observation

Data Collection Guidance: The assessor should review the environmental impact assessment of the organisation's operations, which includes their potential impact on air, water and soil quality both on and off site. The assessment must acknowledge possible impacts on biodiversity (fish populations, plant life etc) and climate as well as the potential for re-purposing the site for an alternative economic activity once its current purpose ceases. The organisation must also assess the impact it and its personnel have on biodiversity through the sourcing of materials (e.g., timber), hunting and foraging. Proof must be submitted in the form of a paper-based assessment.

The organisation must provide proof that mitigation measures have been put in place to minimise the negative impact of its operation on the environment. Mitigation measures should, as a minimum, cover the key impacts identified in the organisation's environmental impact assessment. Measures should demonstrate good faith efforts to lessen adverse impacts as far as possible / practicable an example being the preservation of topsoil excavated during mine activities for re-vegetation at the end of mine life.

Examples and Sources of Evidence: Photographs / written procedures / training programs

Performance Determination:

- **Meets:** There is evidence to show that the organisation did an assessment of the new technology to determine its influence on air, water and soil quality both on and off site, including impacts on biodiversity and climate. Mitigation measures have been put in place to minimise the negative impacts of the new technology on the environment.
- **Partially Meets:** There is evidence to show that the organisation did an assessment of the new technology to determine its influence the environment, but not all impacts are covered.
- **Misses:** There is no evidence to show that the organisation did an assessment of the new technology to determine its influence on air, water and soil quality both on and off site, including impacts on biodiversity and climate. Mitigation measures have not been put in place to minimise the negative impacts of the new technology on the environment.

Criterion 6.3.3 | **Intermediate** | **The organisation has assigned responsibility to at least two members to oversee decision-making and implementing actions on environmental development for the whole operational area**

Explanation: The organisation assigns a committee of at least two people to the role of environmental development officer. The role must involve: environmental hazard and improvement

opportunity identification; risk and opportunity analysis; de-risking and improvement procedure design and implementation management; training of workers in matters of environmental protection; reporting quarterly the operation's environmental risks and opportunities and their management. The environmental development officer must visit sites weekly and must be granted permission to stop operations if they believe the activity poses a threat to the environment. The role may be the exclusive role of an individual or a secondary role. The appointed officer / s must not be paid in the form of profit sharing but through a fixed salary for all work undertaken for the organisation.

Data Collection Method: Interview / document review

Data Collection Guidance: The assessor shall interview the environmental development officer / s regarding their role and review reports of the operation's environmental risks and opportunities and their management.

Interview a selection of workers (from different workstations / activities) to establish their understanding of environmental protection.

Examples and Sources of Evidence: Interview summaries / quarterly reports on the operation's environmental risks and opportunities

Performance Determination:

- Meets: There is evidence to show that the organisation has at least two people who make decisions and implements actions on environmental development for the whole operational area.
- Partially Meets: There is evidence to show that the organisation has at least two people who make decisions and implements actions to manage and monitor environmental development in the workplace, but workers are not aware of environmental protection measures.
- Misses: There is no evidence to show that the organisation has at least two people who make decisions and implements actions on environmental protection.

Criterion 6.3.4 | **Advanced** | **Open pits and underground mine apertures must be re-filled or blocked immediately after the termination of extractive activities to enable ecological regeneration and ensure hazard prevention**

Data Collection Method: Document review / observation

Data Collection Guidance: Assessors should review a paper-based plan and procedure to construct barriers and seal off underground workings once mining has ceased. Old workings should be seen to be sealed off, even when mining remains active in another section of the site.

Examples and Sources of Evidence: Paper-based plan and procedure to construct barriers and seal off underground workings once mining has ceased

Performance Determination:

- Meets: There is evidence to show that the organisation has a paper-based plan and procedure to construct barriers and seal off underground workings once mining has ceased.
- Partially Meets: There is evidence to show that the organisation has a paper-based plan to construct barriers and seal off underground workings once mining has ceased, but some procedures are missing.
- Misses: There is no evidence to show that the organisation has a paper-based plan and procedure to construct barriers and seal off underground workings once mining has ceased.

Criterion 6.3.5 | **Advanced** | **Where mining could lead to acid mine drainage (AMD), effective methods to isolate acid-forming materials from water are employed as far as is practicable**

Explanation: Acid mine drainage is a problem as it can damage aquatic life and render water harmful for consumption. When certain minerals in soil or rock are exposed to weathering processes during mining activities, they can create acidification of nearby water bodies.

