



ENDURING VALUE

THE AUSTRALIAN MINERALS INDUSTRY FRAMEWORK
FOR SUSTAINABLE DEVELOPMENT

**GUIDANCE FOR
IMPLEMENTATION**

DEFINITION OF SUSTAINABLE DEVELOPMENT

The Brundtland Commission's definition of sustainable development is "development that meets the needs of the present without compromising the ability of future generations to meet their own needs" (Our Common Future, Brundtland 1987).

In the mining and metals sector, this means that investments in minerals projects should be financially profitable, technically appropriate, environmentally sound and socially responsible.



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A Minerals Council
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The future of the Australian minerals industry is inseparable from the global pursuit of sustainable development. Through the integration of economic progress, responsible social development and effective environmental management, the industry is committed to contributing to the sustained growth and prosperity of current and future generations.

Foundation to the industry's commitment is the concept of a 'social licence to operate'. Simply defined the 'social licence to operate' is an unwritten social contract. Unless a company earns that licence, and maintains it on the basis of good performance on the ground, and community trust, there will undoubtedly be negative implications. Communities may seek to block project developments; employees may choose to work for a company that is a better corporate citizen; and projects may be subject to ongoing legal challenge, even after regulatory permits have been obtained, potentially halting project development.

The Australian minerals industry strongly supports the role of a 'social licence to operate' as a complement to a regulatory licence issued by government. To the minerals industry 'social licence to operate' is about operating in a manner that is attuned to community expectations and which acknowledges that businesses have a shared responsibility with government, and more broadly society, to help facilitate the development of strong and sustainable communities.

To harness the industry's commitment to sustainable development within a strategic framework, the International Council on Mining and Metals (ICMM) adopted a set of sustainable development principles in May 2003. This is the global industry's commitment to manage social, health, safety, environmental and economic issues in order to deliver sustainable shareholder value; and to both improve its performance in managing these issues and to publicly report industry's progress in doing so.

To give practical and operational effect to these commitments, the Australian minerals industry has developed *Enduring Value – the Australian Minerals Industry Framework for Sustainable Development*. *Enduring Value* builds on the Australian Minerals Industry Code for Environmental Management – the platform for industry's continual improvement in managing environmental issues since its introduction in 1996.

Like environmental management, implementing sustainable development principles requires us to think about relationships in complex systems with effects that play out over many years and great distances. *Enduring Value – the Australian Minerals Industry Framework for Sustainable Development* is designed to help minerals industry managers implement the industry's commitment in a practical and operational manner that is targeted at the site level.

The Implementation Guidance for *Enduring Value* provides guidance statements on the operation of each Element, and cross-referencing between the Elements. These guidance statements are the result of an engagement process with about one thousand individuals associated with the industry and the communities in which it operates.

Please note the Guidance does not prescribe particular management systems or standards for sites. Instead the Guidance shares opinions and knowledge garnered from competent people about what needs to be done. In the real world, managers constantly learn how to apply general ideas in particular contexts.

It is also important to note that some of the Elements contained in *Enduring Value* may be of more relevance in an international context than they are in Australian conditions. Examples of such Elements include human rights training for security personnel and the use of facilitation payments.

The Guidance points to some free web-based tools managers can use. The tools are located on the Minerals Council of Australia's (MCA) website (www.minerals.org.au). The Guidance website will also link a range of company or site-based case studies to facilitate the sharing of good practices identified by the ICMM, the MCA or other minerals industry associations.

The International Council on Mining and Minerals (ICMM) has developed and published these ten principles and the supporting elements set out in the following document.

Principle 1:

Implement and maintain ethical business practices and sound systems of corporate governance.

Principle 2:

Integrate sustainable development considerations within the corporate decision-making process.

Principle 3:

Uphold fundamental human rights and respect cultures, customs and values in dealings with employees and others who are affected by our activities.

Principle 4:

Implement risk management strategies based on valid data and sound science.

Principle 5:

Seek continual improvement of our health and safety performance.

Principle 6:

Seek continual improvement of our environmental performance.

Principle 7:

Contribute to conservation of biodiversity and integrated approaches to land use planning.

Principle 8:

Facilitate and encourage responsible product design, use, re-use, recycling and disposal of our products.

Principle 9:

Contribute to the social, economic and institutional development of the communities in which we operate.

Principle 10:

Implement effective and transparent engagement, communication and independently verified reporting arrangements with our stakeholders.

Further information on ICMM can be found on the ICMM website: www.icmm.com



Element 1.1:

Develop and implement company statements of ethical business principles and practices that management is committed to enforcing

Implementation Guidance

- Develop a company statement of ethical business principles and practices that the board of directors endorses and monitors
- This statement should reflect the ten ICMM principles and their supporting elements, which are intended to deliver sustainable shareholder value through commitment to improving social, health, safety, environmental and economic performance
- This statement could establish a business code of conduct for employees consistent with sustainable development principles, and mandate mechanisms for reporting on adherence to the code
 - > This code might cover expectations of behaviour in relation to elements of the principles
- This statement should commit the company at every level to enabling its people to learn how to behave in principled ways and account for their performance
 - > For examples of learning requirements that may impact on most or many employees and contractors, refer to 1.2, 2.5, 3.4, 5.3 and 9.2

Element 1.2:

Implement policies and practices that seek to prevent bribery and corruption

Implementation Guidance

- Bribery includes making promises as well as actually paying money or providing goods, services or favours to illicitly influence official decisions or acts. Implement a 'no-bribery' policy based on an informed view of relevant law, regulations and international conventions
 - > Competent legal advice is useful (See element 1.3)
- Some payments that may be seen as attempts to influence official decisions and acts may be legal and regarded as proper within particular jurisdictions and recognised conventions. Transparency is a key issue, so policy should be developed and systems should be put in place to record and report on decisions and transactions related to:
 - > political contributions, including direct or indirect contributions to political parties, organisations or individuals involved in politics
 - > 'facilitation payments' to low-ranking officials for processing licences or other functions
 - > charitable contributions and sponsorships
 - > payments made to comply with particular statutes (See elements 1.1, 1.3, 3.4, 10.1)
- Train employees to apply the 'no-bribery' policy and use systems to ensure relevant issues are recognised, recorded, managed and reported transparently
 - > Implement systems for managing allegations or suspicions of business misconduct in confidential, professional ways consistent with due process. (See elements 3.2, 3.4)

PRINCIPLE 1:
IMPLEMENT AND
MAINTAIN ETHICAL
BUSINESS PRACTICES
AND SOUND SYSTEMS
OF CORPORATE
GOVERNANCE

Element 1.3:

