ICMM’S MINING PRINCIPLES

What are they?

1. ICMM’s Mining Principles define good practice environmental, social and governance requirements for the industry through a comprehensive set of performance expectations.

2. Implementation is supported by robust site-level validation, transparent disclosure of the outcomes and credible assurance of corporate sustainability reports.

3. ICMM’s Mining Principles are a condition of membership for company members. Applying to more than 650 assets in over 50 countries, ICMM’s Mining Principles seek to improve performance improvements at scale.
WHY NOW?

Increasing scrutiny of industry means that individual companies must demonstrate how they are performing across a range of ESG areas, at the asset level.

• Our members recognise that mining and metals are critically important to society – from supporting the promotion of sustainable economic growth and the building of resilient and inclusive communities, to enabling the innovations needed to address the urgency of climate change – but they must be produced responsibly.

• ICMM’s Mining Principles will support our members to supply the increasing demand for metals and minerals, while giving confidence to customers and other stakeholders that they have been produced responsibly.
MEMBER REQUIREMENTS

**Mining Principles:** Demonstration of asset-level good practice through enhanced environmental, social and governance performance expectations.

**Position Statements:** Offering standalone positions on issues of particular concern to society, and where a more detailed response has been or will be necessary.

**Disclosure:** Incorporating robust site-level validation and corporate assurance mechanisms for the credible management and reporting of sustainability concerns.
Supporting robust site-level validation of performance expectations and assurance of corporate sustainability reports.

Assets subject to validation include all operations involved in the production or refining of minerals and metals over which a company member exercises control.

Members are required to disclose, publicly, their validation activities on an annual basis. These disclosures will need to be either on the member’s website or in their sustainability or corporate report.
Members are required to complete a self-assessment of all applicable assets once every three years.

Members are also required to conduct third-party validation of prioritised assets within a three-year validation cycle.
VALIDATION OUTCOMES

Possible outcomes for the validation of individual performance expectations

<table>
<thead>
<tr>
<th>MEETS</th>
<th>PARTIALLY MEETS</th>
<th>DOES NOT MEET</th>
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<tbody>
<tr>
<td>• Systems and/or practices related to a performance expectation are being implemented.</td>
<td>• Systems and/or practices related to a performance expectation are being partially implemented.</td>
<td>• Systems and/or practices required to support implementation of the substantive intent of a performance expectation are not in place, or are not being implemented, or cannot be evidenced.</td>
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<td>• Sufficient evidence to demonstrate that the intent of a performance expectation are being met.</td>
<td>• Gaps or weaknesses persist that may contribute to an inability to meet the intended outcome of a performance expectation.</td>
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ADDING VALUE

Applying to more than 650 assets in over 50 countries, they seek to drive performance improvements at scale.

• Stakeholders, including investors, downstream customers, NGOs and local communities, require a considerable level of transparency from the mining and metals sector. This can be difficult in light of the remoteness of many assets, and the range of areas in which due diligence must be carried out.

• The enhancement of ICMM’s membership requirements means that stakeholders will be able to easily access information on how companies are managing a full spectrum of environmental, social and governance issues.

• With all company members disclosing on a comparable basis, and at asset level, ICMM’s Mining Principles aim to both simplify the due diligence process and – crucially – offer assurance that a company is operating to the highest ESG standards.