Data Collection Method: Document review and evidence of litmus testing and results of water bodies.

Data Collection Guidance: Assessors should review a paper-based plan and procedure to reduce acid rock drainage through: reduction of sulfide contact with water; removal of sulfides; blending sulfidic waste with non-sulfidic waste; burying of sulfidic waste at sufficient depth (more than 15 m below the prevailing topography). Assessors should also see if any simple litmus paper tests have been done to check if nearby water bodies are neutral or acidified.

Examples and Sources of Evidence: Paper-based plan and procedure to reduce acid rock drainage, litmus paper (or other) tests.

Performance Determination:

- Meets: There is evidence to show that the organisation has a paper-based plan and procedure to reduce acid rock drainage. Waterbodies nearby are of neutral pH.

- Partially Meets: There is evidence to show that the organisation has a paper-based plan to reduce acid rock drainage, but some procedures are missing.
- Misses: There is no evidence to show that the organisation has a paper-based plan and procedure to reduce acid rock drainage.

Criterion 6.3.6 | **Advanced** | **Dust release from the organisation's activities is minimised as far as reasonably practicable**

Data Collection Method: Observation

Data Collection Guidance: Assessors should visit the site to determine whether the organisation demonstrates good faith efforts to minimise dust release from its operations, e.g., through the use of: Intermediate Criteria dust machinery; dust suppression techniques involving fine water sprays; dust capture by surrounding trees or vegetation.

Examples and Sources of Evidence: Fine water sprays / surrounding trees or vegetation

Performance Determination:

- Meets: There is evidence to show that the organisation minimises dust release from its operations as far as reasonably practicable.
- Partially Meets: There is evidence to show that the organisation shows good faith efforts to minimise dust release from its operations but not as far as reasonably practicable.
- Misses: There is no evidence to show that the organisation minimises dust release from its operations.

Criterion 6.3.7 | **Advanced** | **Wastewater production from the organisation's activities is minimised**

Data Collection Method: Observation

Data Collection Guidance: Assessors should visit the site to determine whether the organisation demonstrates good faith efforts to minimise wastewater production at its operations, e.g., through: clarification and re-use of water, use of equipment and methods with a low water demand.

Examples and Sources of Evidence: Equipment / methods with a low water demand

Performance Determination:

- **Meets:** There is evidence to show that the organisation minimises wastewater production from its operations as far as reasonably practicable.
- **Partially Meets:** There is evidence to show that the organisation shows good faith efforts to minimise wastewater production from its operations, but not as far as reasonably practicable.
- **Misses:** There is no evidence to show that the organisation minimises wastewater production from its operations.

6.4. SUSTAINABLE LAND MANAGEMENT

Criterion 6.4.1 | **Intermediate** | **The organisation puts effective steps in place to prevent drainage of the local water table in areas of high vegetation value, and water is conserved where drought is likely**

Explanation: In areas of agricultural production, and where vegetation is highly impacted by the height of the water table, mines put in place systems to ensure the water table in the area of agricultural production is well maintained. Methods include creating an impermeable lining in the pit to reduce water ingress for future pumping and the creation of irrigation ditches that direct water pumped from pits away from the pit and towards agricultural production.

Data Collection Method: Document review / interview / observation

Data Collection Guidance: Assessors should visit the site to assess the presence or absence of ideal practices in the explanation. Interview workers and community members in and around the mine to ascertain experiences of water availability and perception of the mine and its efforts to conserve water.

Examples and Sources of Evidence: Photographs / interview summaries

Performance Determination:

- **Meets:** The site is clearly set up to preserve water resources covering all of the recommendations in the explanation. The community perceives no threat to water security linked to mining activities.
- **Partially Meets:** Some attempt may be made to conserve water such as pond linings.
- **Misses:** The site is clearly mismanaging water, there may be leaks, absence of pond linings or free flowing water from pipes. There is no evidence of a closed system or water recycling and storage (e.g., rain water tanks or other context appropriate measures).

