

IRMA STANDARD V2.0 2nd DRAFT VERSION

Summary of changes made to the 2nd DRAFT version of the IRMA Standard V2.0 after the first public consultation

July 2025

Table of Contents

Non-chapter specific General structure and content	3
Chapter 1.1 Legal Compliance and Contractor Oversight	4
Chapter 1.2 Community and Stakeholder Engagement	5
Chapter 1.3 Human Rights Due Diligence	<i>6</i>
Chapter 1.4 Upstream and Downstream Sustainability Due Diligence	7
Chapter 1.5 Conflict-Affected and High-Risk Area Due Diligence	8
Chapter 1.6 Grievance Mechanism, Whistleblowers, and Access to Remedy	<u>S</u>
Chapter 1.7 Anti-Corruption and Financial Transparency	10
Chapter 2.1 Socio-Environmental Baseline and Ongoing Impact Assessment	1 1
Chapter 2.2 Indigenous Peoples and Free, Prior, and Informed Consent (FPIC)	12
Chapter 2.3 Gender Equity, and Sexual and Gender-Based Violence	14
Chapter 2.4 Obtaining Community Support and Delivering Benefits	15
Chapter 2.5 Land Acquisition, Displacement, and Resettlement	16
Chapter 2.6 Emergency Preparedness, Response, and Recovery	18
Chapter 2.7 Concurrent Reclamation, Closure, and Post-Closure	19
Chapter 3.1 Fair Labor and Terms of Work	20
Chapter 3.2 Occupational Safety, Health and Wellbeing	22
Chapter 3.3 Community Health and Safety	23
Chapter 3.4 Security Forces	24
Chapter 3.5 Artisanal and Small-Scale Mining (ASM)	25
Chapter 3.6 Cultural Heritage	26
Chapter 3.7 Noise and Vibration	27
Chapter 4.1 Waste and Materials Management	28
Chapter 4.2 Tailings and Mine Waste Storage Management	29
Chapter 4.3 Water Management	30
Chapter 4.4 Biodiversity, Ecosystem Services, and Protected and Conserved Areas	31
Chapter 4.5 Air Quality and Dust Management	32
Chapter 4.6 Climate Action	33
Chapter 4.XX Land and Soil Management (REMOVED)	34

Non-chapter specific

General structure and content

- Critical requirements: Revised the list of critical requirements, focusing on those where failure to conform would likely result in immediate harm to people, ecosystems, or the environment. A set of 59 critical requirements is proposed in this 2nd DRAFT.
- IRMA+: Introduced a new category of requirements that are optional and that will not affect the scores and achievement levels obtained by the entities choosing to be assessed against them.
- Signalled requirements that still require higher attention, using the eye icon, across 12 Chapters.
- At the beginning of each Chapter, added a table of the Key references that Chapter builds on, and/or aligns with.

Legal Compliance and Contractor Oversight

- Added "Contractor Oversight" to the Chapter title, to clarify the importance of this element (and where to find most of this aspect in the Standard).
- Removed all occurrences of 'host country' which is a terminology implying that private and foreign companies would be 'hosted' by the country of operation to conduct mining operations (therefore excluding SOEs or national companies, and can be perceived as degrading language). Used 'country of operation' instead.
- Increased clarity and auditability thanks to:
 - Refocussing the chapter on legal and regulatory compliance, as conformity with IRMA requirements cannot be assessed within one or two ad-hoc and broad requirements (but through the 400+ requirements throughout the Standard).
 - Streamlining the chapter sequence: 1. Mapping of applicable laws, rules, and regulations; 2.
 Monitoring and maintaining legal and regulatory compliance; 3. Response to non-compliance;
 4. Contractor vetting; 5. Contractor legal and regulatory compliance; 6. Oversight of contractor conformity with IRMA Standard requirements; 7. Public reporting.
 - Clearly defining the nature and scope of <u>contractors</u> (including contracting firms and individual <u>contractors</u>). See Figure 1 for more details and greater clarity on the terminology adopted.
 - Adding more details and specific metrics to the Contractor Compliance Section; while separating <u>contractors</u>' legal and regulatory compliance from <u>contractors</u>' conformity with relevant IRMA Standard requirements. See Figure 1 for greater clarity on the terminology adopted.
 - Adding more details and specific metrics to the vetting and oversight of contractors.
 - Clarifying expectations regarding public reporting, and fully aligning them with GRI 2-21.
- Clarified that the <u>contractors</u> verification is expected 'before hiring them' (i.e. vetting, see 1.1.3.1.b and c.)
- Clarified that this Chapter is also applicable to all (if any) relevant subsidiaries and joint-venture partners that may be involved in (and/or have a shared legal or regulatory responsibility for) the management of the project/operation and <u>associated facilities</u>. Special audit's contractual arrangements and scoping may be necessary to address a project/operation with a complex corporate structure.
- Clarified and strengthened public reporting requirement to foster accountability and transparency (fully aligned with GRI, with added details re. treatment of confidential information).

Community and Stakeholder Engagement

- Removed proposed requirement for an information-sharing policy, and included similar clauses in Section 1.2.3, as well as related monitoring requirements (1.2.6.2).
- Tweaks to language to incorporate requests for more explicit attention to <u>underserved and/or</u> <u>marginalized people</u>, both direct and indirect stakeholders, inclusion of community representatives.
- Added additional language to clarify and strengthen requirements relating to decision-making structures and the role of communities in determining engagement agendas.
- Ensure identification of (potentially) affected <u>Indigenous Peoples</u> take place upfront within this Chapter (including to help determine whether Chapter 2.2 will be applicable or not) (see 1.2.1.1.d. and e.).
- Added a new sub-requirement to ensure identification of artisanal and small-scale miners and/or mining operations take place upfront within this Chapter (including to help determine whether Chapter 3.5 will be applicable or not) (1.2.1.1.f).
- Strengthened visibility and explicit expectations regarding inclusion of, and <u>accessibility</u> for, <u>affected rights-holders and stakeholders</u> with sensory disability and/or impairment.
- Added language to specify the point at which entities are expected to have begun engagement.
- Major structural changes to increase consistency with other chapters, including inclusion of new requirements related to Monitoring and Evaluation, and Continuous Improvement. Since these tow dimensions were not covered in the Standard V1.0, we suggest adding an 'eye icon" to these two Sections (1.2.6 and 1.2.7).
- Other minor changes to language to ensure consistency or clarity.

