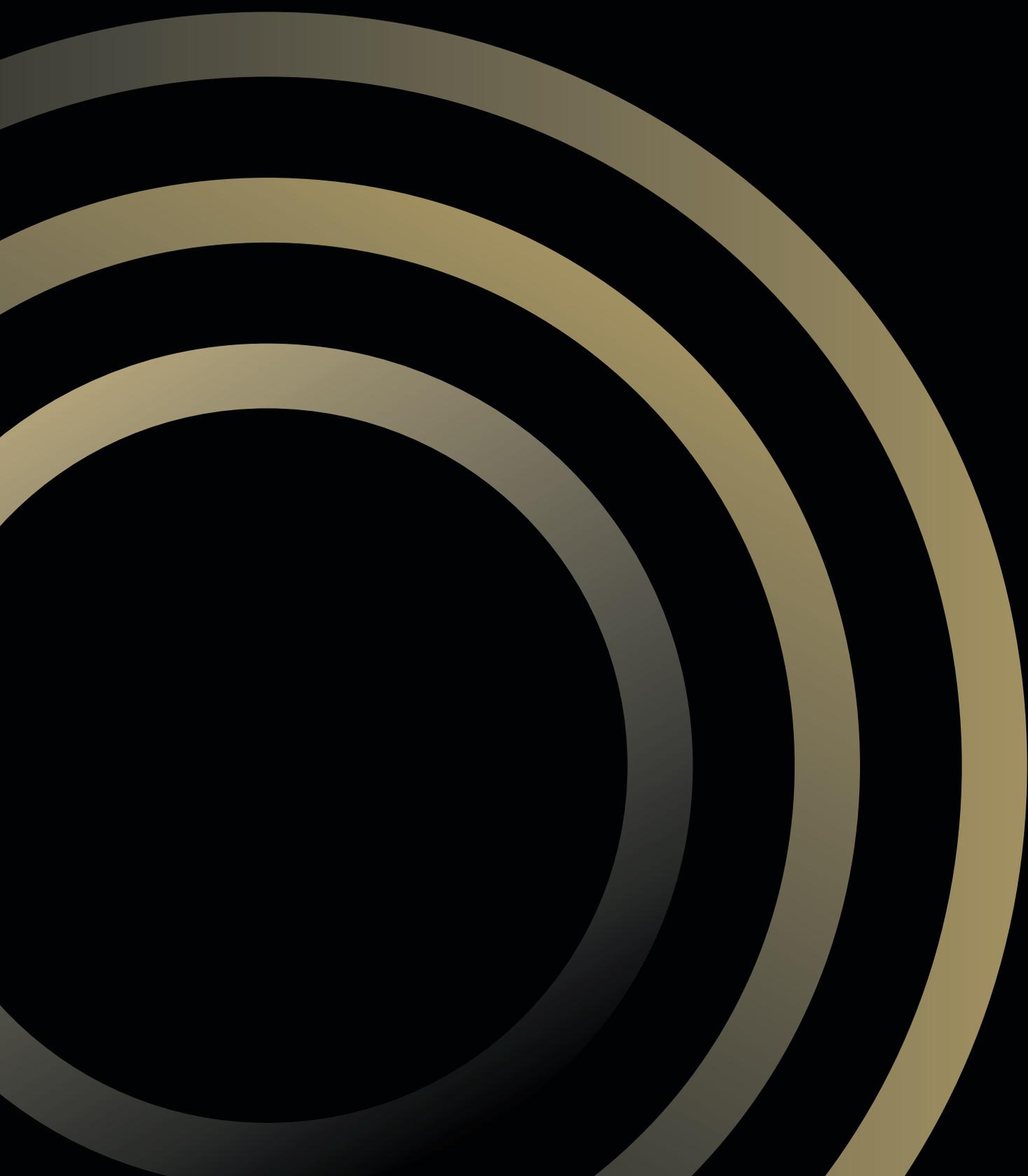




# Responsible Gold Mining Principles



## About the World Gold Council

The World Gold Council is the market development organisation for the gold industry. Our purpose is to stimulate and sustain demand for gold, provide industry leadership, and be the global authority on the gold market.

We develop gold-backed solutions, services and products, based on authoritative market insight, and we work with a range of partners to put our ideas into action. As a result, we create structural shifts in demand for gold across key market sectors. We provide insights into the international gold markets, helping people to understand the wealth preservation qualities of gold and its role in meeting the social and environmental needs of society.

Based in the UK, with operations in India, the Far East and the US, the World Gold Council is an association whose members comprise the world's leading gold mining companies.