Criterion 6.4.2 | **Advanced** | **Areas which have been cleared for the organisation's activities must be re-vegetated as appropriate for the ecosystem or restored in accordance with land planning priorities of local community authorities**

Data Collection Method: Observation / interview

Data Collection Guidance: The assessor must have a good working knowledge of appropriate ecological restoration practices and should be informed about local land-use priorities. If the organisation's activities lead to the clearance of vegetation, the assessor should determine whether the organisation shows good faith efforts to re-vegetate land in line with local land-use priorities. This may include restoration of areas for biodiversity using a range of plant types, for agroforestry using productive trees, or for food-production using crop plants.

The assessor should interview local community authorities to make sure that restoration is in accordance with land planning priorities.

Examples and Sources of Evidence: Photographs

Performance Determination:

- Meets: There is evidence to show that the organisation restores cleared land in line with local land-use priorities.
- Partially Meets: There is evidence to show that the organisation shows good faith efforts to re-vegetate cleared land, but this is not in line with local land-use priorities.
- Misses: There is no evidence to show that the organisation restores cleared land in line with local land-use priorities.

Criterion 6.4.3 | **Advanced** | **Timber used in the organisation's activities must be legally sourced**

Data Collection Method: Document review / interview

Data Collection Guidance: Assessors should visit the site to determine whether the organisation ensures that all timber procured for use in its operations, whether for underground rock support or construction of buildings, is of a type that can be readily re-grown, and that any trees felled are replaced.

Examples and Sources of Evidence: Official certification of the timber's sustainable source (e.g., FSC logo)

Performance Determination:

- Meets: There is evidence to show that all the timber used in the organisation's activities is sourced from sustainable forestry programs.
- Partially Meets: There is evidence to show that timber used in the organisation's activities is sourced from sustainable forestry programs, but this does not apply to all the timber used.
- Misses: There is no evidence to show that all the timber used in the organisation's activities is sourced from sustainable forestry programs.

GLOSSARY

A

Acid Mine Drainage (AMD)

Outflow of acidic water from metal mines or coal mines.

Artisanal and Small-Scale Mining

Formal or informal operations with predominantly simplified forms of exploration, extraction, processing and transportation. ASM is normally low capital intensive and uses high labour-intensive technology. ASM can include men and women working on an individual basis as well as those working in family groups, in partnership or as members of co-operatives or other types of legal associations and enterprises involving hundreds or thousands of miners. [Source: OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas – Supplement on Gold]

ASM

Artisanal and small-scale mining

B

Biodiversity

The variability among living organisms from all sources, including terrestrial, marine and other aquatic ecosystems and the ecological complexes of which they are part; this includes diversity within species, between species and of ecosystems.

Bribery

The offering, promising or giving, as well as demanding or accepting of any undue advantage, whether directly or indirectly, to or from:

- A public official;
- A political candidate, party or official; or
- Any private sector employee (including a person who directs or works for a private sector enterprise in any capacity).

C

Child / Children

Every human being under 18 years old unless, under the law applicable to the child, majority is attained earlier.

[Source: Convention on the Rights of the Child (CRC)]

Child Labour

Work that deprives children of their childhood, their potential and their dignity, and that is harmful to physical and mental development.

It refers to work that is mentally, physically, socially or morally dangerous and harmful to children and that interferes with their schooling by:

- Depriving them of the opportunity to attend school;
- Obliging them to leave school prematurely; or
- Requiring them to attempt to combine school attendance with excessively long and heavy work.

[Source: International Labour Organisation 'What is Child Labour', <http://www.ilo.org/ipecc/facts/lang-en/index.htm>]

Collective Bargaining

A process through which employers (or their organisations) and workers' organisations (or in their absence, freely designated workers' representatives) negotiate terms and conditions of work, in accordance with applicable law.

Collective Bargaining Agreement

A legally enforceable written contract between the management of a company and its employees, represented by a trade union or equivalent, that sets out terms and conditions of work. Collective bargaining agreements must comply with applicable law.

Community

Term generally applied to the inhabitants of immediate and surrounding areas who are affected in some way by a company's activities; these effects may be economic and social as well as environmental in nature.

Community Engagement

Two-way information sharing and decision-making process covering community issues and priorities as well as the concerns and needs of the business. Beyond just listening, the aim is to ensure mutual understanding and responsiveness by all parties to enable them to manage decisions that have the potential to affect all concerned.

Conflict

Armed aggression, widespread violence, and / or widespread human rights abuses.

