Creating synergies between ESG verification programmes

M3 Partnership Webinar
02 November 2020

This project is possible thanks to a grant from the ISEAL Innovations Fund, which is supported by SECO
## Agenda

<table>
<thead>
<tr>
<th>Time</th>
<th>Topic</th>
<th>Lead</th>
</tr>
</thead>
<tbody>
<tr>
<td>10 mins</td>
<td>Welcome and housekeeping</td>
<td>Matthew Wenban-Smith (ResponsibleSteel)</td>
</tr>
<tr>
<td>10 mins</td>
<td>The aim of the M3 Partnership</td>
<td>Peter Dawkins (RJC)</td>
</tr>
<tr>
<td>15 mins</td>
<td>A joint audit protocol for the mining sector</td>
<td>Ben Chalmers (TSM)</td>
</tr>
<tr>
<td></td>
<td>TSM responsible sourcing supplement</td>
<td></td>
</tr>
<tr>
<td>15 mins</td>
<td>Reaching out to stakeholders</td>
<td>Aimee Boulanger (IRMA)</td>
</tr>
<tr>
<td>25 mins</td>
<td>Recognition of input materials programmes</td>
<td>Marnie Bammert (ResponsibleSteel)</td>
</tr>
<tr>
<td>15 mins</td>
<td>Moderated discussion</td>
<td>Matthew Wenban-Smith (ResponsibleSteel)</td>
</tr>
<tr>
<td>16:30 (GMT)</td>
<td>Close</td>
<td></td>
</tr>
</tbody>
</table>
Housekeeping

- Observe antitrust issues
- Webinar will be recorded for internal purposes
- We will post the slides afterwards on the ResponsibleSteel website
- You may unmute and ask questions after each input and we have reserved about 15 minutes for discussions at the end
- Please use the Q&A box on your screen to pose a question
- Meeting is conducted under the Chatham House rule
Attendees are kindly reminded that ResponsibleSteel is committed to complying with all relevant antitrust and competition laws and regulations and, to that end, has adopted an Antitrust Policy, compliance with which is a condition of continued ResponsibleSteel participation. Failure to abide by these laws can have extremely serious consequences for ResponsibleSteel and its participants, including heavy fines and, in some jurisdictions, imprisonment for individuals. You are therefore asked to have due regard to this Policy today and in respect of all other ResponsibleSteel activities.
M3

PARTNERSHIP

A collaboration between IRMA, Mining Association of Canada, ResponsibleSteel & Responsible Jewellery Council
Established in 2005 and still unique

Over 1,290 members covering mine to retail

Diamonds, coloured gemstone, gold, silver & platinum group metals

Large and small businesses from across the supply chain

Third party assurance system

Harmonisation and recognition of similar industry standards
## RJC STANDARDS

RJC has two standards, the mandatory Code of Practices 2019 and the voluntary Chain of Custody 2017.

<table>
<thead>
<tr>
<th>COP 2019</th>
<th>CoC 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sections covered</strong></td>
<td><strong>Sections covered</strong></td>
</tr>
<tr>
<td>• General Requirements</td>
<td>• Due diligence and know your counterparty for responsible sourcing</td>
</tr>
<tr>
<td>• Responsible supply chains, human rights and due diligence</td>
<td>• Chains of custody management</td>
</tr>
<tr>
<td>• Labour rights and working conditions</td>
<td>• Systems to confirm eligibility of material</td>
</tr>
<tr>
<td>• Health, safety and environment</td>
<td>• Issuing chain of custody documentation</td>
</tr>
<tr>
<td>• Gold, silver, PGM, diamond and coloured gemstone products</td>
<td></td>
</tr>
<tr>
<td>• Responsible Mining</td>
<td></td>
</tr>
<tr>
<td><strong>Key areas</strong></td>
<td><strong>Key areas</strong></td>
</tr>
<tr>
<td>• OECD Due Diligence Guidance.</td>
<td>• OECD Due Diligence Guidance</td>
</tr>
<tr>
<td>• Human rights in alignment with the UN Guiding Principles on Business and Human Rights.</td>
<td>• Know Your Counterparty / Supplier (KYC/S) and Anti-money Laundering (AML) requirements.</td>
</tr>
<tr>
<td>• Know Your Counterparty / Supplier (KYC/S) and Anti-money Laundering (AML) requirements.</td>
<td>• Cross recognition with other industry initiatives</td>
</tr>
<tr>
<td>• Cross recognition with other industry initiatives</td>
<td>• Allows for traceable material which is segregated along the supply chain.</td>
</tr>
</tbody>
</table>
M3 PARTNERSHIP VISION & DESIGN

Mining, Minerals and Metals (M3) Standards Partnership: Alignment and collective action to drive improvement –

The M3 Standards Partnership’s vision is that the sector makes profound sustainability improvements to address the challenges inherent in the industry and across its various materials and production phases.