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## Contents

A. The Responsible Gold Mining Declaration	01
Governance	01
Social	01
Environment	02
.....	.....
B. Related responsible mining and sourcing codes	03
.....	.....
C. The responsible gold mining principles	04
Governance	04
Social	05
Environment	08
.....	.....
D. Assurance requirements	10
.....	.....

# A. The Responsible Gold Mining Declaration

We believe that responsibly undertaken, gold mining plays an important role in supporting sustainable development. The Responsible Gold Mining Principles provide a guide for stakeholders to what we believe are the key elements of responsible gold mining across the mine life-cycle.

Responsible gold mining is conducted with respect for the environment and the human rights and wellbeing of our employees, contractors and members of the communities associated with our activities. When coupled with good governance, responsible gold mining delivers benefits for host countries and local communities. It contributes to socio-economic development through increasing prosperity, providing jobs and supply chain opportunities, and raising technical standards through innovation and building skills. Through partnerships with governments and other actors, it enables investment in infrastructure and improvements in public services.

Our stakeholders – including governments, investors, employees and contractors, communities, supply chain partners and civil society – expect that the development of gold resources will be conducted responsibly and that gold mining companies will act in ways that are ethical, transparent, accountable and respectful of the rights of others. We recognise the importance of increasing the diversity of our workforce, including the representation of women and other historically under-represented groups, so that it better reflects the make-up of the societies of which we are a part.

We seek to gain and retain the support of authorities and affected communities throughout the exploration, development, production and closure phases of the mine life-cycle. In order to deliver sustainable development, we will seek, through dialogue, to work in partnership with others, to leave a positive legacy for host countries, local people and future generations.

In many locations, formal gold mining operations interface with artisanal and small-scale (ASM) gold miners. We recognise that ASM represents an important source of livelihoods. Where ASM is conducted responsibly and with respect for formal mining titles, we will seek to support ASM groups in the adoption of safer working methods and more socially and environmentally responsible practices and, where relevant, will consider the potential for alternative livelihood programmes.

Gold plays a unique role in the global economy and in protecting the financial security of nations, communities and families, and in enabling advances in medical, environmental and communication technologies. Public trust is fundamental to the many positive roles that gold plays in society. To maintain and strengthen that trust, as leading gold mining companies we commit to the following Principles:

## Governance

- 1 Ethical conduct:** we will conduct our business with integrity including absolute opposition to corruption.
- 2 Understanding our impacts:** we will engage with our stakeholders and implement management systems so as to ensure that we understand and manage our impacts, realise opportunities and provide redress where needed.
- 3 Supply chain:** we will require that our suppliers conduct their businesses ethically and responsibly as a condition of doing business with us.

## Social

- 4 Safety and health:** we will protect and promote the safety and occupational health of our workforce (employees and contractors) above all other priorities, and will empower them to speak up if they encounter unsafe working conditions.
- 5 Human rights and conflict:** we will respect the human rights of our workforce, affected communities and all those people with whom we interact.
- 6 Labour rights:** we will ensure that our operations are places where employees and contractors are treated with respect and are free from discrimination or abusive labour practices.
- 7 Working with communities:** we aim to contribute to the socio-economic advancement of communities associated with our operations and to treat them with dignity and respect.

## Environment

- 8 Environmental stewardship:** we will ensure that environmental responsibility is at the core of how we work.
- 9 Biodiversity, land use and mine closure:** we will work to ensure that fragile ecosystems, critical habitats and endangered species are protected from damage and we will plan for responsible mine closure.
- 10 Water, energy and climate change:** we will improve the efficiency of our use of water and energy, recognising that the impacts of climate change and water constraints may increasingly become a threat to the locations where we work and a risk to our licence to operate.

These Principles apply to gold mining companies. Providers of finance and capital should use their best endeavours to encourage the adoption of this framework at gold mining operations where they have influence.

# B. Related responsible mining and sourcing codes

Through conducting our businesses responsibly, we aim to contribute to the delivery of the Sustainable Development Goals developed by the United Nations. Responsible gold mining involves the careful management of risks; but it should also be about the realisation of opportunities for those whose lives we touch.

We support internationally recognised normative standards such as the International Bill of Human Rights, the UN Guiding Principles on Business and Human Rights, the Principles of the UN Global Compact (UNGC), the UN Declaration on the Rights of Indigenous Peoples (UNDRIP), the OECD Guidelines for Multinational Enterprises, the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, the Gold Supplement of the OECD Due Diligence Guidance for Responsible Sourcing of Minerals from Conflict-Affected and High-Risk Areas, the OECD Due Diligence Guidance for Responsible Business Conduct, the Extractive Industries Transparency Initiative (EITI), the Voluntary Principles on Security and Human Rights (VPSHRs) and the International Council on Mining and Metals' Performance Expectations.