Comply with or exceed the requirements of host country laws and regulations

Implementation Guidance

- Obtain competent legal advice
- Create a register of relevant legal requirements
- Ensure responsibility and accountability for particular compliance requirements is clearly assigned and understood, and employees responsible for compliance have appropriate training (See elements 2.5, 3.4, 8.5)
- Regularly review legal compliance, identify instances of non-compliance, implement a system for documenting and tracking instances of non-compliance, document action plans to achieve compliance and take prompt action to implement these plans
- Once compliance is established, move to exceed requirements where this equates to good industry practice (See element 2.3)

Element 1.4:

Work with governments, industry and other stakeholders to achieve appropriate and effective public policy, laws, regulations and procedures that facilitate the mining, minerals and metals sector's contribution to sustainable development within national sustainable development strategies

Implementation Guidance

- Participate openly, honestly and constructively in public policy development (See elements 1.2, 2.6, 3.6, 4.1, 4.3, 7.2, 7.3, 8.4–8.5)
- Develop research programs both in-house and collaboratively to address relevant knowledge gaps (See elements 6.1, 7.2–7.3, 8.1–8.2)
- Provide scientific and technical advice and case studies to assist development of appropriate standards and controls (See elements 8.1–8.5)
- Promote the sustainable development performance of smaller companies in the minerals industry and of businesses that supply to or buy from the industry (See element 2.4)



PRINCIPLE 2:
INTEGRATE SUSTAINABLE DEVELOPMENT CONSIDERATIONS WITHIN THE CORPORATE DECISION-MAKING PROCESS

Element 2.1:

Integrate sustainable development principles into company policies and practices

Implementation Guidance

- Establish a business case for including sustainable development principles in policy and practice and gain management commitment
- Embed sustainable development principles in planning, designing, constructing, managing and closing operations (See element 2.2)
- Allocate clear roles, responsibilities, accountabilities and resources to facilitate the implementation of company policies and practices
- Provide all employees with relevant information, performance targets, training, resources and management support across all dimensions of sustainable development
- Ensure appropriate environmental and social accounting is embedded in the reporting system (See elements 4.1, 4.3, 5.4, 6.1, 8.3, 8.4 9.2, 10.1–10.3)

Element 2.2:

Plan, design, operate and close operations in a manner that enhances sustainable development

Implementation Guidance

- Use consultative methods and a life-cycle approach in applying the sustainable development principles during planning and design phases; and in managing operations and closure of operations. In particular refer to various elements from Principles 3 to 10 within this Framework
- Reporting on sustainable development criteria may require benchmark or baseline information to be collected early in the cycle and used in developing metrics and targets (See elements 4.1, 6.1)
- Operational plans should set targets for performance on financial, social, health, safety, environmental and economic criteria. Operational performance should be reviewed regularly against those targets (See elements 3.3, 4.2, 5.1, 5.2, 6.2, 7.3, 9.3, 10.1)

Element 2.3:

Implement good practice and innovate to improve social, environmental and economic performance whilst enhancing shareholder value

Implementation Guidance

- In partnership with relevant stakeholders, periodically benchmark operations against good industry practice for sustainable development (See element 2.2)
- Implement a system to identify and pursue sustainable development opportunities in relation to:
 - > improving relations with employees (See elements 3.1–3.4), local communities (See elements 3.5–3.6, 4.1, 4.3, 5.1, 9.1–9.5, 10.3) and other stakeholders
 - > improving risk management (See elements 4.1–4.4)
 - > improving health and safety performance on site and locally (See elements 5.1–5.5) and through the supply chain (See elements 1.4, 2.4, 8.1–8.5)
 - > improving environmental management on site, locally and through the supply chain (See elements 4.1, 4.3, 6.1–6.5, 7.1–7.3, 8.1–8.5)
 - > improving business and financial performance

Element 2.4:

Encourage customers, business partners and suppliers of goods and services to adopt principles and practices that are comparable to our own

Implementation Guidance

- Implement a procurement policy that includes sustainable development performance outcomes in key contracts (See elements 1.4, 2.4, 6.4, 8.2–8.5)
- Promote product stewardship initiatives throughout the supply chain through partnerships with contractors, suppliers and customers (See elements 1.4, 8.1–8.5)
- Encourage customers, contractors, suppliers and business partners to adopt sustainable development policies and practices
- Establish 'suppliers of choice' which include sustainable development criteria, such as the role of local employment, service and supply to foster local economies (See elements 1.4, 8.1–8.5)

Element 2.5:

Provide sustainable development training to ensure adequate competency at all levels among our own employees and those of our contractors

Implementation Guidance

- Identify the training needs of employees and contractors to ensure adequate understanding and competency. In particular assess the knowledge and skills they need to learn in order to fulfil their responsibilities for:
 - > understanding the sustainable development principles, adhering to the company's code of conduct, carrying out its anti-bribery and corruption policy, complying with relevant legal requirements and supporting responsible corporate citizenship (See elements 1.1–1.4, 2.6 and 7.1)
 - > acquiring competencies required to apply the principles in supporting and making management decisions, implementing good practice and encouraging good practice throughout the supply chain (See elements 2.1–2.4)
 - > minimising harassment and unfair discrimination; upholding human rights and respecting the cultures, customs and values of affected parties (See element 3.4)
 - > participating effectively in risk management and emergency response based on sustainable development principles (See elements 4.1–4.4)
 - > taking responsibility for working in a safe, healthy manner; and managing health and safety issues in the workplace (See element 5.3)
 - > managing environmental issues through the operational cycle, especially continual improvement (See elements 6.1–6.5)
 - > understanding the life-cycle effects of minerals and metals and the implications of the integrated materials management concept in their work and applying these concepts competently (See elements 2.4, 8.1–8.5)
 - > contributing appropriately to the development of communities affected by operations (See elements 9.2–9.5)
 - > providing timely, accurate and relevant reports on economic, social and environmental as well as financial performance (See elements 10.1–10.3)
- Liaise with training providers and educational institutions to ensure that training delivered to current and potential employees is consistent with SD principles

Element 2.6:

Support public policies that foster open and competitive markets

Implementation Guidance

- Participate in, and contribute to, relevant activities undertaken at company, industry and government levels
- Do not participate in or condone anti-competitive activities, including corruption (See element 1.2)



PRINCIPLE 3:

UPHOLD FUNDAMENTAL
HUMAN RIGHTS AND
RESPECT CULTURES,
CUSTOMS AND VALUES
IN DEALINGS WITH
EMPLOYEES AND OTHERS
WHO ARE AFFECTED BY
OUR ACTIVITIES

Element 3.1:

Ensure fair remuneration and work conditions for all employees and do not use forced, compulsory or child labour

Implementation Guidance

- Implement policies and practices that attract and retain high quality staff
 - > Many of the elements can contribute to recruiting, retention and development (See elements 1.1, 1.2, 2.1, 3.1–3.3, 5.2)
- Provide equal opportunity and remuneration for work of equal value relative to local economic conditions (See element 3.2)
- Understand, respect and actively support human rights within the company (See elements 1.1 and 3.4)
- Develop and communicate clear retrenchment and re-skilling guidelines (See elements 3.2, 4.3)
- Promote a safe work culture that recognises that no job needs to be done if it cannot be done safely (See elements 4.1, 4.3, 5.2–5.3, 5.5)