Human Rights Due Diligence

- Added a new policy requirement related to the protection of human rights, land, environmental, and labor <u>Defenders</u>.
- Added a Section on Scoping, to ensure consistency throughout the Standard.
- Moved the identification of affected Indigenous rights-holders to this Chapter, to ensure all entities systematically adopt this lens when identifying affected rights and rights-holders. This also ensures better robustness of Chapter 2.2 dedicated to <u>Indigenous Peoples</u> (and robustness of the process for indicating it "not relevant" to a given site).
- Similarly, the identification of whether any of the ENTITY's activities may be the cause of, or may take place in a conflict-affected or high-risk area has been moved to this Chapter, for clarity and robustness.
- One endnote expanded to clarify responsibility of subsidiaries and joint-venture partners (where relevant).
- Included the need to "assign responsibility to top management level to oversee plan implementation, monitoring, and recordkeeping" to align with the EU Battery Regulation.
- Included specific requirements and points of verification related to environmental harms, strengthening the linkages between human rights and environmental due diligence, informed by the recommendations of the 2024 UNDP guidance 'Human Rights due Diligence and the Environment: a Practical Tool for Business' and 2023 OECD Handbook on Environmental Due Diligence in Mineral Supply Chains.
- Increased clarity and auditability by:
 - Streamlining the chapter sequence and harmonizing the names of the Sections with the rest of the Standard.
 - o Harmonizing language and requirements to ensure full and comprehensive alignment with the UN Guiding Principles on Business and Human Rights.
 - o Reorganized all requirements related to regular updates and continuous improvement under the new Section "Continuous Improvement".
 - Clarifying expectations regarding public reporting, also in alignment with the UN Guiding Principles.

Upstream and Downstream Sustainability Due Diligence

- Not applicable: this Chapter is new.
- Note that the requirements in this Chapter that are NOT optional (i.e. not IRMA+) draw extensively from existing content found in the previous draft Chapters 1.3 (Human Rights Due Diligence) and 3.4 (Conflict-Affected and High-Risk Area Due Diligence).

Conflict-Affected and High-Risk Area Due Diligence

- Moved the Chapter under Principle 1 to better reflect the close relationship with Human Rights
 Due Diligence and Corporate Sustainability Due Diligence.
- Removed all requirements seeking external certification against the OECD Guidance for Responsible Supply Chains of Minerals as those are only designed for mineral processing operations sourcing input minerals. This aspect is now fully, and more robustly, addressed under Chapter 1.4, see in particular Section 1.4.4—Mineral Supply Chain Controls and Transparency.
- This Chapter used to be modelled after the OECD Guidance which, as mentioned above, was not fit for the broader scope and outcomes sought. This chapter has been substantially revisited to align with key steps and recommendations of the 2022 UNDP's Guide on Heightened Human Rights Due Diligence for business in conflict-affected contexts.
- Noting that the need for an Exit Strategy, covered in the UNDP Guide and reflected in this new version of the chapter, is in line with the recent IFC's Approach to Responsible Exit note, published in October 2024.

Grievance Mechanism, Whistleblowers, and Access to Remedy

- Several requirements from the 2018 Standard have been combined to become the critical requirement in the chapter - this was done in response to feedback received on Consultation Question 1.4-01, and feedback stating that the previous approach - i.e. having as critical only the one requirement that simply required that a <u>grievance</u> mechanism exist - was insufficient.
- Offered clarity concerning the question of how "serious" human rights impacts should be addressed by removing the reference to serious and requiring instead that entities explain the process for handling <u>grievances</u> that involve allegations of impacts on human rights, including the potential for adjudication by an independent, third-party mediator or mechanism when dialogue does not lead to agreed remedies (1.6.1.1).
- Added additional sub-requirements to Section 1.6.1 to more clearly state a zero-tolerance approach to retaliation for utilizing <u>grievance</u> mechanism, and how the specific barriers to participation and needs of <u>underserved and/or marginalized people</u> should be addressed.
- Moved proposed whistleblower requirements from Chapter 3.1 (where they were in the October 2023 draft) to Chapter 1.6. See section 1.6.2.
- Added a Continuous Improvement section to be consistent with other Chapters in the Standard
- Other minor changes to language for consistency / clarity.

Anti-Corruption and Financial Transparency

- Restructured the Chapter to address corruption first, and then financial transparency; to better reflect the fact that expectations and regulations around financial transparency in the extractive sector have emerged as a result of corruption risks and cases. This also offers a flow of Sections that is more consistent with the rest of the Standard (formalized policy, risk assessment, mitigation measures, public reporting).
- Sub-requirements of the policy requirement have been adjusted to be consistent with the rest of the Standard.
- Require banning the use of facilitation payments, to reflect latest international guidance.
- New Sections and requirements added to close the Plan-Do-Check-Act loop to deliver continuous improvement (through regular updates and revised processes and criteria, informed by monitoring, evaluation, and review), this is now harmonized throughout the Standard.
- Added one optional requirement related to lobbying practices and political engagement (1.7.1.2), to reflect latest international guidance.
- Added one optional requirement related to inclusion of beneficial ownership, conflicts of interest, Politically Exposed Persons (PEPs), and previous cases and allegations in the risks and impact assessment (1.7.2.2), to reflect latest international guidance.
- Added one optional requirement related to beneficial ownership threshold, State control, and family ownership (1.7.9.2), to reflect latest international guidance.
- Added one optional requirement related to public reporting related to lobbying practice and political contribution (1.7.10.2).
- Added one optional requirement related to assessment, external reporting, and training related to bribe solicitation (1.7.3.2).
- Other minor changes to language for consistency / clarity.