Conflict-Affected and High-Risk Area

Conflict-affected and high-risk areas are identified by the presence of armed conflict, widespread violence or other risks of harm to people. Armed conflict may take a variety of forms, such as a conflict of international or non-international character, which may involve two or more states, or may consist of wars of liberation, or insurgencies, civil wars, etc. High-risk areas may include areas of political instability or repression, institutional weakness, insecurity, collapse of civil infrastructure and widespread violence. Such areas are often

characterised by widespread human rights abuses and violations of national or international law.

[Source: OECD, 2016b. Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas]

Corrective Action

An action implemented by an organisation to identify and eliminate the causes of a non-conformance in order to prevent their recurrence.

Corruption

The misuse of entrusted power for private gain.

D

Disadvantaged Groups

(See Minority Groups)

Discrimination

Where people are treated differently because of certain characteristics – such as race, ethnicity, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, marital status, pregnancy status, physical appearance, HIV status, or age, or any other applicable prohibited basis – which results in the impairment of equality of opportunity and treatment.

Due Diligence

Due diligence is an on-going, proactive and reactive process through which companies can identify, prevent, mitigate and account for how they address their actual and potential adverse impacts. It forms an integral part of business decision-making and risk management systems. Due diligence can help companies ensure they observe the principles of international law and comply with domestic laws, including those governing the illicit trade in minerals and United Nations sanctions.

[Source: OECD, 2016b. Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas]

E

Environment

The surroundings in which an organisation operates, including air, water, land, natural resources, flora, fauna, habitats, ecosystems, biodiversity, humans (including human artefacts, culturally significant sites and social aspects) and their interactions. The environment in this context extends from within an operation to the global system.

Environmental Impact Assessment (EIA)

A formal process used to predict the likely environmental consequences (positive or negative) of a plan, policy, program, or project prior to implementation, usually as part of the regulatory (environmental licensing) procedure. *[Source: IAI, 2015]*

F

Forced Labour

Work or service which is exacted from any person under the menace of any penalty and for which the said person has not offered himself or herself voluntarily *[Source: ILO Convention 29]*. This includes work or service that is demanded as a means of repaying debt.

Free Prior and Informed Consent (FPIC)

The ICMM Position Statement on Indigenous Peoples and Mining notes that FPIC comprises both a process and an outcome. Through this process Indigenous Peoples are: (i) able to freely make decisions without coercion, intimidation or manipulation; (ii) given sufficient time to be involved in project decision making before key decisions are made and impacts occur; and (iii) fully informed about the project and its potential impacts and benefits. The outcome is that Indigenous Peoples can give or withhold their consent to a project, through a process that strives to be consistent with their traditional decision-making processes while respecting internationally recognized human rights and is based on good faith negotiation. *[Source: ICMM Position Statement on Indigenous Peoples and Mining, 2013]*

G

Gender

Gender refers to the socially-constructed roles of women and men.

Grievance

Any perceived concern evoking an individual or group's sense of entitlement or having been wronged, based on law, contract, explicit or implicit promises, customary practice or general notions of fairness.

Grievance Procedure

A grievance mechanism is a non-judicial procedure that offers a formalised means by which individuals or groups can raise concerns about the impact an enterprise has on them – including, but not exclusively, on their human rights – and seek remedy. These mechanisms may use adjudicative, dialogue-based or other processes that are culturally appropriate and rights-compatible. According to the United Nations,

for a grievance mechanism to be effective it should be legitimate, accessible, predictable, equitable, transparent, rights-compatible, and a source of continuous learning. *[Source: Huijstee et al., 2012. How to use the UN Guiding Principles on Business and Human Rights in company research and advocacy]*

H

Hazard

A source of potential harm, injury or detriment.

Hazardous Substances

Any material that poses a threat to human health and / or the environment.

Hazardous Child Labour

Work which, by its nature or the circumstances in which it is carried out, is likely to harm the health, safety or morals of children. *[Source: ILO Convention 182]*

ILO Recommendation 190 notes the following should be considered when determining whether work is hazardous child labour:

- (a) work which exposes children to physical, psychological or sexual abuse;
- (b) work underground, under water, at dangerous heights or in confined spaces;
- (c) work with dangerous machinery, equipment and tools, or which involves the manual handling or transport of heavy loads;
- (d) work in an unhealthy environment which may, for example, expose children to hazardous substances, agents or processes, or to temperatures, noise levels or vibrations damaging to their health;
- (e) work under particularly difficult conditions such as work for long hours or during the night or work where the child is unreasonably confined to the premises of the employer.