Element 3.2:

Provide for the constructive engagement of employees on matters of mutual concern

Implementation Guidance

- Engage employees proactively about their work-related concerns
 - > Listen actively and document the issues employees raise fairly and accurately
 - > Discuss the issues in timely, open and culturally appropriate ways
 - > Recognise employee freedom of association
- Seek agreed resolutions, including:
 - > flexible working arrangements where this benefits both company and employee
 - > protection of entitlements in divestment and closure situations (See element 9.2)

Element 3.3:

Implement policies and practices designed to eliminate harassment and unfair discrimination in all aspects of our activities

Implementation Guidance

- Educate and train employees in anti-harassment and anti-discrimination policies and practices
- Establish and monitor mechanisms to register, resolve and report on incidents and complaints
- Encourage open discussion of workplace issues and address root causes of discrimination
- Where appropriate, establish special measures intended to reduce harassment and achieve fairness

Element 3.4:

Ensure that all relevant staff, including security personnel, are provided with appropriate cultural and human rights training and guidance

Implementation Guidance

- Provide employees and contractors with cultural awareness and human rights training that:
 - > is relevant to their areas of work
 - > includes conflict and dispute resolution skills
 - > provides examples of the difficult choices that individuals may need to make
 - > reinforces the importance of viewing the project within its local cultural context
- Where security personnel are involved, maintain the safety and security of company operations within a framework that ensures respect for human rights

Element 3.5:

Minimise involuntary resettlement, and compensate fairly for adverse effects on the community where this cannot be avoided

Implementation Guidance

- Minimise resettlement and compensate fairly for unavoidable impacts (See elements 1.2, 2.2, 2.3, 4.1, 6.1, 8.1, 9.1–9.5)
- Provide compensation in a form that helps to build sustainable capacity within affected communities and delivers benefits to both current and future generations (See elements 2.3, 9.1–9.5, 10.3)
- As far as practicable, ensure that the communities that experience the most adverse impacts receive the most benefit from compensation arrangements (See elements 1.2–1.4, 2.2, 4.1, 6.1, 9.1)
- Seek a consensus about relocation through a transparent process that includes the communities that will receive relocated people (See elements 1.2–1.4, 2.2, 4.1, 6.1, 9.1, 10.3)

Element 3.6:

Respect the culture and heritage of local communities, including: Indigenous peoples

Implementation Guidance

- Recognise and respect the culture and heritage of local communities including:
 - > the culture and traditions of Indigenous peoples and their relationships with lands and waters
 - > sites and objects of local, regional and national significance (See element 9.2)
- Engage with local and Indigenous communities in culturally appropriate ways, respecting their customs and beliefs
 - > Work with communities to develop appropriate, cooperative strategies to protect and manage sites of special significance to those communities on lands within and adjacent to our operations
 - > Where appropriate, incorporate local and traditional environmental knowledge and land management practices into company operations
 - > Work with communities to develop employment, education, training and business development and other opportunities



Element 4.1:

Consult with interested and affected parties in the identification, assessment and management of all significant social, health, safety, environmental and economic impacts associated with our activities

Implementation Guidance

- Use appropriate risk assessment methods to identify the potential social, health, safety, environmental and economic impacts of the intended operations
- Identify communities and organisations that may be affected by the operations
 - > Undertake desktop baseline socio-economic assessments
 - > Use the outcomes of these assessments to plan appropriate communications before engaging stakeholders
 - > Where appropriate extend socio-economic assessment through stakeholder engagement
 - > Explain company intentions honestly, accurately and succinctly
 - > Engage stakeholders to identify their interests, concerns and aspirations
 - > Incorporate what is learned into company planning and provide feedback on outcomes to relevant stakeholders
- Manage issues commensurate with the level of risk¹
- Develop, implement and maintain systems to manage both chronic and acute risks
- Maintain a risk register that documents the control philosophy, status and associated actions of all identified major risks
- Involve members of the workforce and other relevant stakeholders in risk assessment and risk management processes (See elements 3.2, 4.3, 4.4, 5.1, 6.1, 8.1, 9.1)
- The right and requirement to stop work when conditions become unsafe should be communicated and understood by employees and contractors and acted on (See elements 1.1, 3.1, 4.3)

Element 4.2:

Ensure regular review and updating of risk management systems

Implementation Guidance

- Implement a system of risk management and internal control that incorporates:
 - > management commitment
 - > demonstrable systematic risk identification and mitigation
 - > documented risk communication
 - > documented cost-estimates of non-compliances and losses
 - > assurance reporting on programs aimed at achieving or maintaining conformance with the relevant risk profile
 - > documented key risks and opportunities that could impact on shareholder and relevant stakeholder interests
- Regularly review and continually improve risk management systems and practices in consultation with relevant stakeholders and with due consideration to regional and local effects
- Review and update the risk register periodically; and whenever changes in the operating environment or the operations alter risks and ensure necessary change management practices are in place

PRINCIPLE 4:
**IMPLEMENT RISK
 MANAGEMENT
 STRATEGIES BASED
 ON VALID DATA AND
 SOUND SCIENCE**

¹ Importantly the risk assessment process should take into account the Precautionary Principle

Element 4.3:

Inform potentially affected parties of significant risks from mining, minerals and metals operations and of the measures that will be taken to manage the potential risks effectively

Implementation Guidance

- Facilitate open and transparent dialogue on risk management measures conducted in the appropriate form for the particular audience (See elements, 4.1, 4.4, 5.4, 9.1–9.2, 10.3)
- Inform the workforce of the hazards and risks to which they may be exposed prior to commencing employment and on continuing basis during employment (See elements 3.2, 5.2–5.4, 8.1, 9.1, 10.1–10.3)
- Communicate with stakeholders on significant risks and their corresponding management plans in a culturally appropriate manner (See elements 4.1, 4.4, 9.1–9.2, 10.1–10.3)
- Inform regulators, industry bodies and affected parties as soon as practicable of significant incidents, associated risks and the steps taken to remedy their impacts

Element 4.4:

Develop, maintain and test effective emergency response procedures in collaboration with potentially affected parties

Implementation Guidance

- Identify potential emergencies and develop appropriate emergency response strategies and capabilities (See elements 2.1–2.3, 3.2, 4.1, 5.2, 6.2, 6.4, 9.1–9.5, 10.3)
- Ensure adequate resources are available to respond to identified emergency scenarios (See elements 1.3, 5.2, 5.5, 6.5, 8.3)
- Conduct training and periodically test the effectiveness of emergency response strategies and capabilities. Capture the learnings from this process (See elements 5.2, 5.3)
- Develop partnerships with local emergency services to provide mutual aid, for example, sharing mine rescue equipment with bush fire brigades (See elements 4.1, 4.3, 8.1, 9.3, 9.4)