Socio-Environmental Baseline and Ongoing Impact Assessment

- Changed the name of the Chapter, to clarify that the requirements are not limited to legally-bound ESIA processes (although such ESIA processes can be used as evidence to demonstrate conformance with this Chapter, as and when they align with the requirements).
- Added two requirements related to the integration of Traditional Knowledge and Traditional Ecological Knowledge (see Section 2.1.9)
- Development of a management plan for exploration projects whose scoping indicated an initial socio-environmental impact assessment was not necessary moved to relevant Section (2.1.7)
- New subrequirement (2.1.4.1.c) to identify the project/operation's <u>area of influence</u> (which can then be used across all other relevant chapters that make reference to this "<u>area of influence</u>"; this was previously not consistent).
- Added a requirement for the social baseline data to be updated at least every five years (2.1.11.5)
- Titles of Sections updated for consistency across the Standard.
- Added a new section to strengthen and clarify the intent of the Standard regarding ongoing impact assessment, including for any operations where an initial ESIA was not undertaken, or was undertaken but not aligned with Sections 2.1.4 to 2.1.9 (see Section 2.1.11)
- Moved the section on Site Selection for Mineral Processing Projects proposed in the Soil Quality chapter (former proposed 4.XX, which has not been retained in this new draft of the Standard) to the beginning of this chapter.
- Strengthened the references to soil resources in the list of issues than must be considered for the ESIA process (listed in Annex 2.1-B) to ensure these issues are considered in the ESIA process (taken from former proposed Chapter 4.XX).
- Major structural changes for greater auditability and consistency across the Standard.

<u>Indigenous Peoples</u> and Free, Prior, and Informed Consent (FPIC)

- Major structural changes for greater auditability and consistency across the Standard.
- Updated names of some Sections for clarity and consistency throughout the Standard.
- Strengthened language of policy requirement and added new sub-requirement to ensure allocation of financial and staffing resources to implement this policy.
- Removed redundant requirement for identification of <u>Indigenous Peoples</u>, as this is now fully addressed in Chapter 1.2 (1.2.1.1) and Chapter 1.3 (1.3.2.3). This also ensures that if this Chapter is mistakenly marked "not relevant" during the self-assessment stage, the needed identification of whether <u>Indigenous Peoples</u> may be potentially affected or affected by the site is covered by requirements outside this chapter (on which the site will always need to provide supporting evidence, helping to flag the mistake).
- Several requirements restructured to increase clarity and auditability.
- Strengthened language and approach with regard to <u>Uncontacted Indigenous Peoples</u> or <u>Indigenous Peoples</u> Living in Voluntary Isolation or in Initial Contact, to ensure prevention of all harm and protection of these extremely vulnerable <u>Indigenous Peoples</u> whose lives and way of life is being threatened. Removed use of "voluntary isolation" term. The two relevant requirements are now critical requirements (as non-conformity would risk immediate harm).
- New requirement added to ensure that general stakeholder-engagement or public-consultation processes are never considered as an acceptable process for engagement with affected <u>Indigenous</u> <u>Peoples</u> unless <u>Indigenous Peoples</u> expressly and explicitly agree to that process.
- New requirement added with regard to the need for a dedicated process for affected <u>Indigenous</u>
 <u>Peoples</u> to determine how, when and in what formats information will be communicated to them,
 aligned with similar requirement for general community and stakeholder engagement (Chapter 1.2).
- Grievance mechanism requirement moved to Engagement Section for clarity and consistency.
- Clarified that generic <u>grievance</u> mechanism can only be used if affected <u>Indigenous Peoples</u> have expressly and explicitly approved it.
- Split Section 2.2.4 into two distinct Sections (one for remedy processes (2.2.5), and another for FPIC processes (2.2.6)) to increase clarity and auditability.
- Clarified cutoff date for applicability of Section 2.2.6–Respecting the Right to FPIC for Proposed Activities: June 2018, i.e. the release of the IRMA Standard V1.0 to be consistent with the approach taken by IRMA so far.
- Added endnote to flag potential challenges with attributing responsibilities for past harm.
- The expectations about entity's provision of financial support to <u>Indigenous Peoples</u> during remedy processes (2.2.5.1.d) are clarified by re-stating that such process is "mutually-agreed" (as mentioned in 2.2.5.1).
- Added new optional IRMA+ requirement to remedy not only ongoing harm from activities implemented before June 2018 without FPIC, but also past unremediated harm (2.2.5.5).
- Clarified the need to inform members of Indigenous communities about the implementation of agreements.
- Clarified that (potential and actual) impacts on <u>Indigenous Peoples</u> indeed include those related to "associated facilities".
- Added sub-requirement to ensure remedy agreements are not communicated as equivalent to FPIC.

- A new requirement was added to address situations where affected <u>Indigenous Peoples</u> do not wish to engage in a remedy process, or where no remedy agreement is reached; but later removed as it was identified as a circumstance that could not be considered as 'best practice'.
- Clarified that full FPIC process and consent is required where affected <u>Indigenous Peoples</u> identify impacts that do require FPIC.
- Clarified that implementation is assessed through the monitoring and evaluation of implementation and effectiveness.
- Moved clauses related to development of action plans into agreement processes and their respective Sections (for remedy: 2.2.5.2; for FPIC: 2.2.6.5).
- New requirements on joint investigation and resolution where a potential breach in FPIC agreement/s or new information that could change the outcome of the FPIC process/es is identified (2.2.6.7 and 2.2.6.8). They addressed situations when, under very specific conditions, affected Indigenous Peoples could withdraw their consent. This reflects latest guidance from SIRGE and is aligned with the UN FAO Guide on FPIC (2016) and the 2024 IFC's Approach to Responsible Exit.
- New requirement added to strengthen joint monitoring and evaluation processes, this is now harmonized throughout the Standard.
- "Ongoing engagement" Section refocussed on Continuous Improvement.
- New requirement added (2.2.8.1) to close the Plan-Do-Check-Act loop to deliver continuous improvement (through regular reviews, updates and corrective actions/measures, informed by monitoring, evaluation, and review), this is now harmonized throughout the Standard.