National laws or regulations or the competent authority could, after consultation with the workers' and employers' organisations concerned, authorise employment or work from the age of 16 on condition that the health, safety and morals of the children concerned are fully protected, and that the children have received adequate, specific instruction or vocational training in the relevant branch of activity. *[Source: ILO Recommendation 190].*

Health

A state of physical, mental and social well-being and not merely the absence of disease or infirmity.

Human Rights

Universal rights and freedoms regarded as belonging to all people without discrimination based on internationally recognised standards. At a minimum, the RJC understands human rights to mean those rights articulated in the International Bill of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work and Applicable Law.

Human Trafficking

The recruitment, transportation, transfer, harbouring or receipt of persons, by means of threat or use of force or other forms of coercion, of abduction, of fraud, of deception, of the abuse of power or of a position of vulnerability or of the giving or receiving of payments or benefits to achieve the consent of a person having control over another person, for the purpose of exploitation.

Exploitation includes the exploitation of the prostitution of others or other forms of sexual exploitation, forced labour or services, slavery or practices similar to slavery, servitude or the removal of organs. *[Source: UN Protocol to Prevent, Suppress and Punish the Trafficking in Persons, especially Women and Children]*

Illicit Armed Group

An armed group, including a public or private security force, that illegally controls mine sites, transportation routes and / or points where minerals are traded, and / or illegally taxes or extorts money or minerals at mine sites, points of access to mine sites, along transportation routes, or at points where minerals are traded; and / or illegally taxes or extorts intermediaries, export companies or international traders; and / or is engaged or complicit in conflict. Illegal activity means activity that violates a country's sovereignty, or its laws and regulations, or international law. 'Direct or indirect support' for illegal armed groups does not refer to legally required forms of support, including legal taxes, fees, and / or royalties that companies pay to the government of a country in which they operate. *[References: OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, 2010; UN Panel of Experts on the Illegal Exploitation of Natural Resources and Other Forms of Wealth of the Democratic Republic of the Congo, Letter 12 April, 2001]*

Impact

A measure of the effect, whether adverse or beneficial, on the organisation, the health and safety of people, the environment or the community resulting from:

- An organisation's operations, or
- An incident or emergency event, or
- An external change (including changes to applicable law).

Impact Assessment

The process of identifying, predicting, evaluating and mitigating the biophysical, social and other relevant effects of development proposals prior to major decisions being taken and commitments made.

Indigenous Peoples

There is no universally accepted definition of "Indigenous Peoples". The term "Indigenous Peoples" is used here in a generic sense to refer to a distinct social and cultural group possessing the following characteristics in varying degrees:

- Self-identification as members of a distinct indigenous cultural group and recognition of this identity by others;
- Collective attachment to geographically distinct habitats or ancestral territories in the project area and to the natural resources in these habitats and territories;
- Customary cultural, economic, social, or political institutions that are separate from those of the dominant society or culture;
- A distinct language or dialect, often different from the official language or languages of the country or region in which they reside. *[Source: International Finance Corporation (IFC) Performance Standard 7]*

ILO

L

International Labour Organization

Legal Compliance

Acting within, or under the direction of, applicable law.

M

Minority Groups

A social science term used to refer to members of designated social groupings that are differentiated or differentiable from mainstream society. Minority groups: experience discrimination and subordination; have physical and / or cultural traits that set them apart, and for which they are marginalised by the dominant group; have a shared sense of collective identity and common burdens; socially-shared rules about who belongs and who does not determine minority status; tend to marry within the group. *[IAIA, 2015]*

Money Laundering

The goal of a large number of criminal acts is to generate a profit for the individual or group that carries out the act. Money laundering is the processing of criminal proceeds to disguise their illegal origin. This process is of critical importance, as it enables the criminal to enjoy these profits without jeopardising their source.

Illegal arms sales, smuggling and the activities of organised crime, including for example drug trafficking and prostitution rings, can generate huge proceeds. Embezzlement, insider trading, bribery and computer fraud schemes can also produce large profits and create the incentive to 'legitimise' ill-gotten gains through money laundering.