PRINCIPLE 5:
**SEEK CONTINUAL
 IMPROVEMENT OF OUR
 HEALTH AND SAFETY
 PERFORMANCE**

Element 5.1:

Implement a management system focused on continual improvement of all aspects of operations that could have a significant impact on the health and safety of our own employees, those of contractors and communities where we operate

Implementation Guidance

- Implement an occupational and community health management system consistent with recognised quality standards that includes:
 - > an occupational and community health and safety policy statement
 - > documented procedures for hazard identification, hazard/risk assessment and control of hazards/risks of activities, products and services over which the organisation has control, including the activities, products and services of contractors and suppliers
 - > an assessment of legal and voluntary obligations
 - > documented occupational and community health and safety objectives and targets and programs and timeframes to achieve them
 - > identified management structures, responsibilities, resources, training, awareness and competencies
 - > a communication system which includes employees and other interested parties, and provides for the relevant and timely reporting of performance
 - > document and data control procedures
 - > monitoring and measurement of key characteristics of operations that can cause illness and injury
 - > documented procedures for incident investigation, corrective and preventative action
 - > a series of periodic internal audits and management review
 - > continual improvement objectives (See elements 1.1, 2.1)
- Involve employees and other relevant stakeholders in auditing management systems and in management reviews (See elements 3.2, 4.3, 9.2, 10.3)

Element 5.2:

Take all practical and reasonable measures to eliminate workplace fatalities, injuries and diseases among our employees and those of our contractors

Implementation Guidance

- Set zero illness and injuries as the goal and monitor progress towards its achievement (See elements 1.1, 2.1–2.3)
 - > Establish targets and timelines for key safety and health performance measures
 - > Use both leading and lagging performance measures
- Establish and maintain safe behaviours
 - > Promote a safe work culture – *no job should be done if it cannot be done safely*
 - > Encourage employees and contractors to take responsibility for their own safety and their workmates' safety
 - > Implement a Fitness for Work Program which may address factors such as substance abuse, stress and lack of physical capability
 - > Implement a program to address employee fatigue and implement working conditions that protect employee health and safety
 - > Utilise permit to work systems for designated hazardous work
 - > Implement safety behaviour principles and observation systems with management and employee participation (See element 3.2)
- Establish and maintain safe conditions and processes
 - > Identify fatality-potential hazards and agents and implement appropriate controls (See elements 4.1–4.5, 6.4)
 - > Operate and maintain plant and equipment according to established safe work procedures
 - > Utilise task-based risk assessment processes where appropriate
 - > Conduct systematic inspections of the workplace, record the results and ensure that any deficiencies are addressed
- Implement a comprehensive incident management process with management and employee participation
 - > Implement improvements based on investigating each incident (See element 4.2)
- Proactively manage changes that have the potential to impact on the safety and health of employees and contractors (See elements 4.1–4.4, 6.4)

Element 5.3:

Provide all employees with health and safety training, and require employees of contractors to have undergone such training

Implementation Guidance

- Document and regularly review the OHS responsibilities, skills, knowledge and experience requirements associated with all roles in the organisation (See elements 2.4, 4.1–4.4, 8.1 and 8.3)
- Assess employees and contractors against the requirements of their roles before they are permitted to undertake work
- Provide general induction, area and task-specific training for all employees and contractors (See elements 2.4–2.5, 3.2)
- Review training in and compliance with safe work procedures; implement the necessary improvements arising out of reviews (See element 5.1 and 4.4)
- Maintain records for all training and competency assessments, including compliance with mandatory training requirements; report appropriately (See element 10.1)

Element 5.4:

Implement regular health surveillance and risk-based monitoring of employees

Implementation Guidance

- Conduct relevant and risk-based initial and ongoing occupational medical surveillance of employees to ensure they are fit for their jobs and to enable early detection of any work-related health problems, including diseases (See elements 3.1–3.2)
- Minimise exposures to harmful substances and conditions (See elements 5.1–5.3). Use internationally recognised standards to assess exposures; report against those standards (See elements 4.3, 6.4, 8.1–8.5). Monitor the workplace for exposures and conditions that could cause harm (See elements 3.1, 4.1, 4.3, 4.4 and 6.4)
- Ensure work practices are ergonomically safe, that workers are fit for their work roles and are not asked to do work that may injure them or aggravate pre-existing medical conditions (See elements 3.1, 3.2)
- Establish targets to drive improvements in the management of occupational health hazards, and report performance against these targets (See elements 3.2, 4.1–4.5, 8.2, 10.1–10.3)
- Inform relevant employees of the results of their occupational health monitoring (See element 4.3)
- Fully inform all employees and contractors about any substances or conditions that could have long-term impacts on their health (See elements 3.2, 4.3, 8.1, 8.3)
- Promote the health and well being of the workforce through access to health information, including general health patterns, and programs (See element 8.1)

Element 5.5:

Rehabilitate and reintegrate employees into operations following illness or injury, where feasible

Implementation Guidance

- Implement an injury management system to improve the health and safety of all employees and contractors (See elements 1.1, 2.3, 3.1–3.4, 5.1)
- Establish rehabilitation processes to promote rapid recovery from work-related injuries and early return to work (See elements 1.1, 1.3, 2.3, 3.1–3.2)
- Provide all practical and reasonable opportunities to people who are injured and cannot, as a result of their injury or illness, return to their previous employment (See elements 3.1–3.4, 5.1)



PRINCIPLE 6:
**SEEK CONTINUAL
 IMPROVEMENT OF
 OUR ENVIRONMENTAL
 PERFORMANCE**

Element 6.1:

Assess the positive, negative and indirect and the cumulative impacts of new projects – from exploration through closure

Implementation Guidance

- Assess and manage environmental impacts for the whole project cycle
- Predict, assess and monitor emissions to air, land and water, including noise, odour and vibration; ensure design emissions are within standards and guidelines; make project changes as necessary to ensure commissioned site can meet emission standards; provide a basis for future improvements
- Predict, assess and monitor impacts on visual amenity prior to development and make necessary project changes to reduce such impacts
- Annually review operations and implement management plans to mitigate the potential impact of emissions to air, land and water
 - > Use environmental impact assessments, change management and/or risk management approaches to evaluate and mitigate impact from new or altered processes
- Predict, assess and monitor impacts on biodiversity and heritage issues (See element 7.3)
- Where appropriate, contribute to total watershed and airshed management in partnership with relevant external organisations (See elements 1.3, 7.1–7.3, 8.1–8.4)

Element 6.2:

Implement an environmental management system focused on continual improvement to review, prevent, mitigate or ameliorate adverse environmental impacts

Implementation Guidance

- Implement an environmental management system consistent with recognised quality standards that includes:
 - > an environmental policy statement
 - > an assessment of environmental aspects and impacts of operations, products and services
 - > an assessment of legal and voluntary obligations
 - > documented environmental objectives and targets and programs to achieve them
 - > identified management structures, responsibilities, training, awareness and competencies
 - > a communication system with document control
 - > emergency preparedness and response procedures
 - > checking and corrective action for non-conformance
 - > a series of periodic internal audits and management review
 - > continual improvement objectives
- The environmental management system is a component of the sustainable development system (See elements 1.3, 4.1, 4.2, 5.1, 7.1–7.3, 8.3, 10.3)

Element 6.3:

Rehabilitate land disturbed or occupied by operations in accordance with appropriate post-mining land uses.