The partnership seeks to establish an effective operating model for alignment and collaboration between multi-stakeholder standards working in mining, minerals and metals.

The aim is to increase interoperability between initiatives, improving the effectiveness of business and civil society efforts to drive and reward responsible practices from the mine site to the manufacture of end products.
BACKGROUND

The metals, mineral and mining (MMM) sectors are a highly diverse collection of industries with different supply and demand dynamics. There are over 150 separate standards globally, with so many this does not aid users or stakeholders in their understanding of sector issues, confidence that standards can have the positive impact they state and doesn’t support end consumer confidence that the end product has not had a negative impact.

Responding to the comprehensive range of MMM sustainability standards emerging, the key concept of ‘interoperability’ is already being widely discussed across MMM standards and their stakeholders as an essential part of driving impact.

As standards find themselves overlapping in their operations with regard to geographical areas, sectors and supply chains, the calls from their stakeholders to consider working together, recognising one another, or even harmonising their standards and schemes, have increased.
DEFINITION & OBJECTIVES

What is “interoperability”?

Interoperability is defined as how systems, organisations and individuals are able to work together to achieve a common goal. Drivers to increase interoperability include responding to market demand, seeking efficiencies for end users, and cost savings for the scheme. Interoperability presents opportunities to engage with both upstream and downstream actors as well as governments and other interested stakeholders.

The main project activities will be as followed:

• A partnership of four credible systems committed to a first set of alignment activities and collective actions, as a;
• Collective stakeholder engagement as a ‘partnership’ at major forums to reduce stakeholder fatigue.
• Joint audit work and interoperability testing in the mining landscapes of South Africa.
OUTCOMES

The project is designed to be run until 2022 with an aim that the sustainability built into the project will continue between the original project partners and expanding to other initiatives, commodities and stakeholders.

• An alliance to meet companies where they are developing outcomes that are stable and scalable.
• Unlocking stakeholder buy-in and incentives - Reduce fatigue by collectively engaging stakeholders on issues as the ‘M3 Standards Partnership’ (and not as four separate groups).
• Interoperability to reduce audit burdens, developed and rolled out in north-eastern South Africa – Joint audit protocol across partner initiatives.
• Increased knowledge and collaboration between partner organisations.
• Increased number of stakeholders engaging with MMM initiatives.
• Assurance systems for mine-level participants are aligned with each other and with downstream expectations, providing the basis for joint audits where applicable, and facilitating downstream recognition.
Any questions or comments please contact: consultation@responsiblejewellery.com
Towards Sustainable Mining & Alignment Tools
Towards Sustainable Mining®

About TSM:
• Mandatory participation for MAC members
• Improves environmental and social performance in critical areas beyond regulations:
  • Environmental footprint (tailings, biodiversity, water)
  • Energy efficiency (energy use, GHG emissions)
  • Community and people (engagement with Indigenous communities, safety & health, crisis management, preventing child and forced labour)

Program Strengths:
• Performance measured at facility-level
• Monitored by external Community of Interest Advisory Panel
• Results are externally-verified
• Encourages excellence and continuous improvement

Increasingly International:
• Adopted by national mining associations in Finland, Spain, Argentina, Brazil, Botswana, the Philippines and Norway. Also working toward implementation in Australia
• Recognized by global manufacturing brands such as Apple
Integrated Audit Protocol

A new tool that merges and organizes unique requirements of participating standards