When a criminal activity generates substantial profits, the individual or group involved must find a way to control the funds without attracting attention to the underlying activity or the persons involved. Criminals do this by disguising the sources, changing the form, or moving the funds to a place where they are less likely to attract attention. *[Source: FATF, 2018. Webpage Money Laundering]*

N

NGOs

Non-governmental organisations

Non-State Armed Groups (NSAG)

Groups that have the potential to employ arms in the use of force to achieve political, ideological or economic objectives; are not within the formal military structures of States, State-alliances or intergovernmental organisations; are not under the control of the State(s) in which they operate and are subject to a chain of command (formal or informal). *[Source: UNOCHA, 2006. Humanitarian Negotiations with Armed Groups]*

O

OECD

Organisation for Economic Co-operation and Development

OECD Due Diligence Guidance (DDG)

The OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas is the first example of a collaborative government-backed multi-stakeholder initiative on responsible supply chain management of minerals from conflict-affected areas. Its objective is to help companies respect human rights and avoid contributing to conflict through their mineral sourcing practices. The Guidance is also intended to cultivate transparent mineral supply chains and sustainable corporate

engagement in the mineral sector with a view to enabling countries to benefit from their mineral resources and preventing the extraction and trade of minerals from becoming a source of conflict, human rights abuses and insecurity. With its Supplements on Tin, Tantalum, Tungsten and Gold, the OECD Guidance provides companies with a complete package to source minerals responsibly in order for trade in those minerals to support peace and development and not conflict. *[Source: OECD, 2016b. Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas]*

Ore

Mineral (rock or gravel) with valuable content (e.g., gold) at an economic concentration (grade) and that is therefore suitable to be processed or sold.

P

Personal Protective Equipment (PPE)

Refers to protective clothing and other garments such as gloves, protective footwear, helmets, goggles and ear plugs, all designed to protect the wearer from exposure to job-related occupational hazards.

Protected Areas

Clearly-defined geographical spaces, recognised, dedicated and managed, through legal or other effective means, to achieve the long-term conservation of nature with associated ecosystem services and cultural values. *[Source: IUCN, 2018. What is a protected area?]*

Policy

A statement of principles and intentions.

Pollution

The presence of a substance in the environment that because of its chemical composition or quantity prevents the functioning of natural processes and produces undesirable environmental and health effects.

Procedure

A specified manner by which to conduct an activity or a process. Procedures can be documented or not.

R

Resettlement

The planned process of relocating people and communities from one area to another as part of the project-induced land acquisition necessary to allow a project to proceed. Resettlement is regarded as involuntary when the location of the project is fixed and local communities have, in effect, no

choice but to be relocated; whereas resettlement is regarded as voluntary when no state power of eminent domain is used, threatened, or perceived to be threatened, and the individuals affected have a real choice about whether they will agree to be resettled or not. *[Source: IAlA, 2015]*

Remuneration

Includes wages or salaries and any other benefits in cash or in kind paid by employers to workers.

Risk

Risk has two dimensions: the likelihood of potential adverse impacts on the business, stakeholders or environments, and the consequences if this were to happen.

Risk Assessment

The systematic evaluation of the degree of risk posed by an activity or operation. The process of using the results of risk analysis to rank and / or compare them with acceptable risk criteria or goals.

Royalties

Mineral royalties are regular payments that mining extraction projects / companies / mining title holders make to national states or other owners of mineral resources for the right to exploit particular mineral resources. Royalties are usually based on the volume or price of minerals extracted.

S

Safety

The condition of being safe and free from danger, risks or injury.

SWOT Analysis

An analysis that considers the strengths, weaknesses, opportunities and threats to an organisation

T

Tailings

Ground rock and effluents generated during the processing of ore.

Torture

Any act by which severe pain or suffering, whether physical or mental, is intentionally inflicted on a person for such purposes as obtaining from them or a third person information or a confession, punishing them for an act they or a third person has committed or is suspected of having committed, or intimidating or coercing them or a third person, or for any reason based on discrimination of any kind, when such pain or suffering is inflicted by, or at the instigation of, or with the consent or acquiescence of a public official or other person

acting in an official capacity. It does not include pain or suffering arising only from, inherent in or incidental to lawful sanctions. *[Source: OHCHR, 1984. UN Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment]*

W

Waste

Solid, liquid or gaseous material that is discarded or no longer needed. Waste can cause pollution and negative impacts on the environment if not properly managed.