Implementation Guidance

- Consult relevant stakeholders and develop a closure plan that clearly defines the post-closure land use
- Where appropriate, rehabilitate progressively over the life of the operation
 - > Monitor success criteria agreed with relevant stakeholders
 - > Report performance
- Undertake and support research into land and water rehabilitation practices
- Use appropriate technologies to reduce negative environmental impacts and improve site rehabilitation techniques
- Manage and, where appropriate, rehabilitate historical disturbances to an appropriate standard (See elements 4.1, 6.3, 6.4 7.1, 7.3, 9.1, 10.3)

Element 6.4:

Provide for safe storage and disposal of residual wastes and process residues

Implementation Guidance

- Design processes and facilities to minimise contamination and decrease closure costs
 - > Monitor the supply and use of significant chemicals over the life of the mine to identify losses and potential opportunities for recovery
 - > Identify opportunities for beneficial use of end wastes with other relevant stakeholders
- Document and apply effective process for:
 - > materials handling, containment and control processes for all by-products and residues
 - > identification, assessment monitoring, management and/or remediation of contaminated sites
- Review, continually improve and introduce good industry practice (See elements 4.1–4.4, 5.1, 5.2, 5.4, 8.1–8.5)

Element 6.5:

Design and plan all operations so that adequate resources are available to meet the closure requirements of all operations

Implementation Guidance

- Plan operations to minimise costs and risks; comply with relevant law, standards and guidelines; maximise sustainable development opportunities; and deliver post-closure landforms that are safe and stable from physical, geochemical and ecological perspectives (See elements 5.1, 7.3, 8.3–8.5)
- Provide adequate resources to achieve social objectives of closure including any costs associated with community dislocation (See elements 1.3, 2.2–2.3, 3.5, 7.1, 8.1)
- Set aside funds externally held and not accessible for other purposes to implement the closure plan and to undertake post closure monitoring and maintenance, taking risk into account
- Periodically review closure plans in the light of changing regulatory requirements and community expectations (See elements 2.2, 3.5, 4.1–4.4, 9.1–9.3)



PRINCIPLE 7:
**CONTRIBUTE TO
CONSERVATION
OF BIODIVERSITY
AND INTEGRATED
APPROACHES TO LAND
USE PLANNING**

Element 7.1:

Respect legally designated protected areas

Implementation Guidance

- Plan exploration activities and operations to avoid and/or minimise impacts on ecological and cultural values of legally protected areas
- Work with key stakeholders to optimise the ecosystem integrity of protected areas proximal to the company's operations

Element 7.2:

Disseminate scientific data on, and promote practices and experiences in, biodiversity assessment and management

Implementation Guidance

- Share scientific and technical information regarding biodiversity assessment and management with key stakeholders, including academia and government
- Make biodiversity information collected for the environmental impact assessment process publicly available
- Collect, collate and analyse scientific data, and disseminate final reports to stakeholders in a suitable format
- Work with key stakeholders (including government) to protect endangered species and their habitat
- Work with neighbouring communities and key stakeholders to minimise the impacts of feral animals and the spread of weeds and pests
- Involve stakeholders from local and scientific communities in monitoring and reporting of information regarding biodiversity assessment and management where appropriate
- Where feasible, work with stakeholders to optimise ecosystem integrity (including habitat protection) on a regional basis by addressing these issues proactively in mine planning and buffer zone management, and specifically in rehabilitation/closure planning (See elements 2.2–2.5, 4.1, 6.1–6.5, 8.1–8.3)

Element 7.3:

Support the development and implementation of scientifically sound, inclusive and transparent procedures for integrated approaches to land use planning, biodiversity conservation and mining

Implementation Guidance

- Produce credible and timely information regarding land-use issues, involving the input of independent assessment as necessary, to address stakeholder and community concerns and expectations (See elements 4.1, 6.1)
- Find ways to maintain, enhance and restore (where appropriate) habitats in and around operations, including buffer zones
- Enhance biodiversity monitoring through the use of bioindicators
- Minimise the likelihood of localised extinctions and minimise impacts of feral animals, weeds and pests
- Promote and apply the principles of multiple and sequential land use within the operation's sphere of influence
- Where feasible, work with key stakeholders to optimise the ecosystem integrity of protected areas adjacent to operations
- Where feasible, work with stakeholders to optimise ecosystem integrity (including habitat protection) on a regional basis
- Use offsetting programs to increase net conservation benefits where these are feasible and agreed with government
- Seek to achieve a net positive environmental gain through partnership activities and resourcing of local biodiversity groups
- Engage with state-based planning authorities to ensure that operations are consistent with regional or catchment scale land use planning priorities
- Educate employees and contractors regarding the importance of biodiversity conservation values of the area subject to disturbance (See elements 2.2–2.5, 6.1–6.5, 8.1–8.5)



PRINCIPLE 8:
FACILITATE AND ENCOURAGE RESPONSIBLE PRODUCT DESIGN, USE, RE-USE, RECYCLING AND DISPOSAL OF OUR PRODUCTS

Element 8.1:

Advance understanding of the properties of metals and minerals and their life-cycle effects on human health and the environment

Implementation Guidance

- Where appropriate, support research that improves understanding of the life cycle effects of minerals and metal products on human and environmental health
- Monitor and review the impacts of exploration and operations on occupational, community and environmental health, taking into account advances in the understanding of life cycle issues

(See elements 1.4, 2.4, 4.1, 6.1, 7.2, 7.3, 8.3)

Element 8.2:

Conduct or support research and innovation that promotes the use of products and technologies that are safe and efficient in their use of energy, natural resources and other materials

Implementation Guidance

- Where appropriate support research to improve eco-efficiency of production processes and products
- Review and innovate to reduce waste through cleaner production processes, recycling and reuse of materials
- Review usage and innovate to improve efficiency in the use of energy and water. Take other users' present and future requirements into account, including air and water quality and environmental flows of water
- Involve suppliers identifying opportunities to reduce energy consumption or use renewable sources to reduce production of greenhouse gases and other emissions
- Where feasible, collaborate in industrial ecology activities to develop synergies in resource usage