Our objective is to deliver responsibly produced gold into the market. We aim to complement the objectives of the London Bullion Market Association's (LBMA) Responsible Gold Guidance as part of our commitment to co-operate with downstream actors in delivering on their responsible sourcing obligations. We will also have regard to relevant elements of the LBMA Global Precious Metals Code. This involves ensuring high standards of corporate governance, including robust frameworks for compliance, due diligence and risk management.

Companies that implement the Principles will be required to report publicly on their conformance. Conformance with the Principles as articulated in Part C will be subject to independent assurance (**see Part D**). Continuous improvement is an important aspect of responsible mining. As such, implementing companies will be required to report on any temporary deviations from conformance and, where required, the steps being undertaken to achieve remediation.

The Principles are grouped into environmental, social and governance (ESG) related topics – reflecting a framework increasingly used by investors. The governance elements appear first since legal compliance is a foundational consideration and a number of the Principles relate, in turn, to the management of both environmental and social issues covered in subsequent Principles.

These Principles were developed through an extensive programme of consultation and outreach to stakeholders. We thank them for their advice and recognise that their input has helped us to create a more credible and widely supported framework.

# C. The responsible gold mining principles<sup>1</sup>

## Governance

**Principle 1 – Ethical conduct: we will conduct our businesses with integrity including absolute opposition to corruption**

### Legal compliance

1.1 As a minimum expectation, we will comply with applicable host and home country laws and relevant international law, and will maintain systems to deliver this objective.

### Code of conduct

1.2 We will maintain a code of conduct to make clear the standards with which we expect our employees, and those with whom we do business, to comply. We will actively promote awareness of our code and implement systems to monitor and ensure compliance.

### Combating bribery and corruption

1.3 We will put in place controls to combat bribery and corruption in all their forms, conflicts of interest and anti-competitive behaviour by employees, agents or other company representatives.

### Political contributions

1.4 We will disclose the value and beneficiaries of financial and in-kind political contributions that we make, whether directly or through an intermediary.

### Transparency

1.5 We will publish our tax, royalty and other payments to governments annually by country and project. We support the principles of the Extractive Industries Transparency Initiative (EITI) and will encourage governments to promote greater transparency around revenue flows, mining contracts and the beneficial ownership of licence holders.

### Taxes and transfer pricing

1.6 We will pay the taxes and royalties required by host country codes. We will seek to ensure that transfer pricing outcomes are in line with fair business practices and value creation.

### Accountabilities and reporting

1.7 We will assign accountability for our sustainability performance at Board and/or Executive Committee level. We will report publicly each year on our implementation of the Responsible Gold Mining Principles.

**Principle 2 – Understanding our impacts: we will engage with our stakeholders<sup>2</sup> and implement management systems so as to ensure that we assess, understand and manage our impacts, realise opportunities and provide remedy where needed**

### Risk management

2.1 We will maintain systems to identify and prevent or manage both the risks that face our operations and those which our activities may pose to others.

### Stakeholder engagement

2.2 We will listen to and engage with stakeholders in order to understand better their interests and concerns and integrate this knowledge into how we do business.

### Due diligence

2.3 We will regularly and systematically conduct due diligence to identify human rights, corruption and conflict risks associated with our activities and in our supply chain with the intention of preventing adverse impacts. We will exercise risk-based due diligence on those entities to which we sell our products.

### Impact assessment

2.4 We will conduct impact assessments that involve substantive environmental components, socio-economic (including human rights where relevant) and cultural elements, and ensure that these are periodically updated. We will seek to identify and take account of local cumulative impacts. We will ensure that such assessments are accessible to affected communities and include plans to avoid, minimise, mitigate or compensate<sup>3</sup> for significant adverse impacts.

### Resolving grievances

2.5 We will establish fair, accessible, effective and timely mechanisms through which complaints and grievances related to our activities can be raised and resolved and remedies implemented. Those raising such grievances in good faith will not face discrimination or retaliation as a result of raising their concerns.

1 The Principles and supporting Assurance Framework have been drafted in English. If the Principles are used in other languages, the English version should take precedence and be regarded as the source document.

2 We recognise that in some countries a distinction is drawn between the terms "stakeholders" and "rights holders". This distinction is not explicitly drawn in most other jurisdictions. Thus, in this document, we use the term "stakeholders" to incorporate "rights holders".

3 Implementing companies are expected to adopt a mitigation hierarchy approach whereby they seek to anticipate and avoid adverse impacts. Where avoidance is not possible, they should seek to minimise or mitigate such impacts. Where residual impacts remain, companies should compensate/offset for significant risks or impacts to workers, affected communities and the environment.