Gender Equity, and Sexual and Gender-Based Violence

- Changed title to "Gender Equity, and Sexual- and Gender-Based Violence" (SGBV) to reflect focus on equity and prevention of SGBV.
- Though the term "gender equality" was generally approved, it was pointed out as a more ambitious and aspirational desired outcome, which can be achieved through processes that promote and aim for gender equity. 'Gender equity' recognizes that women, girls, and LBGTIQA+ persons, are not in the same 'starting position' as most men (in spite of other intersectional factors). Gender equity is more about process, with the desired goal of achieving gender equality.
- The term "gender protections" was also pointed out as potentially confusing or limiting, since the intent is to really protect women, girls, and <u>LGBTIQA+ persons</u> from sexual- and gender-based discrimination, violence, and harm.
- Moved Chapter under Principle 2-Planning for Positive Legacies as chapter integrates a dimension around promotion of gender equity and empowerment that go beyond 'business integrity'.
- Strengthened and clarified language around positive impacts, promotion of gender equity and empowerment of women, girls, and <u>LGBTIQA+ persons</u>.
- Added multiple occurrences of "to the extent legally possible" to address operational contexts in jurisdictions that criminalize some or all LGBTIAQ+ persons, and/or restrict the rights of women, girls, and <u>LGBTIQA+ persons</u>.
- Split the policy requirement to separate the commitment to have zero-tolerance for all forms of sexual- and gender-based violence from the commitment to advance gender equity and gender mainstreaming to increase auditability and comparability.
- Added a new section for Baseline Data collection, as this was retrospectively expected within the management plan, but not laid out upfront.
- Expanded public reporting requirement to add disclosure of the performance criteria and indicators used to evaluate progress and effectiveness.
- Added in endnotes a reference to the new South African legislation which requires mines to develop and submit a GBVF [Gender-Based Violence and Feminicide] report every year together with a progress report on the prevention measures implemented the previous year.
- Substantial structural changes to add clarity and consistency with the rest of the Standard.

Obtaining Community Support and Delivering Benefits

- Feedback from stakeholders during the public review period indicated significant concerns with the two proposed IRMA requirements addressing "Broad Community Support" (BCS) (2.3.2.1 which asks that entities be able to demonstrate having obtained BCS through local democratic or other governance mechanism, and 2.3.2.2 which asks that entities demonstrate that they are maintaining BCS over time). Some of these concerns were that:
 - 1. Formal indications of support such as that envisioned by 2.3.2.1 are extremely rare in practice.
 - 2. If / where such processes do occur it is unlikely that auditors would have access to the full range of information required to assess if they meet 2.3.2.1 and / or these processes likely will not change to meet IRMA requirements.
 - 3. There is potential for wide inconsistency in terms of how auditors determine whether BCS was / has been obtained in a particular context.
 - 4. Where BCS already exists *de facto*, asking entities to go out and formalize it may provide perverse incentives to communities to suddenly 'withhold (formal / *de jure*) support' to obtain more benefits than those they had previously deemed sufficient.
 - 5. Where BCS already exists *de facto* and communities are willing to formalize this, then "obtaining BCS" becomes just an expensive and time-consuming 'check-box' process that doesn't substantively change the situation on the ground.
 - 6. If an ENTITY seeks to obtain *de jure* BCS and is unsuccessful (either because BCS does not *de facto* exist, or because of the situation indicated in #4 above, or because logistically is it simply not feasible), unless IRMA is also going to require that operations stop unless / until BCS is obtained, it is somewhat of an empty process.
 - 7. Given that the requirements for BCS are not critical, there are no consequences (besides receiving a low score on these two IRMA requirements), meaning entities may simply opt to take no action on this.
- Proposed to move away from the concept of obtaining and maintaining "BCS" to instead create an entirely new set of requirements that are not only auditable, but also hopefully lead to positive changes on the ground. Our proposed approach is based on the premise that all sites should demonstrate that they understand the level and causes of support (and opposition) in affected communities and that they use this information to make efforts to continuously improve relationships so that support is strengthened over time. These are reflected in the new proposed Section 2.4.2 below.
- Strengthened and clarified requirements related to procurement in Section 2.4.3, including a local content management plan (with targets/goals related to local employment and procurement), and also added a new requirement related to transparency around local hiring (2.4.6.3).
- Proposed one optional requirement (IRMA+) for additional data disaggregation re. to local content (2.4.6.4).
- Removed requirement for minimum standards for <u>suppliers</u> of goods and services, as this is now covered in Chapter 1.4–Upstream and Downstream Sustainability Due Diligence, requirement 1.4.2.1, however, included in this Chapter monitoring requirements related to the supplier Code of Conduct mentioned in 1.4.2 (2.4.4.2.c) and reporting on compliance in 2.4.6.2.c.
- Substantial structural changes to increase clarity and consistency with the rest of the Standard.

Land Acquisition, Displacement, and Resettlement

- Combined former 2.4A.7.3 and 2.4A.7.5 as they both dealt with the same issue, i.e. measures to be taken if expropriation occurs, expanded on those measures, and clarified that the ENTITY is to cooperate with the responsible government agency, in recognition that expropriation is often carried out by the government once ENTITY-led efforts to negotiate a land sale agreement have failed. (see new requirement 2.5A.7.6).
- Altered now requirement 2.5A.7.2 to add more clarity that 'forced evictions' (which, by definition, are done without provision of legal protections) are distinct from legal expropriation processes, and that forced evictions simply should never be done.
- Re-organized Section 2.5A.7 to follow the logical flow of resettlement proceedings more accurately
- Clarified in chapter "scope of application" that the following requirements previously being considered as 'optional' for post-2012 resettlements are now mandatory for any resettlement undertaken after 2012:
 - 2.5A.7.4 temporary transitional resettlements
 - 2.5A.7.5 voluntary land transactions (i.e. voluntary displacement)
- Added a note in the "scope of application" section clarifying what it means for a land acquisition process / resettlement to have "occurred" prior to 2012, between 2012 and 2024, etc. (i.e. that both the planning and implementation, but not the extended M&E, had to have been completed before 2012 for it to be considered as having 'occurred' in that time period).
- Added mention of need for entities to consider climate change adaptation in RAP / LRP planning (2.5A.4.1.f)
- Added an endnote to sub-requirement 2.5.1.1.a stating that entities must explicitly consider all
 informal landowners or others affected by displacement as 'involuntary' as they will not have any
 legal basis on which to seek compensation from entities for impacts
- Included a remediation sub-requirement to ensure that, where "voluntary" transactions have fallen short of the provisions of 2.5A.7.5 (mostly in terms of payment of fair market value), that the ENTITY remediates this (see 2.5A.7.5.e)
- Added an optional IRMA+ requirement to consider temporary displacement impacts during discovery / early exploration stages (2.5A.2.2).
- Added language that entities must explicitly demonstrate why temporary transitional displacement is deemed unavoidable and that legal or professional advice must be offered to those being temporarily displaced (2.5A.7.4)
- Removed former Section 2.4A.9 relating to ENTITY responsibilities in government-led resettlements, instead indicating at the outset of the chapter ENTITY obligations in these cases. Previously, this placed the ENTITY's entire chapter score on this single requirement, which asks for the ENTITY to develop a supplementary plan to address gaps between IRMA requirements and the government-led resettlement, in the case of a government-led resettlement. We are proposing instead to specify in the 'scope of application 'section that the entire chapter applies, but that in cases where the ENTITY was restricted by the government in their ability to influence resettlement outcomes, that they only have to demonstrate good faith efforts to exert this influence. We will also propose providing guidance that auditors highlight in an opening narrative where entities have been unable to influence the government and therefore resettlement results have fallen short of expectations (which might, if the ENTITY made good faith efforts mentioned above, tell a different story than their total score on the chapter). Public feedback indicated this was important

to avoid IRMA perpetually assigning achievement levels on this chapter to entities who knowingly invest in areas where they know they will not be able to influence the resettlement and that it will therefore fall short of IRMA expectations).

