The session will start soon

IRMA Standard Revision Process
Stakeholder Feedback Webinar

Chapter 4.5 – GREENHOUSE GAS EMISSIONS & ENERGY CONSUMPTION

IRMA Initiative for Responsible
Mining Assurance

19 January 2024

1. House rules

2. Ways to contribute today

3. IRMA revision process

4. Overview of the proposed changes

5. Q&A and live chat contribution

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1. House rules

- This event is hosted by **IRMA, the Initiative for Responsible Mining Assurance.**
- This event is being recorded and the recording will be made publicly available on the IRMA website.

- Participants may not post any unlawful, offensive, threatening, libelous, defamatory, obscene or otherwise objectionable content.
- Participants may not post, or send, or link to hateful, degrading, criminal or sensitive imagery or content, or to any content or material that violates laws, violates third party's privacy rights, advocates intolerance or hate against other people on the basis of actual or perceived ethnicity, national origin, caste, sexual orientation, gender, gender identity, religious affiliation, age, disability, or disease.
- Participants may not post or send or link to Spam content or mass unsolicited or aggressive activity that attempts to drive traffic or attention to unrelated accounts, products, services, or initiatives.

2. Ways to contribute today

- This event represents one of the many opportunities and channels available to contribute to the IRMA Standard Revision Process (incl. a dedicated online platform: www.responsiblemining.net/comments2)
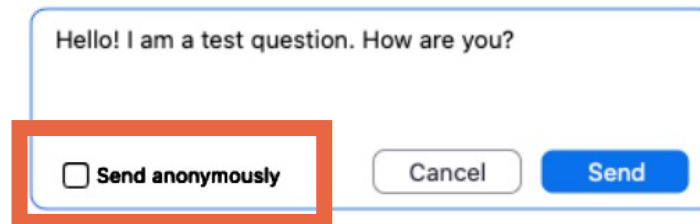
Chat function

- Participants can also use the Chat function of zoom to share content with the whole audience
- Please note that the chat <u>cannot</u> be used in an anonymous way

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Q&A function

- Participants can use the Q&A function of zoom to submit any comment, suggestion, feedback, question, concern, recommendation to IRMA.

- Participants can decide to submit content via the Q&A function in an anonymous way
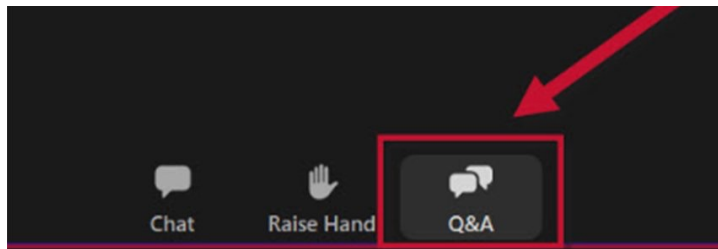
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2. Ways to contribute today

- This event represents one of the many opportunities and channels available to contribute to the IRMA Standard Revision Process (incl. a dedicated online platform: www.responsiblemining.net/comments2)

=> All content shared with us today will be saved and considered by IRMA as part of the Standard revision process

3.

IRMA revision process

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A comprehensive revision of our standards allows us to:

Ensure our system **remains accountable** to all sectors and is aligned with our mission and vision

Remain up-to-date: Reflect the latest scientific understanding in our standard; learning from other standards, policies, laws

Add clarity: Make the standard clearer, more accessible for all stakeholders; learning from first audits

Add consistency: Better align the structure and flow of chapters that are similar; embedding good management systems practice and models

Fill gaps: Address the most significant environmental and social issues

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Holistic and integrated approach

IRMA is evolving to address <u>key phases</u> of the mineral supply chain.