Blends language of similar criteria to minimize duplication

Enables single audit and includes automated reporting

**Integrated Audit Checklist**

<table>
<thead>
<tr>
<th>Category</th>
<th>Sub-Category</th>
<th>Integrated Criteria</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Compliance</td>
<td>Commitment</td>
<td>Members shall have systems in place that maintain awareness of, and ensure compliance with, applicable law.</td>
</tr>
<tr>
<td>Policy and implementation</td>
<td>Commitment</td>
<td>Members shall adapt a policy/policies that document their commitment to responsible business practices, is endorsed by senior management, is actively communicated to employees and is made publicly available.</td>
</tr>
<tr>
<td>Policy and implementation</td>
<td>Commitment</td>
<td>Senior management shall conduct, at least annually, reviews to assess the ongoing suitability and adequacy of the member’s business practices in achieving the policy, and implement improvements to address any gaps.</td>
</tr>
<tr>
<td>Reporting</td>
<td>Reporting</td>
<td>Members with mining facilities shall publicly report annually on their sustainability performance using the Global Reporting Initiative (GRI) Sustainability Reporting Standards or comparable reporting guidelines. The reports shall have external assurance.</td>
</tr>
<tr>
<td>Financial accounts</td>
<td>Review</td>
<td>Members shall annually undertake a financial audit or financial review, in jurisdictions where permitted, by an independent qualified accountant.</td>
</tr>
<tr>
<td>Biodiversity</td>
<td>Commitment</td>
<td>Demonstrated senior management commitment and evidence of action consistent with the intent of the TSM Mining and Biodiversity Conservation Framework, including: Members shall use the mitigation hierarchy to avoid, minimize and rehabilitate impacts on biodiversity and ecosystem services. Offsets to address the residual impacts shall be considered.</td>
</tr>
</tbody>
</table>

**RJC Table**

<table>
<thead>
<tr>
<th>COP 1-5</th>
<th>Conformance</th>
<th>Major Non-Conformance</th>
<th>Minor Non-Conformance</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.1</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.1</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.1</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.1</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6.1</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7.1</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8.1</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10.1</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>11.1</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>11.2</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>11.3</td>
<td>1</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**TSM Table**

<table>
<thead>
<tr>
<th>Protocol</th>
<th>B</th>
<th>AA</th>
<th>AAA</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bio-1</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>AAA</td>
</tr>
<tr>
<td>Bio-2</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>B or C</td>
</tr>
<tr>
<td>Bio-3</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>AA</td>
</tr>
<tr>
<td>IG-1</td>
<td>4</td>
<td>0</td>
<td>0</td>
<td>A</td>
</tr>
<tr>
<td>IG-2</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>AAA</td>
</tr>
<tr>
<td>IG-3</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>AAA</td>
</tr>
<tr>
<td>HS-1</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>A</td>
</tr>
<tr>
<td>HS-2</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>AAA</td>
</tr>
<tr>
<td>HS-3</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>AAA</td>
</tr>
<tr>
<td>HS-4</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>A</td>
</tr>
<tr>
<td>HS-5</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>AAA</td>
</tr>
<tr>
<td>IC-1</td>
<td>0</td>
<td>2</td>
<td>0</td>
<td>A</td>
</tr>
<tr>
<td>IC-2</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>A</td>
</tr>
<tr>
<td>IC-3</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>AAA</td>
</tr>
<tr>
<td>IC-4</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>AAA</td>
</tr>
<tr>
<td>T1</td>
<td>1</td>
<td>0</td>
<td>1</td>
<td>B or C</td>
</tr>
</tbody>
</table>
TSM Responsible Sourcing Alignment Supplement

- Optional supplement to TSM Standards
- Based on requirements in included standards
- Enables use of TSM reporting and assurance processes to satisfy additional requirements included in participating standards
- Includes ICMM MPs, WGC RGMPS, Copper Mark and Risk Readiness Assessment

Towards Sustainable Mining
Responsible Sourcing Alignment Supplement-Draft

1. CORPORATE GOVERNANCE AND ETHICAL CONDUCT

Purpose
To ensure the application of ethical business practices and sound systems of corporate governance and transparency to support sustainable development.