- Minor changes made in 2.5B to reflect changes in 2.5A where relevant.
- Monitoring and Evaluation, and Continuous Improvement requirements have been broken down into multiple requirements to ensure auditability and assessability.
- Substantial structural changes, to ensure clarity, and consistency throughout the Standard.

Emergency Preparedness, Response, and Recovery

- Changed title to add 'and Recovery'.
- Additional clarification and guidance provided in endnotes.
- Marked the requirement related to non-mine-waste facilities "optional", since the corresponding identification and management requirements in Chapter 4.2 are proposed to be marked optional too (2.6.2.3).
- Integrated preparedness and response to spill and leaks, which was previously included under Chapter 4.1-Waste and Materials Management.
- Substantial structural changes to increase clarity and consistency with the rest of the Standard.

Concurrent Reclamation, Closure, and Post-Closure

- Emphasized the need for concurrent reclamation and explicitly included "post-closure" throughout language of Sections and Requirements.
- Updated some Section names for clarity and consistency throughout the Standard.
- Several requirements restructured to increase clarity and auditability.
- The critical requirement for a reclamation and closure plan developed prior to the commencement of mine construction activities has been combined with the requirement (former 2.6.2.1 in 2018) that outlined the content of such plan, to avoid an ENTITY "fully meeting" this critical requirement with a plan that does not meet some or all of the content-related requirements. The former 2.6.2.1 in 2018 has been largely expanded thanks to the IRMA Standard Guidance Document, and all the substantial guidance is now integrated into a series of more-detailed requirements, which does not change the workload (and actually likely reduces it as it is now clearer to audit and score).
- Clarified that implementation is assessed through the monitoring and evaluation of implementation and effectiveness.
- Clarified pathway and requirements regarding financial assurance arrangements for Entities
 operating in jurisdictions where the country of operation does not offer any State-managed
 instrument for reclamation, closure and post-closure, in the form of cash deposit or trust fund (or
 equivalent), that is hosted and overseen by the State (2.7.3.1*).
- Moved clauses related to estimated cost to a new dedicated Section (now 2.7.2).
- Moved clauses related to stakeholder engagement to a new dedicated Section (now 2.7.4).
- Moved clauses related to information-sharing and public reporting to a new dedicated Section (now 2.7.7).
- Changed the approach of the long-term post-closure cost calculations requirement: from using long-term NPV calculations to a fixed 500-year time period. (this requirement had never been understood and audited well; difficulties of using NPV approaches are acknowledged by members of the Expert Working Group, and external literature). (2.7.3.3)
- Updated requirement to strengthen joint monitoring and evaluation processes, this is now harmonized throughout the Standard.
- Updated requirements to close the Plan-Do-Check-Act loop to deliver continuous improvement (through regular updates and revised processes and criteria, informed by monitoring, evaluation, and review), this is now harmonized throughout the Standard.

Fair Labor and Terms of Work

- In alignment with changes to Chapter 1.1, we are providing more specificity concerning the range of requirements that Entities must ensure their <u>suppliers</u> and / or <u>contractors</u> are meeting. A number of requirements in Chapter 3.1 now specify that entities are required to ensure, through controls, oversight, and / or contractual clauses as appropriate, that contracting firms also adhere to the IRMA requirements. NOTE: where it has been deemed beyond the ENTITY purview to enforce an IRMA requirement amongst <u>contractors</u> and / or <u>suppliers</u>, there is nevertheless an expectation that <u>contractors</u> / <u>suppliers</u> will meet country of operation's laws / requirements as they relate to the particular topic, per Chapter 1.1. This information is now also included in the Chapter introduction "Scope of Application" (see below).
- Currently Chapter 3.1 only requires Entities to ensure <u>suppliers</u> are aligned with requirements relating to child labor (Section 3.1.6) and forced labor / trafficking in persons (Section 3.1.7). We are proposing an IRMA+ requirement (3.1.10.7) that Entities ensure <u>contractors</u> offer the same leave-related benefits to their <u>workers</u> as the ENTITY provides to its own <u>employees</u>. We are also proposing an IRMA+ requirement (3.1.11.3) which asks Entities to use controls, oversight and/or contractual clauses with all of its <u>suppliers</u> to ensure they conform with requirements 3.1.11.1 and 3.1.11.2 (relating to decent and healthy working conditions for all <u>suppliers</u>' <u>workers</u>).
- Simplified language surrounding workers, contractors, and suppliers in alignment with International Labour Organization (ILO) categorizations - see Figure 3.1 below (also Figure 1.1 in Chapter 1.1). Throughout the Standard, IRMA will reference 'workers' as encompassing of both employees and contractors, unless a distinction is necessary. See revised definition of 'worker' in the IRMA Glossary.
- Proposed to mark 'critical' the policy requirements related to anti-discrimination and disciplinary actions, for consistency, given the fundamental human rights pertaining.
- Separated out the primary child / forced / trafficked labor requirements into multiple separate requirements each (one asking that the ENTITY do a risk assessment for contractors / suppliers, a second asking that the ENTITY conduct an enhanced human rights due diligence where a high risk is identified, and then several stating what the ENTITY should do when actual cases of child / forced labor are identified amongst employees, contractors, and suppliers. See requirements 3.1.6.3-3.1.6.5 and 3.1.7.3-3.1.7.5 respectively). This was done for two reasons:
 - Previously the language of these requirements stated that Entities only had to develop procedures to monitor <u>contractors</u> and <u>suppliers</u> if the assessment identified high risk levels for child / forced labor; this was incongruent with language in Chapter 1.1 that specifies that Entities have to develop systems to monitor contractor / supplier compliance with *all* relevant IRMA requirements (which include requirements on child and forced labor).
 - The previous organization of the requirements conflated two separate issues (development of monitoring mechanisms and what to do where actual cases of child / forced labor were identified). The proposed changes are more logical from an auditing perspective and allow for clearer delineation of responsibilities based on in which type of organization (ENTITY, contracting firm, supplier) cases are identified.