- Mining

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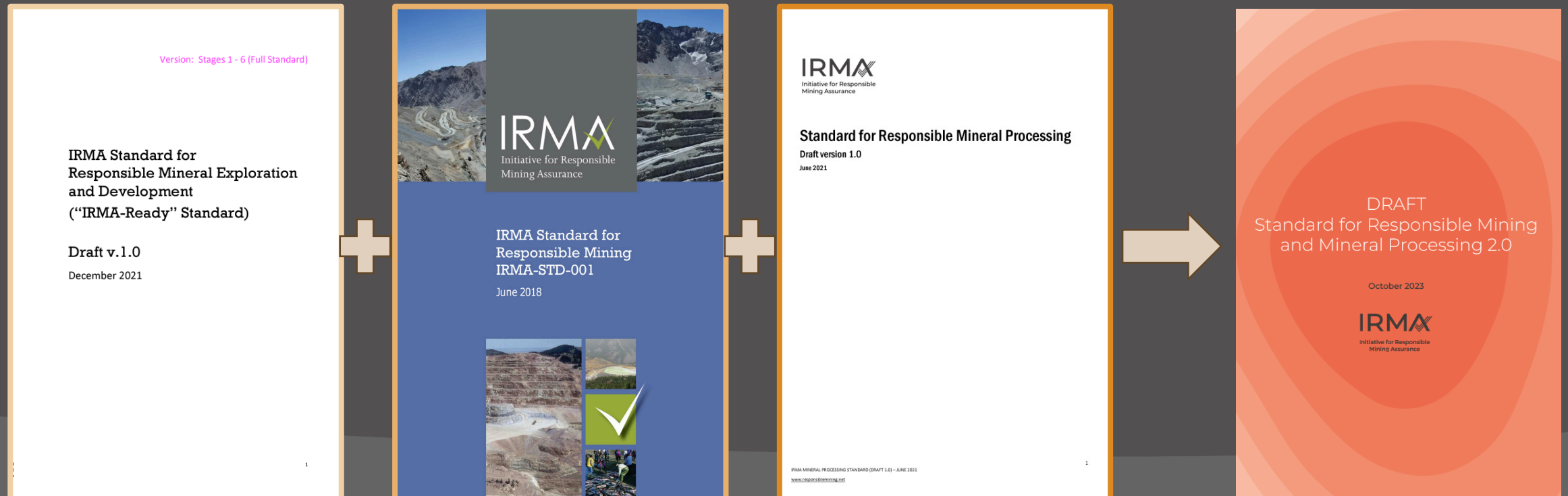
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IRMA is evolving to address <u>key phases</u> of the mineral supply chain.

- ▪ Exploration & Development
- ▪ Mining
- ▪ Mineral processing

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What is in the new consultation draft?

- Transmittal Letter: **Not a Board-approved Standard**; invitation for comments on all content; reflection of IRMA principles (best practice, sound science, efficiency, equal stakeholder value, etc.), the context for proposed changes and questions

- Drafters' Notes: Indicate divergence with the 2018 Mining Standard, why the change is being proposed.

  - **NOTES at the beginning of each chapter (summary of changes proposed)**

  - **NOTES under requirements that are proposed to change and why (e.g., previous requirement wording was unclear, or we had a gap with other standards, international norms, regulatory bodies. Indicates NEW or REVISED or unchanged.)**

  - **CONSULTATION QUESTIONS lay out the challenging issues that have been raised and ask for feedback to help resolve them**

- An Excel version, as some prefer to read and comment back in Excel. It contained consultation questions and NOTES.

- Spanish translation of the full draft

Consultation draft informed by:

- Experiences from initial IRMA audits

- Review of other standards

- Increased public awareness and evolving expectations of best practice

- Review of emerging issues garnering international discussions

- Comments on DRAFT IRMA-Ready and Mineral Processing

- Ongoing input from stakeholders on particular content

- Expert working group discussions

*+ **For this chapter in particular:** a survey to mining companies as part of the M3 Standards Partnership, a joint project of IRMA, ResponsibleSteel, the Responsible Jewellery Council and the Mining Association of Canada.*

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Public Consultation period is open
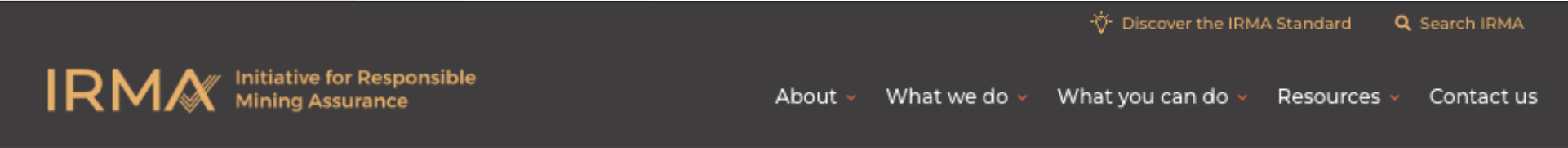
From Oct 26 – Jan 26: **90 days**
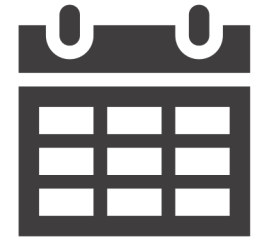
End date:
January 26, 2024

- Consultation period is 90 days

- There are many ways to participate!