(See elements 1.4, 2.4, 4.1, 6.1, 7.2, 7.3, 8.3)

Element 8.3:

Develop and promote the concept of integrated materials management throughout the metals and minerals value chain

Implementation Guidance

- Track business inputs and outputs in a communicable and reportable format
- Promote safe handling, storage and use of materials throughout the supply chain
- Inform customers about the safe and responsible use of mineral products and options for their reuse (See element 2.4)
- Develop preferred safe and responsible suppliers of materials and resources (See element 2.4)

Element 8.4:

Provide regulators and other stakeholders with scientifically sound data and analysis regarding our products and operations as a basis for regulatory decisions

Implementation Guidance

- Understand the precautionary principle and its application in policy development; and integrate this understanding into planning, design and the cycle of management review (See elements 1.3 and 2.1)
- As appropriate, provide regulators and the scientific community with scientific and technical advice about our products and operations, including the outcomes of site-based monitoring (See elements 1.4, 4.1, 6.4, 7.2–7.3, 10.1–10.3)
- Collaborate in research on life cycle impacts of processes, products and by-products as appropriate (See elements 2.4, 4.1, 6.3, 7.2–7.3, 10.3)
- Encourage collaboration between government, industry and the scientific community in research and demonstration programs to foster improved science and informed policy development (See elements 1.4, 4.1, 6.4, 7.2–7.3, 10.1–10.3)

Element 8.5:

Support the development of scientifically sound policies, regulations, product standards and material choice decisions that encourage the safe use of mineral products

Implementation Guidance

- At industry, company, site and supply chain level, participate in creating and sharing knowledge about relevant disciplines such as:
 - > materials handling regulations, standards or requirements
 - > management of hazardous substances
 - > risk assessment and identification
 - > controls on the selection of materials
 - > establishment and regulation of product standards
- At industry, company, site and supply chain level, participate constructively in policy development in relevant jurisdictions (See elements 1.4, 4.1, 6.4, 8.4, 10.1–10.3)



Element 9.1:

Engage at the earliest practical stage with likely affected parties to discuss and respond to issues and conflicts concerning the management of social impacts

Implementation Guidance

- Engage communities and stakeholder groups in areas that may be affected by operations early – if possible before exploration
- Establish a stakeholder register to assist in the identification of relevant stakeholders, and keep this current over the whole cycle
- Undertake engagement in a culturally-appropriate manner throughout the life of the operation
- Implement systems to appropriately manage issues and effects, positive and negative, of mining

(See elements 2.2, 2.3, 3.2, 3.6, 4.1, 4.3, 5.4, 8.3, 10.1–10.3)

Element 9.2:

Ensure that appropriate systems are in place for ongoing interaction with affected parties, making sure that minorities and other marginalised groups have equitable and culturally appropriate means of engagement

Implementation Guidance

- Establish fair and equitable processes for engagement with Indigenous and local communities
- Establish processes to ensure ongoing interaction with communities regarding issues of interest to the mining operation and/or to the community
- Understand and respect directly affected peoples' decision-making and dispute resolution processes and their time frames for going through these processes
- Develop partnerships that provide opportunities for reciprocal learning and mutual understanding
- Identify historically marginalised groups and implement strategies to address the special needs of individuals or groups in the community to ensure their effective participation
- In engaging the community ensure that proper consideration is given to community views and that they are considered in the company decision-making process

(See elements 2.2, 2.3, 3.2, 3.6, 4.1, 5.1, 8.1, 10.1–10.3)

PRINCIPLE 9:
**CONTRIBUTE TO THE
 SOCIAL, ECONOMIC
 AND INSTITUTIONAL
 DEVELOPMENT OF THE
 COMMUNITIES IN WHICH
 WE OPERATE**

Element 9.3:

Contribute to community development from project development through closure in collaboration with host communities and their representatives

Implementation Guidance

- Contribute to the development of sustainable communities. Apply a development model which identifies communities' current strengths and long-term needs for economic, social and institutional security
- Strengthen and diversify the local and regional economy by supporting local businesses and products when this is feasible and consistent with sound business practices
- Identify and work to realise training and other opportunities for capacity building and community development. Work in partnership with relevant institutions and organisations
- Ensure that exit strategies are in place for all programs, particularly if they will terminate before mine closure
- Engage the community in defining the intended post mining land-use in mine closure plans
- Contribute to the professional development of young people in local communities through capacity building and mentoring programs
- Meet community development commitments prior to divestment, or seek to ensure that these commitments are transferred to the asset purchaser

(See elements 1.2, 1.3, 2.2, 3.5, 3.6, 4.1, 6.1, 7.3)

Element 9.4:

Encourage partnerships with governments and non-government organisations to ensure that programmes (such as community health, education, local business development) are well designed and effectively delivered

Implementation Guidance

- Undertake social and economic research and assessment in partnership with communities and appropriate organisations to support planning and development of operations with subsequent management review of social and economic effects through the whole cycle
- Recognise existing community planning processes and utilise these where feasible to achieve mutually beneficial social outcomes. Develop community partnerships and work to secure community ownership of the processes and outcomes
- Develop partnerships (including government, NGOs and other relevant organisations) where appropriate to facilitate program design and delivery
- Implement programs (including apprenticeships and cadetships) to build skills and experience and to secure a skilled future workforce (See elements 1.2, 1.3, 2.2, 3.5, 3.6, 4.1, 6.1, 7.3)

Element 9.5:

Enhance social and economic development by seeking opportunities to address poverty

Implementation Guidance

- Plan and operate in ways that support the sustainable social, economic and environmental development of the host country, region and local communities
- Work to realise education and training opportunities for local people to increase their employment options
- Identify opportunities for skill development and training and implement these in collaboration with employees to increase their employment options following mine closure
- In conjunction with local communities, support the development and improvement of sustainable infrastructure
- Seek to ensure the fair and equitable distribution of resources provided to host and local communities (See elements 1.2, 1.3, 2.2, 3.5, 3.6, 4.1, 6.1, 7.3)



PRINCIPLE 10:
**IMPLEMENT EFFECTIVE
 AND TRANSPARENT
 ENGAGEMENT,
 COMMUNICATIONS
 AND INDEPENDENTLY
 VERIFIED REPORTING
 ARRANGEMENTS WITH
 STAKEHOLDERS**

Element 10.1:

Report on our economic, social and environmental performance and contribution to sustainable development

Implementation Guidance

- Produce an annual report on sustainable development performance against company targets and make this publicly available
- Provide information in a manner that is culturally appropriate and easily understood. Reporting should be undertaken in a way that is useful, legible, and accessible to those receiving the information
- Undertake financial reporting in accordance with relevant accounting standards
(See elements 3.6, 4.3, 5.2, 6.1, 6.2, 7.2, 8.1–8.5, 9.2)

Element 10.2:

Provide information that is timely, accurate and relevant

Implementation Guidance

- Provide information within appropriate timeframes and contexts and identify the reporting period
- Validate data, information and processes in performance reports
- Utilise appropriate verification processes for reports to provide public confidence in the information being reported
- Systematically identify stakeholder information needs to ensure that information provided is relevant
- Utilise stakeholder feedback on the reporting structure, format, timeframes and verification to continually improve the reporting processes
(See elements 3.6, 4.3, 5.2, 6.1, 6.2, 7.2, 8.1–8.5, 9.2)

Element 10.3:

Engage with and respond to stakeholders through open consultation processes

Implementation Guidance

- Ensure all stakeholders have been identified in an open and transparent manner
- Conduct a stakeholder analysis to identify rights and interests, and periodically review this throughout the life of the operation
- Utilise transparent and consultative communication processes to engage key stakeholders and provide feedback on issues raised
- Apply appropriate mechanisms for hearing and resolving stakeholder feedback within transparent and defined timeframes
- Maintain a complaint and comment register. Provide open and transparent grievance mechanisms. Publish reports about complaints and disputes and their resolutions
(See elements 3.2, 3.6, 4.1, 4.3, 4.4, 7.2, 8.1, 8.4, 9.1, 9.2, 10.1, 10.2)



Baseline information

A baseline is an information reference point against which performance is measured or compared. In social and environmental impact assessment, the baseline would be the state of the ecosystem or community without the proposed development. In applying the concept of continuous improvement, the baseline is typically the performance of the preceding year for a particular measure.

Benchmark

Benchmarking is a method by which organisations compare their processes, practices and performance with those of others – either through direct comparison with other companies or comparison with industry standards. Benchmarking processes identify, interpret and adapt outstanding practices from anywhere in the world to help an organisation improve its performance.

Capacity building

Capacity building is working with a community to increase their ability to determine and manage their own future. Capacity building projects are most relevant where a host community might not capture the benefits of a project without new skills and resources. Effective capacity building is driven by the needs of the community – not the company. A company can use its resources to work with a host community to build its skills, knowledge and institutions so that the benefits of the project are captured in the community for the long-term. An example of this might be where a company provides training in project planning, budgeting and management – at the request of the community – so that project royalties can fund more viable and sustainable community projects.

Chronic and Acute Risk

Risk is the likelihood of a hazard occurring. A risk is a function of a number of factors, including the nature of the hazard, the likelihood of occurrence, characteristics of the exposed population, the route, frequency and extent of exposure, the seriousness of the consequences and the public perception of the risk.

Acute risks are those that result in immediate harmful effects and result from a single exposure. **Chronic risks** are those that cause harmful effects to show up after prolonged or repeated exposure – potentially over years.

Community (including local and affected community)

A community is a group of people living in a particular area or region. In mining industry terms, community is generally applied to the inhabitants of immediate and surrounding areas who are affected by a company's activities.

The term **local or host community** is usually applied to those living in the *immediate vicinity* of an operation, being indigenous or non-indigenous people, who may have cultural affinity or claim, or direct ownership of an area in which a company has an interest.

Affected community refers to the members of the community affected by a company's activities. The effects are most commonly social (resettlement, changed services such as education and health), economic (compensation, job prospects, creation of local wealth), environmental and political. Whilst the economic and associated social impacts of a company may be extensive and operate at provincial, state or national levels, these broader impacts would not typically be used to define the affected community.

Corporate Governance

Corporate governance is a broad term that refers to the manner in which a company is directed, and the laws, customs and behaviours affecting that direction. Corporate governance influences how the objectives of the company are set and achieved, how risk is monitored and assessed and how performance is optimised. Governance structures oversee the role of management and the board, decision making, financial reporting and disclosure, risk management, the rights of shareholders, company performance, remuneration and the interests of stakeholders. Good corporate governance structures will monitor the integrity and ethical values of a company and make it accountable for its actions.

Discrimination

Discrimination is treating people unfairly or unequally because of their age, sex, race, religion, disability or sexual orientation. Two kinds of discrimination are generally recognised. **Direct discrimination** means receiving less favourable treatment than another person in the same or similar circumstances on any grounds of unlawful discrimination in any areas of public life covered by the relevant laws. An example is not awarding a candidate a job because of their nationality. **Indirect discrimination** is when apparently neutral rules, policies or practices can impact negatively on a particular group in an unreasonable manner. An example of this would be providing a company uniform that couldn't be worn by employees that practised a particular religion. In Australia, discrimination is covered by numerous Commonwealth and State Acts. Grounds of unlawful discrimination in Australia vary from State to State, but at least include sex, marital status, pregnancy, race and disability.

Employee entitlements

Employee entitlements are the benefits that employees are owed by their employer as a result of their employment. The main types of employee entitlements are salaries and wages, performance pay, annual leave, sick leave, long-service leave and superannuation.

Engagement

At its simplest, engagement is communicating effectively with the people who affect and are affected by a company's activities (its stakeholders). A good engagement process typically involves identifying and prioritising stakeholders, conducting a two-way dialogue with them to understand their particular interest in an issue and any concerns they may have, exploring with them ways to address these issues, and providing feedback to stakeholders on actions taken. At a more complex level, engagement is a means of negotiating agreed outcomes over issues of concern or mutual interest.

Ethical Business Practice

Ethics are set of moral principles, standards or rules that govern the conduct of the members of a group. Ethical business practice is doing business based on a set of ethical principles developed by the company. It is commonly a commitment to conduct business in an honest and ethical manner and fulfil commitments with integrity. The principles or rules of conduct will outline behaviour that is accepted by members of society, taking into consideration such factors as host country laws and regulations and industry regulations and procedures.

Facilitation Payments

Facilitation payments are small payments to low-level public officials to expedite routine approvals. An example of this would be paying a government official a fee to have a license or permit processed. There are differing views on the acceptability of facilitation payments irrespective of their legality in some countries, with some considering them to be a form of bribery. Facilitation payments are permissible under US law for foreign transactions and under the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions. The International Chamber of Commerce (ICC) does not condone facilitation payments, and some companies including Shell and BP have policies banning facilitation payments in keeping with the ICC stance. Many resource companies address stakeholder concerns about the ethics of facilitation payments through ensuring payments are fully disclosed and reported publicly.

Harassment

Harassment is unwelcome or offensive behaviour by one person to another. Examples of harassment include unwanted sexual attention, bullying, intimidation and abuse of power. The Australian Government National Occupational Health and Safety Commission defines harassment as “any form of behaviour that is not wanted and humiliates you, offends you or intimidates you”. To “harass” is to irritate or torment persistently. Harassment is often about one person (or a group of people) using power inappropriately over another person/group of people.

Throughout Australia, it is against the law for you to be harassed because of your:

- gender
- pregnancy
- race
- marital status, or
- disability.