- Edited critical requirement 3.1.9.2 relating to the <u>grievance</u> and whistleblower mechanisms to reflect changes to requirements from Chapter 1.6 (former Chapter 1.4) where 1.4.1.1 and 1.4.2.1 are now combined (see 1.6.1.1).
- Separated out employee <u>grievances</u> and contractor <u>grievances</u>, and also separated whistleblowing-related requirements (that should be available to all <u>workers</u> indistinctly as noted by commenters). The whistleblower requirement (3.1.9.6) now cross-references the more detailed whistleblower section in Chapter 1.6 (see 1.6.2).
- Added a new sub-requirement (3.1.9.1.e) that requires the ENTITY to explain the process for handling grievances that involve allegations of impacts on human rights.
- Divided previous Section 3.1.1 (Respect for Freedom of Association and Collective Bargaining) into two separate Sections addressing freedom of association and collective bargaining respectively.
- Strengthened language around <u>accessibility</u> and disabled <u>workers</u> (text and endnotes), and proposed one optional requirement dedicated to <u>accessibility</u> of the workplace (3.1.3.3)
- Used 'housing arrangements' instead of 'accommodations' in 3.1.10.6 to avoid confusion with legal term of 'reasonable accommodations' for disabled workers.
- Major structural re-organization to improve chapter flow and increase consistency within and across chapters.

Occupational Safety, Health and Wellbeing

- Chapter title updated to include "Wellbeing", see note in the Background.
- Added a Scoping requirement (3.2.2), which is in line with ISO 45001:2018, and adds consistency across the Standard.
- Moved the list of principal hazards to an annex (Annex 3.2-B), and updated the list with risks specific to mineral processing.
- Proposed to mark 'critical' the requirements for an on-site emergency preparedness and response plan, and for its regular testing. Failure to conform with those is likely to result in immediate harm or disproportionate exposure to risks, and would be consistent with the 'criticality' of off-site emergency measures included in the dedicated Chapter 2.6.
- Clarified scope of the Stop Work Authority to ensure all conditions or behaviors that could cause serious harm are included, regardless of the 'imminent' nature of the danger (3.2.7.5.a)
- Re-organized all requirements related to performance review and continuous improvement under one new dedicated Section (3.2.15 – Continuous Improvement), to increase clarity and consistency across the Standard.
- Added 'high potential incidents' (HPI) in the list of OSH metric to be publicly reported in 3.2.16.1, and as a result, added a requirement to determine which near miss incidents are HPI in 3.2.12.3.d.
- Added reporting sub-requirements related to occupational diseases (3.2.16.1.g to i).
- Added one optional requirement (IRMA+) related to an annual report on workplace <u>accessibility</u>, in line with the 2021 GRI updated guide on Disability in sustainability reporting (3.2.16.2).
- Substantial structural changes, to increase clarity and consistency with the rest of the Standard.

Community Health and Safety

- Created a table to list all categories of potential sources of risks and impacts to community health and safety, to simplify understanding and assessment of requirements (see Annex 3.3-A). This table includes sources suggested during the public-comment period such as: vehicles used by commuting workers; zoonotic spillovers and emergence of infectious diseases; project/operation-induced destruction of, loss of access to, plants, environmental resources, or animal products, used for medicines/treatments; and project-induced impacts on mental health;
- Proposed to mark 'optional' (IRMA+) the newly added monitoring and evaluation requirements related to exposure level monitoring and health surveillance program where risks or impacts to health from exposure to airborne emissions in the project's/operation's <u>area of influence</u> are identified (3.3.4.3).
- Clarified expectations related to public sharing of information.
- Substantial structural changes to increase clarity and consistency with the rest of the Standard.

Security Forces

- Chapter renamed 'Security Forces' since security arrangements are only a sub-part of this Chapter.
- Increased clarity and details for requirements related to selection and vetting, and training, in line
 with the International Code of Conduct for Private Security Providers, and the 2023 DCAF-ICRC
 Security and Human Rights Toolkit.
- Added requirements to clarify the content and nature of the monitoring and evaluation and continuous improvement corrective measures/updates (Sections 3.4.9 and 3.4.10)
- Added requirements to clarity the content of the annual reporting on security management (Section 3.4.11).
- Added one optional IRMA+ requirement to collaborate with other relevant stakeholders (i.e. other than affected people) including civil society, human rights experts, security providers, representatives of the country of operation's government, and other companies to share lessons learned and address challenges in the management of security risks and impacts (3.4.7.4).
- Substantial structural changes to increase clarity and consistency with the rest of the Standard.

Artisanal and Small-Scale Mining (ASM)

- Moved Section on Commercial relationships with ASM to Chapter 1.4–Upstream and Downstream Sustainability Due Diligence. This is more consistent and ensures Chapter 3.5 can be marked non-applicable entirely when no ASM activities occur in the project/operation's <u>area of</u> <u>influence</u> (even though the ENTITY may be sourcing minerals from ASM that takes place elsewhere).
- Removed the requirement related to conflict-affected and high-risk areas, as this is redundant.
 Commercial relationships with ASM are now integrated into Chapter 1.4 that has a clear and dedicated linkage with Chapter 1.5 on CAHRAs (including requirements and clauses to assess/ascertain applicability of the CAHRA Chapter).
- Added on optional IRMA+ requirement to extend support and knowledge-transfer activities with ASM operations.
- Added two requirements to close the Plan-Do-Check-Act continuous improvement loop, and add consistency with the rest of the Standard (Section 3.5.4 and 3.5.5).
- Substantial structural changes to increase clarity and consistency with the rest of the Standard.