Worst Forms of Child Labour

‘Labour that jeopardizes the physical, mental or moral well-being of a child, either because of its nature or because of the conditions in which it is carried out, is known as “hazardous work”. It includes: all forms of slavery or practices similar to slavery, such as the sale and trafficking of children, debt bondage and serfdom and or compulsory labour, including forced or compulsory recruitment of children for use in armed conflict; the use, procuring or offering of a child for prostitution, for the production of pornography or for pornographic performances; the use, procuring or offering of a child for illicit activities, in particular for the production and trafficking of drugs as defined in the relevant international treaties; work which, by its nature or the circumstances in which it is carried out, is likely to harm the health, safety or morals of children.’ *[Source: ILO, 1999a. ILO Convention on Worst Forms of Child Labour]*

ANNEX – INDEX OF EVIDENCE

List of documents (where applicable) that the Organisation (mine site) will need to make available for the assessor on the day of assessment:

Policies

- OHS policy – Basic Criteria
- Double-signature policy on business accounts policy – Basic Criteria
- Protection from harassment policy – Basic Criteria
- Freedom of association & Freedom of collective bargaining policy – Basic Criteria
- Gender policy – Intermediate Criteria
- Anti-corruption policy – Intermediate Criteria
- Non-discrimination policy – Intermediate Criteria
- Promotion and Nomination policy – Advanced Criteria
- Hiring & Promotion Policy – Advanced Criteria
- Indigenous people's policy – Advanced Criteria

● Basic Criteria

- Physical or electronic copies of formal registration papers
- Certificate or letter of registration
- List of all Management, Investors and Buyers
- Receipts for royalty payment
- Document or letter to prove the right to operate on land
- Signed statement by landowner
- Investor contracts
- Bank statements

- Records of revenue and expenses
- Risk analysis of the organization
- Worker's registry
- Employment contracts
- Wage slips
- Record of dates of payments
- Record of working hours
- Record of deductions
- Environmental management plan (including a plan for the disposal of waste)

● Intermediate Criteria

- Financial records (including information on 1. the organisation's net income; 2. a breakdown of the cost of goods sold, such as the inventory that the organisation retained at the beginning and end of the year cost of labour; materials and supplies and purchases that were made; 3. a breakdown of business expenses, such as utilities, business insurance, supplies, interest on loans, meals and petty cash; 4. a record of all business assets retained at the beginning and end of the year)
- Confirmation of tax payments
- All applicable permits and licenses for the activities of mine's operation
- Registry of business or trading partners
- Copies of official traders' certificates
- Training attendance list
- Sales records (all transactions including date, volume, price, physical form of the product when transacted, seller identity, trader identity and permit number where available)
- Asset registry
- Full and inclusive records of all petty cash kept and spent

- Record of wages (including dates of payment) Reports on site health and safety risks
- Register of attendance for information and awareness training on the main health, safety and security risks

● **Advanced Criteria**

- Environmental permits and licenses
- Proof of environmental assessment
- Environmental management plan
- Bank receipts
- Organisational budget (for the following six months)
- Finance & Investment Plan
- Cash flow projection
- Work related accidents register
- Mine evacuation and rescue plan
- Record of payment for social protection
- Stakeholder map
- Social, Environmental and cultural impact assessment
- Signed agreement (with affected community's consent for the operation)
- Scoping study that identifies all sites of special cultural, ecological, economic, religious, or spiritual significance to communities living close to an organisation's operations, and those to which these communities hold legal or customary rights)
- Paper-based plan and procedure for the safe and proper disposal of chemicals, tailings and wastewater
- Signed register of attendance at training workshops (on use, storage and disposal of hazardous chemicals or procedures for cleaning up spills of hazardous chemicals, etc.)
- Quarterly reports on the operation's environmental risks and opportunities

- Risk assessment (main risk to neighbouring communities)
- Action plan (to mitigate main risks to neighbouring communities)
- Environmental management plan including a plan for the disposal of waste / signature, date and address of the consultancy service provider
- Register of medical records
- Document on collaboration with community groups to provide alternative economic activities (including a brief description of the assistance provided, signed and dated)
- Report on water sources used for its activities