Hazard

A hazard is anything that has the potential to cause harm. A more technical definition of hazard is the intrinsic property of a dangerous substance or physical situation, with a potential for creating damage to human health and/or the environment. (Joint Research Centre for the European Commission).

Human rights

Human rights are the rights and freedoms shared by all members of the human family. These are often referred to as being “equal rights”. Human rights are protected by law and apply even if the individual is prepared to relinquish them. Hence, they are considered “inalienable rights”. The United Nations Universal Declaration of Human Rights includes in the basic set of human rights: equality, life, liberty and security of person, access to education and the law, freedom of movement, asylum, nationality, freedom to marry and have a family, freedom to choose and practice religion, freedom of expression and opinion, the right to work and leisure, minimum standard of living, duties to and enjoyment of community.

For the full version of the UN Universal Declaration of Human Rights, go to www.un.org/Overview/rights.html

Integrated materials management

Integrated materials management (IMM), often called product stewardship, is an approach that seeks to reduce the environmental impacts of products from mining. It requires an understanding of the impacts and drivers along the whole extraction-production-use-waste management chain, that is, applying a life-cycle approach to natural resource production. Integrated materials management improves efficiency and reduces waste. In an IMM system, products are recycled to the greatest extent possible and wastes remain valuable materials unless, and until, their useful life is expended. Successful IMM requires the involvement and cooperation of companies throughout the supply chain.

Multiple and sequential land use

Multiple and sequential land use means that, if land is not of high environmental or social value, it can be used for different purposes at the same time (multiple) and for a different purpose after a land use has finished (sequential). While multiple and sequential land use policy in Australia recognises that access to land may be partially or wholly restricted due to high conservation and social values (e.g. national park or native title), the objective of the policy is to facilitate access to resources for exploration and resource development, providing these activities are not in conflict with the values to be protected. An example of multiple and sequential land use would be where part of a grazing property is mined for resources whilst the balance of the property continues to operate. Once the mine has closed and appropriate rehabilitation has been undertaken, the land returns to its previous use.

Offsetting

Where native vegetation clearing is permitted, an offset is an action taken to partially recover both the extent and quality of vegetation lost. This action may include protecting vegetation of equivalent type, quality and extent to that being cleared, acquiring additional land with comparable biodiversity values, or re-vegetating cleared land. Often, it involves a combination of these actions. Offsets are typically guided by policies aimed at improving the overall extent and quality of native vegetation and associated biodiversity. Offsets are typically applied in situations where a company cannot avoid an impact on native vegetation because of the location of the ore body or operational constraints.

Permit-to-work system (for designated hazardous work)

A permit-to-work system is a formal written system used to control potentially hazardous types of work. A permit-to-work is a document that specifies the work to be done and the precautions to be taken. The purpose of a permit-to-work system is to ensure that proper consideration is given to the risks of particular work and that these are assessed and controlled before work starts. It is a system to ensure that managers and supervisors understand the identity, nature and extent of a job, the hazards involved and the precautions to be taken.

Precautionary Principle

The Precautionary Principle means that action to avert serious or irreversible environmental damage may be needed before there is scientific certainty that the harm exists.

The Precautionary Principle was first recognised at an international level in the World Charter for Nature, adopted by the UN General Assembly in 1982. It was enshrined at the 1992 Rio Conference on the Environment through Principle 15 of the Rio Declaration which states that: *"in order to protect the environment, the precautionary approach shall be widely applied by States according to their capability. Where there are threats of serious or irreversible damage, lack of full scientific certainty shall not be used as a reason for postponing cost-effective measures to prevent environmental degradation"*. This principle has since become progressively consolidated in international environmental law.

An example of the Precautionary Principle would be the international response by governments to tackle global climate change through reduced greenhouse gas emissions while there was still considerable uncertainty about both its cause and likely impacts

Risk assessment

Risk assessment is determining how likely and how extensive a risk might be to an operation. It can be defined as “the process by which one attempts to evaluate and predict the likelihood and extent of harm (in quantitative [how many] and qualitative [descriptive] terms) that may result from a perceived health or safety hazard”. (The National Mining Association (USA)).

Good risk assessments, and resulting risk management procedures, enable an organisation to allocate appropriate resources for sustainable reduction of risk exposure and potential crises.

Whilst risk assessment has traditionally been considered an objective, science-based process, more contemporary approaches consider both science and societal values, and incorporate objective and subjective data in the analysis.

Socio-economic Assessment

Socio-economic assessments seek to estimate and appraise in advance the social and economic consequences that are likely to follow from specific policies or project developments. Impacts that might be considered in a socio-economic assessment include: direct and indirect economic (includes employment), demographic, housing, social infrastructure and services, and socio-cultural (e.g. quality of life, crime, conflict etc).

Note: For the purposes of the implementation guidance, socio-economic assessment and socio-economic impact assessment should be considered to be the same.

Special measures

Special measures are programs that aim to promote groups, or individual members of groups, who are affected by historic disadvantage because of laws and rules, stereotypes and attitudes.

For example, Australian Commonwealth programs that aim to increase Aboriginal school retention and achievement rates, such as the Aboriginal Student Support and Parent Awareness funding program, are ‘special measures’.

Stakeholder

At Earth Summit 2002, stakeholders were defined as “those who have an interest in a particular decision, either as individuals or representatives of a group. This includes people who influence a decision, or *can* influence it, as well as those affected by it”.

Stakeholders might include local community members, non-government organisations, governments, shareholders and employees.

Traditionally marginalised groups

Traditionally marginalised groups are those that are excluded from mainstream society. Traditionally, groups have been oppressed or marginalised for their gender, ethnicity, cultural or indigenous identity, poverty or disability. Marginalisation can affect basic rights, such as access to education, health services, water and food (see Human Rights)

For example, the 8–10 million Roma/Gypsies of Europe are seldom recognised by the majority of society as fully-fledged European people. As a result of centuries of rejection, they live in very difficult conditions, often on the fringes of society and their participation in public life is very limited.

Verification

Verification is independent analysis and authentication, performed by an external auditor or verifier, of information presented about a company’s environmental, social and economic performance and how this may support a company’s claims about progress towards sustainability.

Verification is sought to provide evidence that specified requirements have been fulfilled, generally to improve third-party confidence in the veracity of the information.

Note: to date, there is no universally agreed method for verifying social, environmental and economic data. There exist many methodologies and verifying agencies

CONTACTS

Enduring Value Secretariat
Minerals Council of Australia
PO Box 4479
Kingston ACT 2604

T (+61) 2 6233 0600

F (+61) 2 6233 0699

enduringvalue@minerals.org.au

www.minerals.org.au/enduringvalue

Minerals Council of Australia

Walter Turnbull Building
44 Sydney Avenue
Forrest ACT 2603

PO Box 4497
Kingston ACT 2604

Tel (+61) 2 6233 0600

Fax (+61) 2 6233 0699

www.minerals.org.au

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