Cultural Heritage

- Scoping section updated to ensure scoping results in the identification of any formally recognized cultural heritage sites in the <u>area of influence</u>, and any legal requirements related to cultural heritage.
- Scoping section updated to ensure the identification process includes not only risks but also impacts.
- Assessment section updated to ensure it documents the nature of the cultural heritage that has been impacted and also includes the value and importance of the heritage feature/s, and not only the extent but also the significance of the impacts; and risks.
- Updated management plan section to also include risks
- Inclusion of a "good faith negotiation ..." sub-requirement in 3.6.3.4 to achieve alignment with EBRD 2023 Guidance
- Added 3.6.3.5 to achieve alignment with EBRD 2023 Guidance.
- Added Section 3.6.5 to align more closely with EBRD Performance Requirement 8 and the associated 2023 guidance.
- Substantial structural changes to increase clarity and auditability, and to ensure consistency throughout the Standard.

Noise and Vibration

- Moved expectations related to information-sharing to response to grievance (3.7.4.1).
- Grouped all maximum acceptable noise and vibration levels to a normative Annex which is referred to in Section 3.7.3.
- Created a section and requirement dedicated to a Monitoring Program (3.7.2).
- Risks and impacts on wildlife are now integrated into the scoping processes required in Chapter 4.4 on Biodiversity, Ecosystem Services, and Protected and Conserved Areas. This is more consistent, and coherent with the fact that the Chapter on Noise and Vibration mainly focuses on risks and impacts on people and structures (and now moved under Principle 3 on Social Responsibility)
- Minor structural changes to increase clarity and consistency with the rest of the Standard.

Waste and Materials Management

- The following revised ordering of the requirements in Chapter 4.1 is proposed to reflect the consistent structure for Principal 4 chapters. Using a consistent ordering will make the chapters more auditable and easier to follow for companies. See the Chapter 4.1 flowchart.
 - Scoping
 - o Characterization
 - o Risk and impact assessment
 - o Management Plans
 - Monitoring and evaluation
 - o Continuous improvement
 - o Information-sharing and public reporting.
- The definitions of hazardous materials and hazardous wastes have been revised slightly from the October 2023 draft to make the distinctions more obvious.
 - Hazardous Materials. Usable materials and chemicals that are transported to or from a mine site (e.g., inputs and outputs) with properties or characteristics that make them a physical, health or environmental hazard.
 - Hazardous Wastes. Wastes that are stored at or transported from a mine site with properties or characteristics that make them a physical, health or environmental hazard.
- The lists of potentially hazardous <u>materials</u> have been modified and grouped based on whether the materials are transported to and used at the site (non-feedstock), transported to the site for use as feedstock, or extracted/produced at the site as part of mining or mineral processing. The lists of potentially hazardous <u>wastes</u> are those that are produced at the site and are distinguished based on whether they are produced directly from mining and mineral processing or not directly from mining and mineral processing.
- The new section on spill preparedness and response has been moved and integrated back into Chapter 2.6 on Emergency Preparedness and Response.
- Added two IRMA+ optional requirements related to the management of non-hazardous wastes (i.e., 4.1.3.2 and 4.1.5.6).
- Added an IRMA+ optional requirement to maximize circular uses of non-hazardous materials (4.1.6.4).
- Moved to Chapter 2.6-Emergency Preparedness and Response the requirement (4.1.9.3 in first draft) to share with authorities and emergency services relevant information on the hazardous properties and health and environmental effects of potentially hazardous wastes and materials
- Replaced the access to information requirement with a public sharing one, consistent with the rest of the Standard.

Tailings and Mine Waste Storage Management

- Updated name of Chapter to clarify the new focus on the management of Tailings Storage Facilities (TSF) and Mine Waste Storage facilities/structures.
- Major changes made to align sequence of Sections, language, and minimum expectations with GISTM Standard.
- Introduced a series of requirements that are fully aligned with the GISTM standard, and that rely on external third-party conformance audits (see introduction to this Chapter and "Issues Under Close Watch" section).
- Made optional (IRMA+) all requirements related to the Physical Stability Management of Non-Waste Facilities (therefore not made explicit in the Chapter title).
- Substantial structural changes to increase clarity and auditability, and to ensure consistency throughout the Standard.

Water Management

- Updated some Section names for clarity and consistency throughout the Standard.
- Several requirements restructured to increase clarity and auditability.
- Added clarification about need to gather baseline/background water quality/quantity information for operations on Brownfields sites.
- Added two new water uses: protection of aquatic life and ecosystem health that are important for protected and conserved areas, biodiversity and the delivery of ecosystem services; and religious and cultural uses (see endnote for 4.3.2.2.a).
- Modified language related to biodiversity and ecosystems to better align with revised Chapter 4.4.
- Changed all references to mine/mining operation to mine/mineral processing operations, because the Standard now applied to mineral processing operations as well as more traditional mine sites.
- Added diversion as a potential part of the water balance and added a definition to the glossary.
- Removed specific requirements regarding mixing zones, as a consensus amongst IRMA Board members is that the use of mixing zones is not 'best practice' and therefore should not be included in the IRMA Standard. In an endnote to 4.3.6.1, it has been clarified that a mixing zone can only be proposed after demonstrating that all technically feasible options for avoiding the need for a mixing zone have been investigated and implemented (and if it is legally permissible).
- Added clear links between identified water uses and applicable IRMA Water Quality Criteria by End Use-Tables.
- Changed requirement to share water data with affected community from monthly to quarterly but clarified that the data will include all water data over time from points of compliance (see 4.3.9.2).
- Added one optional requirement to mirror adaptive risk and impact assessment for water quantity (4.3.3.5).
- New requirement added to close the Plan-Do-Check-Act loop to deliver continuous improvement (through regular updates and revised processes and criteria, informed by monitoring, evaluation, and review), this is now harmonized throughout the Standard.
- New critical requirement added to demonstrate water quality compliance, over at least the last twelve months (see Section 4.3.9 on Information-Sharing and Public Reporting)
- Officially added Annex 4.2-A on Water Monitoring and Reporting Guidance (now Annex 4.3-B), with plan to add non-US references. Former proposed Annex 4.2-B related to best practices was deemed more relevant to facilities (mine, mine waste, and mineral processing facilities) and has been removed. IRMA proposes to discuss the issue of verification of use of best water management/mitigation practices further within a working group.
- IRMA Water Quality Criteria by End-Use Tables (now Annex 4.3-A) reviewed and updated.