- All comments will be considered equally and objectively

- They will be included in a public summary of all comments received

- **Comments may be treated confidentially if desired**

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Online platform

https://www.responsiblemining.net/comments2

Other channels

- Via email

  comments@responsiblemining.net

- Via WhatsApp

  To comment via text or voice, use the IRMA WhatsApp number:

  +1.301.202.1445

- **Via postal mail** to

  IRMA Std Comments

  113 Cherry St, #74985

  Seattle, Washington, 98104

  USA

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4.
Proposed changes

Objectives/Intent of this chapter

To minimize contribution to climate change impacts through increased energy efficiency, reduced energy consumption, reduced emissions of greenhouse gases from direct and indirect sources, and increased capture of carbon already emitted to the atmosphere.

Scope of application

This chapter is applicable to all exploration, mining and mineral processing projects and operations.

BRINGING IRMA UP TO 2023-SPEED

Significant changes are proposed between this 2023 draft and the 2018 Mining Standard.

1) Many stakeholders feel the IRMA Standard does not reflect best practices found in other standards.

2) Since 2018, critical actions to limit global warming and avoid the worst effects of climate change continue to lag behind what is necessary. The mining industry, as with the rest of the world, must make rapid progress during this decade, and IRMA is seeking to promote positive change by adding and strengthening its requirements.

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Overview of
Proposed changes

**Fill gaps
+ Remain up-to-date**

Proposed requirements related to design consideration (embedding energy efficiency, and minimization of energy consumption and greenhouse gas emissions at the design stage) (4.5.1.1)

Proposed a target related to use of renewable energy (4.5.2.1.f)

Overview of
Proposed changes

2

Remain up-to-date

Proposed that both **absolute** and **intensity** targets be set for Scope 1 and Scope 2 emissions since they provide different information (4.5.2.1.b)

Overview of
Proposed changes

3

**Fill gaps
+ Remain up-to-date**

Timebound requirements are proposed to calculate upstream Scope 3 emissions and potentially establish targets for reducing them (4.5.2.1.c)

Timebound requirements are proposed to calculate and report downstream Scope 3 emissions (4.5.2.1.d).

Overview of
Proposed changes

4

**Fill gaps
+ Remain up-to-date**

For Scope 1, 2 and 3:
Proposed to require

third-party verification of calculations

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Overview of
Proposed changes

5

Add consistency

Expanded management plan
to better align with other chapters.

Require evaluation of effectiveness
of reduction strategies against targets
to be consistent with other chapters.

Overview of
Proposed changes

6

**Fill gaps
+ Remain up-to-date**
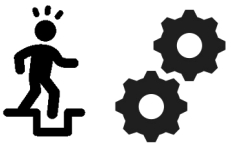
Added requirements related to use of *carbon offsets*

Inclusion of carbon losses from land use changes in calculation of emissions (4.5.3.1.b)

Increased reporting and disclosure expectations, including calculation methods

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Criteria #	Criteria name	Req #	Critical	Exploration - Stage 1	Exploration - Stage 2	Exploration - Stage 3	Project Development	Project Permitting	Operating Mine or Mineral Process
4.5.1	Technology Selection	4.5.1.1					Yes	Yes	Yes
4.5.2	Greenhouse Gas and Energy Policy	4.5.2.1	Yes				Yes	Yes	Yes
4.5.2	Greenhouse Gas and Energy Policy	4.5.2.2					Yes	Yes	Yes
4.5.3	Greenhouse Gas Emissions and Energy Consumption Quantification	4.5.3.1					Yes	Yes	Yes
4.5.3	Greenhouse Gas Emissions and Energy Consumption Quantification	4.5.3.2					Yes	Yes	Yes
4.5.3	Greenhouse Gas Emissions and Energy Consumption Quantification	4.5.3.3					Yes	Yes	Yes
4.5.3	Greenhouse Gas Emissions and Energy Consumption Quantification	4.5.3.4					Yes	Yes	Yes
4.5.4	Greenhouse Gas and Energy Management	4.5.4.1						Yes	Yes
4.5.4	Greenhouse Gas and Energy Management	4.5.4.2							Yes
4.5.5	Carbon Offsets	4.5.5.1						Yes	Yess
4.5.5	Carbon Offsets	4.5.5.2						Yes	Yess
4.5.5	Carbon Offsets	4.5.5.3						Yes	Yess
4.5.6	Reporting and Disclosure on Greenhouse Gas Emissions and Energy Consumptio	4.5.6.1						Yes	Yes
4.5.6	Reporting and Disclosure on Greenhouse Gas Emissions and Energy Consumptio	4.5.6.2							Yes
4.5.6	Reporting and Disclosure on Greenhouse Gas Emissions and Energy Consumptio	4.5.6.3							Yes
4.5.6	Reporting and Disclosure on Greenhouse Gas Emissions and Energy Consumptio	4.5.6.4							Yes
4.5.6	Reporting and Disclosure on Greenhouse Gas Emissions and Energy Consumptio	4.5.6.5							Yes