<table>
<thead>
<tr>
<th>Through interview and review of documentation, determine:</th>
<th>ICMM MP</th>
<th>RGMPS</th>
<th>CMRRA</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Legal compliance</td>
<td>1.1</td>
<td>1.1</td>
<td>1</td>
</tr>
<tr>
<td>• Establish and maintain processes to ensure compliance with applicable laws</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2 Code of conduct</td>
<td>1.3</td>
<td>1.2</td>
<td>n/a</td>
</tr>
<tr>
<td>• Maintain a code of conduct to make clear the standards with which employees, suppliers and contractors are expected to comply with.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Actively promote awareness of the code and implement systems to monitor and ensure compliance.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3 Combating bribery and corruption</td>
<td>1.2</td>
<td>1.3</td>
<td>2</td>
</tr>
<tr>
<td>• Implement policies, practices and controls that prohibit and effectively prevent bribery (including facilitation payments) and corruption in all their forms, conflicts of interest and anti-competitive behavior by employees, agents or other company representatives.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4 Political contributions</td>
<td>1.5</td>
<td>1.4</td>
<td>n/a</td>
</tr>
<tr>
<td>• Publicly disclose the value and beneficiaries of financial and in-kind political contributions, whether directly or through an intermediary.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5 Transparency of Taxes, Ownership and Transfer Pricing</td>
<td>1.5</td>
<td>1.4</td>
<td>n/a</td>
</tr>
<tr>
<td>• Publish tax, royalty and other payments to governments annually by country and project (for Canadian companies this is accomplished through compliance with the Extractive Sector Transparency Measures Act). Encourage governments to promote greater transparency around revenue flows, mining contracts and the beneficial ownership of license holders.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Implement processes to ensure and demonstrate that transfer pricing outcomes are in line with fair business practices and value creation.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Publicly support the implementation of the Extractive Industries Transparency Initiative (EITI)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The Mining Association of Canada
Association minière du Canada
For more information…

Ben Chalmers
Senior Vice President
bchalmers@mining.ca
613-233-9391
The goal of engaging diverse stakeholders in the M3 Partnership Project is to better understand needs of each stakeholder group affected by the issues of mining and processing of mined materials into products that many people use everyday (electronics, cars, jewelry, building materials, household products). Through our work together we hope to drive greater market value for environmental and social responsibility that reduces harm for those living closest to these operations, increases efficiency for all, and increases market value for companies who improve practices.
A voluntary {	extit{certification system}} for large-scale mines

1. The IRMA Standard for Responsible Mining
   - Best practice requirements on 26 topics – a comprehensive and rigorous mining standard
   - Standard was developed through a robust multi-stakeholder process

2. A third-party, independent assurance system
   - Auditors external to the mining company evaluate whether a mine is meeting the IRMA requirements
The IRMA Standard

Comprehensive coverage of mining issues

Business Integrity
- Legal compliance
- Stakeholder engagement
- Stakeholder grievance mechanism
- Human rights due diligence
- Revenue transparency/anti-corruption

Social Responsibility
- Labor rights
- Worker health & safety
- Community health and safety
- Conflict affected areas
- Security arrangements
- Cultural heritage protection
- Artisanal and small-scale mining (ASM)

Planning for Positive Legacies
- Environmental and social impact assessment and management
- Free, Prior and Informed Consent
- Community support and benefits
- Resettlement
- Emergency preparedness and response
- Planning and financing reclamation and closure

Environmental Responsibility
- Water management
- Waste (tailings) management
- Air quality
- Greenhouse gases emissions
- Noise management
- Biodiversity, ecosystem services, protected areas
- Cyanide management
- Mercury management
IRMA is led by a multi-sector Board, using an equitable governance model (i.e., each sector has the same voting rights).

IRMA leaders overlap with other M3 Project members and other voluntary initiatives.

<table>
<thead>
<tr>
<th>Mining Companies</th>
<th>Purchasing Companies</th>
<th>NGOs</th>
<th>Organized Labor</th>
<th>Affected Communities</th>
<th>Investors and Finance*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anglo American</td>
<td>Tiffany &amp; Co</td>
<td>Earthworks</td>
<td>United Steelworkers</td>
<td>First Nations Advocating Responsible Mining (Canada)</td>
<td></td>
</tr>
<tr>
<td>ArcelorMittal</td>
<td>Microsoft</td>
<td>Human Rights Watch</td>
<td>IndustriALL Global Union</td>
<td>Mining Affected Communities United in Action (South Africa)</td>
<td></td>
</tr>
</tbody>
</table>

*This constituency was added in 2020 and board members are currently being considered.
Why do Joint Stakeholder Engagement?