Biodiversity, Ecosystem Services, and Protected and Conserved Areas

- Chapter title expanded to "Biodiversity, Ecosystem Services, and Protected and Conserved Areas", to align with international terminology Conserved Areas.
- Added "Sites of other effective area-based conservation measures (OECMs)" and "Proposed new protected areas and OECMs" to the categories of conserved areas that need to be identified and considered.
- Added "Ecologically or Biologically Significant Marine Areas (EBSAs)" to the categories of areas
 of important biodiversity values that need to be identified and considered.
- Added reference to the High Conservation Values approach, and strengthened language around natural habitats supporting high biodiversity values.
- Added subrequirements related to quantitative measures of abundance, distribution and other measures of violability and/or function (4.4.1.4).
- Added subrequirement for sharing publicly the rationale for when the ENTITY is unable to
 achieve the required net gain or no net loss outcomes, and what other conservation measures
 are being implemented to address this shortfall.
- Clarified that mitigation measures should be designed to deliver a NET GAIN for critical habitats (in line with the IFC PS), and at least no net loss (and preferably a net gain) in other important biodiversity values.
- Strengthened and clarified language regarding natural forests in endnotes.
- Added one optional requirement related to the protection and restoration of primary forests, natural regenerating forests and natural ecosystems, in line with the EU Deforestation Directive (which currently does not apply to mined minerals); and one optional baseline study requirement to inform it.
- Added one optional requirement related to Nature-based Solutions.
- Clarified the need to assess and address risks as well (not only potential and actual impacts).
- Added more categories of conserved and protected areas to the no-go zone requirements (4.4.4.4).
- Added one requirement related to the integration of Traditional Knowledge and Traditional Ecological Knowledge.
- Removed specific reference that biodiversity offsets be aligned with international best practice, as this would have required that offsetting projects themselves would be audited (e.g., for credibility of methodology, effectiveness, respect of fundamental rights of stakeholders and Indigenous rights-holders etc.). At the present time IRMA could not identify agreed international best practice for offsets that is consistently successful and non-controversial. Thus, IRMA does not want to appear as if its own audit system can sufficiently evaluate the legitimacy, integrity or long-term effectiveness of offset projects. The chapter instead emphasizes the first three tiers of the mitigation hierarchy, and requires transparency and explanation regarding why avoidance or further minimization and further restoration are not deemed feasible, what additional measures are proposed/taken -as a last resort- if mitigation measures fail to achieve net gain/no net loss.
- Clustered stakeholder engagement requirements together.
- Clustered and clarified requirements related to continuous improvement.
- Added public reporting requirements, in line with GRI 101: Biodiversity 2024 standard.
- Major structural changes for greater auditability and consistency across the Standard.

Air Quality and Dust Management

- Added "Dust Management" to the title, to reflect its scope.
- Removed mentions of beneficiation as this is now considered part of mineral processing.
- Added references to endnotes to support air quality monitoring.
- Clarified expectations around dust management and monitoring.
- Moved two requirements under Air Quality Management to Continuous Improvement (which is a new section). The requirements relate to corrective measures and evaluating the effectiveness of mitigation measures.
- Fixed the confusing mistake between limit values for air emission versus ambient air quality. The Standard requires to demonstrate compliance for ambient air, not air emissions. We are not aware of applicable limit values for emissions at the source, e.g. exhaust, stack or chimney outlet, in the mining sector to draw upon, largely because this is too context-specific.
- The European Parliament has now adopted a revised law that will substantially lower ambient air quality limits by 2030. The former Table 4.3 (now Annex 4.5-A) is modified to include limits and permitted exceedances/year for EU values required to be met by 2030. Annex 4.5-B (WHO's AQG limits) is included for comparison. Most of WHO's AQGs are lower (more stringent) than those in Annex 4.5-A. However, WHO doesn't have air quality limits for the metals in Annex 4.5-A, so for consistency, EU's limit values and allowable exceedances are recommended to be used.
- Created a Table for IRMA Dust Deposition Criteria (Annex 4.5-C), based on the reference used in the 2018 IRMA Standard V1.0, complemented with additional, more recent, sources from various countries.

Climate Action

- Chapter title changed to "Climate Action", as the chapter encompasses more issues than just GHG emissions and energy efficiency.
- Added a policy requirement committing to take climate action (4.6.1.1).
- Added a requirement to assess contribution of the project/operation to climate change.
- Added exception criteria to GHG targets for "green enabling" projects (4.6.6.1.b).
- Clarified expectations related to Scope 1 and 2, and Scope 3 emissions.
- Added one requirement related to Traditional Knowledge (Section 4.6.9).
- Added optional requirements with regard to the carbon tunnel vision and planetary boundaries (4.6.7.2), and cross-cutting integrated management of climate action (4.6.2.2).
- Clarified and regrouped requirements related to information-sharing and public reporting (Section 4.6.12).
- Removed section on carbon offsets, as there is no consensus amongst the IRMA Board that these are considered 'best practice'. The IRMA Secretariat has not been able to identify agreed international best practice for carbon offsets that is consistently successful and non-controversial. Thus, IRMA does not want to appear as if its own audit system can sufficiently evaluate the legitimacy, integrity or long-term effectiveness of carbon offset projects. The chapter instead focuses on the Entity's efforts to reduce its own emissions (and those in its supply chain). While this chapter will not prohibit the use of offsets, it does not encourage them, and IRMA will not attempt to audit the legitimacy or effectiveness of carbon offset projects. Instead, it will simply require transparency and rationale about their use (4.6.11.2.e) -as a last resort-, if any. Guidance on safeguards and minimum criteria to follow when using carbon offsets could be produced and published separately from the IRMA Standard.
- Major structural changes to maintain consistency across the Standard.

Land and Soil Management (REMOVED)

- The proposed Chapter 4.XX is not included anymore, following feedback from the public consultation and discussion at the level of the IRMA Board.
- The requirement for Mineral Processing projects to assess the possibility of locating the project on an existing brownfield site has been moved to the ESIA chapter (2.1.1.1).
- Strengthened the references to soil resources in the list of issues that must be considered in Annex 2.1-B for the ESIA process (Chapter 2.1).
- References to soil quality and soil pollution is also found in Chapter 2.7 Concurrent reclamation, closure and post-closure chapter (See 2.7.1.4, 2.7.1.5, 2.7.5.3).
- IRMA has kept an archive of this Chapter (also acknowledging that a lot of excellent work, comments, annex development and international norm benchmarking went into its development) to be able to consider it for a future version of the IRMA Standard.