2018/2023 comparative analysis

TOTAL NUMBER OF REQUIREMENTS
7 requirements in 2018 standard
17 requirements in 2023 draft standard

1. GHG and Energy considerations in Technology and Methods selection

2. Scope 3 emissions

3. Energy consumption and efficiency

4. If carbon offsets are used:

   rationale, calculation, (FPIC if relevant), management, monitoring, public

   reporting

5. Public sharing of methods and data

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Key consultation questions

There are significant changes between this proposed chapter and the 2018 Mining Standard.

Any comments on the new approach and/or on individual requirements would be greatly appreciated.

Do you agree? Disagree? Rationale for either position?

Recommendations to improve?

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Key consultation questions

- **We are proposing a target related to use of renewable energy (sub-requirement 4.5.2.1.f), in recognition that a deep reduction in the burning of fossil fuels must be part of any company's strategy if we are to limit the effects of climate change.**

We recognize that in some locations, there may be limited options for buying renewable energy sourced from external parties, but there should always be an opportunity for a site to produce its own energy from solar, wind or water sources, for example. On this basis, IRMA considers at this stage that it is reasonable to require companies to set renewable energy use targets of some sort.

Do you agree with the addition of a renewable energy target? If not, why not?

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Key consultation questions

- **Emission Calculations VS Direct Measurement?**

Are you aware of trends in use of direct measurements for particular greenhouse gas emissions?

If so, what are the methods being used to do so, and what are the main limitations in the use of those approaches?

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Key consultation questions

- **Target setting: Scope 1 and 2 (4.5.2.1.b)**

Quantitative timebound short-term (<5 years), medium-term (5-15 years) and long-term (>15 years) site-based targets, and targets set by corporate owners for reducing Scope 1 and Scope 2 greenhouse gas emissions in absolute and intensity terms that demonstrably contribute to the goals of the Paris Agreement.

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Key consultation questions

- **Target setting: Scope 1 and 2 (4.5.2.1.b)**

Do you agree with the proposal to require absolute emissions AND intensity targets? If this is the chosen approach, what would realistic targets and timeframes be for each measure and how should they be linked?

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Key consultation questions

- **Target setting: Upstream Scope 3 (4.5.2.1.c and d.)**

A timebound <u>commitment</u> to calculate and publicly report upstream Scope 3 emissions, and, if upstream Scope 3 greenhouse gas emissions represent more than 40% of a site's total emissions, establishing quantitative, timebound short-term, medium-term and long-term site-based targets (absolute or intensity) for reducing upstream Scope 3 emissions that demonstrably contribute to the goals of the Paris Agreement;

Key consultation questions

- **Target setting: Upstream Scope 3 (4.5.2.1.c and d.)**

Has IRMA struck an appropriate balance between driving progress on Scope 3 emissions with creating the necessary breathing space for sites to work towards conformance within a reasonable timeframe?

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Key consultation questions

- **Regarding Public <u>Data reporting</u> / <u>Data sharing</u>** (4.5.6)

4.5.6.1: Do you support the proposal that GHG management plans be made publicly available? If not, why not?

4.5.6.4: Total energy consumption // Disaggregated energy consumption by sources // Total energy intensity // Scope 1 and 2 GHG emissions // GHG emissions intensity // Estimate of Scope 3 emissions by relevant categories // Quantified progress VS targets for Scope 1, 2 and (if relevant) 3 emissions, energy reduction and renewable share // Corrective actions + quantified progress toward full implementation of these actions // % of GHG emission reductions achieved through carbon offsetting (if relevant)

Do you support the proposed approach for greater transparency in greenhouse gas and energy data? If not, what would you change and why?

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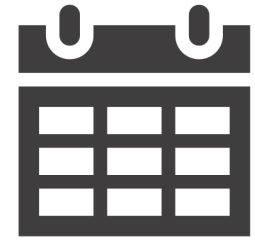
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