Understanding needs
Building accountability

1. Mining companies: Address audit fatigue
   Mining companies hear they need to improve and verify performance in environmental and social responsibility but aren’t going to do 3-6 audits asking same questions

2. Purchasers/investors What standard to use
   Purchasers and investors wonder which standards systems will assist them in leveraging improved practices in environmental/social responsibility that are credible to NGOs, communities, unions

3. Labor and civil society Engage/watchdog
   Are being asked to serve on advisory boards or otherwise give credibility to standard systems and don’t have time to hold all accountable to affected communities and workers
Stakeholders want connections in throughout the supply chain

If you seek to buy a car/phone/laptop/ring and want to know that it has been responsibly produced you want that to be true at all levels in the supply chain: in the sourcing of the raw materials, in the processing/refining of that raw material and in the manufacturing/craftsmanship in making the end product. Responsible purchasing/investing wants consistency at all levels.

Stakeholders want consistent metrics for “responsibility”

Respect for indigenous people’s rights, or clean water, or safe meaningful workplaces, or protection of biodiversity shouldn’t be radically different at different points in the supply chain, or by different materials, or for mining vs forestry vs agriculture, etc.

Diverse stakeholders seek consistent metrics defining responsible performance
Joint Stakeholder Engagement

What does it include?

- Reaching out to diverse stakeholders through each of our networks in webinars like this, one-on-one, and events (pre and post COVID)

- Identifying where we can create greater value and reduce duplication
  - Integrated audits – where one audit can yield recognition in multiple systems: most consistent request
  - Consistent metrics for accountable practice: why do we have different performance metrics and audit processes? Reducing differences and/or making clear why they reasonably exist

- Testing at mine sites in 2021, in South Africa: at mines that flow into jewelry and steel supply chains: from concept to practical on-the-ground

- Reaching out to mining companies and associations to help test

- With engagement from NGOs/affected community groups (Human Rights Watch, MACUA, Earthworks, Bench Marks Foundation, AMI); and labor unions (IndustriALL Global Union and affiliates), and government
We’d like to hear from you!

If you’d like to engage with the M3 Partnership Project – at the standard/auditing level or in the South Africa field project – please contact us.

info@responsiblemining.net
Recognising input materials programmes

M3 Partnership Webinar

02 November 2020

Marnie Bammert
ResponsibleSteel vision and mission

Our Vision
Steel’s contribution to a sustainable society is maximised

Our Mission
To enhance the responsible sourcing, production, use and recycling of steel by:

• Providing a multi-stakeholder forum to build trust and achieve consensus
• Developing standards, certification and related tools
• Driving positive change through the recognition and use of responsible steel.

Currently focussing on responsible sourcing and production of steel
Demand for and uptake of ResponsibleSteel

> 70 members
Increasing momentum
The ResponsibleSteel programme

- Standard
- Assurance
- Business Value
- Impact
Site certification

Covered by existing Standard

Steel sites that become certified against the approved Standard will be allowed to claim that their site is operated in a responsible manner

Steel product certification - In development

We will recognise other credible, third party assurance programmes for parts of the supply chain that are not covered by the ResponsibleSteel Standard. To allow for this, we will benchmark other programmes, starting with mining.

Also developing further requirements for steel sites on GHG emissions intensity and on responsible sourcing of input materials to uptake of recognised programmes. Meeting these additional requirements will allow steel sites to claim that the steel products they offer have been sourced and produced responsibly.

responsiblesteel.org
Why recognise other programmes?

- ResponsibleSteel's mission is to “enhance the responsible sourcing, production, use and recycling of steel”
- Must eventually cover the entire steel supply chain, but does not make sense to create another standard when there is already a multitude out there, e.g. for mining
- Rather, recognise and include other credible programmes in our sourcing requirements
Decisions can have wide-reaching implications

- Market push for recognised programmes
- Mining programmes might use results of our assessments for collaboration and alignment or might question our decisions
- Beyond our steel members, governments, finance sector, downstream companies might prefer recognised programmes in procurement and investment decisions, and in supply chain policies

Core principles for our recognition work:
- Transparency
- Rigour
- Impartiality
- Stakeholder engagement
- Accessibility
- Improvement
Our recognition methodology

Will be based on the ISEAL Benchmarking Good Practice Guide and will consider the programmes’....

• Standard
• Assurance
• Governance
• Stakeholder engagement
• Competence of personnel
• Oversight
• Claims
• Uptake and received support

Will be subject to stakeholder consultation and will be reviewed as needed
Assessment of standards

Baseline: 49 Criteria of ResponsibleSteel Standard

- Ambitious yet achievable bar
- In line with important international norms and guidelines
- But, not always fully appropriate for mining, scrap and potentially other upstream supply chain stages:
  - Waste (incl. tailings)
  - Closure
  - Security
  - Exploration phase in mining
  - Informal nature of scrap sector
  - GHG

Legend:

12 Principles
49 Criteria
Ca. 200 Requirements
Assessment of assurance mechanisms

Baseline: ResponsibleSteel Assurance Manual

- In line with ISEAL Good Practice
- Builds on expertise of Assurance Services International and RS Secretariat
- Key elements of Assurance Manual to serve as baseline:
  - Third-party, site-level verification
  - Clear qualification requirements and approval process for verification providers and auditors
  - On-site visits
  - Engagement of workers and external stakeholders
  - Comprehensive publication of audit results
  - Defined procedures for oversight of auditors and verification providers
  - Competent personnel
Assessment of governance arrangements

- Stakeholder participation in programme governance and development of standard
- Grievance or dispute resolution mechanisms
- Publicly accessible policies and procedures
- Transparency of programme funding and financing

Claims and labels

- The programme’s own public claims (mission, vision, ToC)
- Appropriateness of allowed claims and labels for verified entities and monitoring of use thereof
- Publicly accessible requirements for use of claims and label

Uptake and received support

- Scope and participants in programme
- Reflect maturity of programme
- Online research, interview programme stakeholders
The process to determine and maintain recognition

Programme submits completed application form and supporting documentation
Independent desk-based review of documentation and programme website, stakeholder interviews, online research → draft assessment
Quality and consistency check by ResponsibleSteel
Programme reviews assessment and may provide further information
Revision of draft assessment
Publication of draft assessment for stakeholder feedback
Finalisation of assessment
ResponsibleSteel Board takes decision on recognition
Feedback to programme on decision and strengths and weaknesses
Publication of recognition assessment results
Periodic revision of assessment and programme improvements
Challenges for recognition

- How to address the gaps and sector-dependent differences in our Standard? What is the benchmark we should use here?
- Recognition should not create a bottleneck for uptake of ResponsibleSteel certification → mandatory and aspirational criteria
- Reflect level of recognition in our methodology to reward stronger programmes and provide incentives for improvement to others
- Reflect different levels of mine site achievement in our mass balance model (e.g. IRMA has 4, TSM has 5 levels)
- Are there criteria for mine sites that must be fully met to contribute to our mass balance model? E.g. in relation to tailings
- Define eligibility criteria to qualify for recognition assessment. E.g. third-party auditing a must
- Time and resource-intensive: Ask programmes to do self-assessment and to pay a recognition fee
Reflecting different levels of recognition

<table>
<thead>
<tr>
<th>Alignment</th>
<th>Result</th>
<th>Example Programme A (3 levels)</th>
</tr>
</thead>
</table>
| > 90 %    | Full recognition  
• No improvement needed  
• Re-assessment of programme as needed | > 90% of alignment at highest level  
Percentage of input materials from mines would count to the full in mass balance  
I.e. 10% in – 10% out |
| > 60 – 90 % | Partial recognition  
• Improvements needed to remain recognised  
• Re-assessment after 3 years to verify improvements  
• Mass balance would reflect lower level of alignment overall | 70% of alignment at second level  
• RS would request Programme A to improve where it falls short within 3 years  
• Percentage of input materials from mines would count 70% in mass balance, i.e. 10% in – 7% out |
| < 60 %    | No recognition | 50% of alignment at lowest level  
RS improvement recommendations |

This is at programme level. Achievement of individual mines would also be reflected in mass balance.
Our anticipated timeline

- **Nov**
  - Today: Kick-off to stakeholder consultation
  - 2 co-creation sessions (10 and 17 Nov, 9:00-11:00 and 16:00-18:00 GMT)
  - First draft of methodology

- **Dec-Jan**
  - Draft assessments using draft methodology

- **Feb-Mar**
  - Public consultation on draft methodology and assessments
  - 2 deep dive sessions

- **Mar-May**
  - Finalisation of methodology and assessments
  - Approval
We welcome your thoughts

Marnie Bammert, mbammert@responsiblesteel.org