**Principle 3 – Supply chain: we will require that our suppliers conduct their businesses ethically and responsibly as a condition of doing business with us**

**Supply Chain Policy**

3.1 We will adopt and publish a Supply Chain Policy and support our contractors and suppliers to operate responsibly and to standards of ethics, safety, health, human rights and social and environmental performance comparable with our own. We will conduct risk-based monitoring of compliance.

**Local procurement**

3.2 We will promote access for local businesses to procurement and contracting opportunities generated by our operations and, where appropriate, provide capacity building support to help them improve their capabilities as suppliers.

**Market access for ASM**

3.3 We support access to legitimate markets for those artisanal and small-scale miners (ASM) who respect applicable legal and regulatory frameworks, who seek to address the environmental, health, human rights and safety challenges often associated with ASM activity, and who, in good faith, seek formalisation. We will consider supporting government initiatives to reduce and eliminate the use of mercury by ASM.

**Social**

**Principle 4 – Safety and health: we will protect and promote the safety and occupational health of our workforce (employees and contractors<sup>4</sup>) above all other priorities and will empower them to speak up if they encounter unsafe working conditions**

**Safety**

4.1 We will be proactive in preventing fatalities and injuries to our workforce. Regular safety training will be conducted and personal protective equipment will be supplied at no cost to our workforce. Our objective is zero harm.

**Safety management systems**

4.2 We will implement safety and health management systems based on internationally recognised good practice and focused on continuous improvement of our performance. We will engage regularly on these issues with our workforce and their representatives.

**Occupational health and wellbeing**

4.3 We will maintain high standards of occupational health and hygiene and implement risk-based monitoring of the health of our workforce based on occupational exposures. We will promote the physical and mental wellbeing of our workforce.

**Community health and emergency planning**

4.4 We will identify and eliminate or minimise significant risks to the health and safety of local people as a result of our activities and those of our contractors. We will develop, maintain and test emergency response plans based on national regulations and international best practice guidelines, ensuring the involvement of potentially affected stakeholders.

<sup>4</sup> We intend the term “contractors” to embrace both individuals and companies (including sub-contractors) working under contract at, or connected to, a mine or project site.

**Principle 5 – Human rights and conflict: we will respect the human rights of our workforce, affected communities and all those people with whom we interact**

**UN Guiding Principles**

5.1 We will adopt and implement policies, practices and systems based on the UN Guiding Principles on Business and Human Rights.

**Avoiding complicity**

5.2 We will seek to ensure that we do not cause, and are not complicit in, human rights abuses either directly or through our business relationships.

**Security and human rights**

5.3 We will manage security-related human rights risks through implementation of the Voluntary Principles on Security and Human Rights.<sup>5</sup>

**Conflict**

5.4 We will implement the Conflict-Free Gold Standard. We will ensure that when we operate in conflict-affected or high-risk areas our operations do not cause, support or benefit unlawful armed conflict or contribute to human rights abuses or breaches of international humanitarian law.

**Principle 6 – Labour rights: we will ensure that our operations are places where employees and contractors are treated with respect and are free from discrimination or abusive labour practices**

**Wages and benefits**

6.1 We will ensure that our workforce receives fair wages and benefits relative to relevant national and local benchmarks, norms and regulations.

**Preventing discrimination and bullying**

6.2 We will engage regularly and constructively with our employees and their representatives and strive to ensure a workplace free from bullying or harassment and unfair discrimination.

**Child and forced labour**

6.3 We prohibit child labour, forced labour and modern slavery in our operations and in our supply chains.

**Freedom of association and collective bargaining**

6.4 We will uphold the legal rights of our workforce to associate with others and to join, or to refrain from joining, labour organisations of their choice and to bargain collectively without discrimination or retaliation.

**Diversity**

6.5 We will implement policies and practices to promote diversity at all levels of the company, including the representation and inclusion of historically under-represented groups and will report on our progress.

**Women and mining**

6.6 We are committed to identifying and resolving barriers to the advancement and fair treatment of women in our workplaces. Through our employment, supply chain, training and community investment programmes, we will aim to contribute to the socio-economic empowerment of women in the communities associated with our operations.

**Raising concerns**

6.7 We will provide a confidential mechanism through which employees and others associated with our activities may raise ethical concerns and which will provide protection from retaliation for those who raise concerns in good faith.

<sup>5</sup> This does not require implementing companies to become parties to the VPSHRs plenary process.

**Principle 7 – Working with communities: we will contribute to the socio-economic advancement of communities associated with our operations and treat them with dignity and respect**

**Community consultation**

- 7.1 We will consult regularly and in good faith with the communities associated with our operations on matters of interest to them, and will take account of their perspectives and concerns.

**Understanding communities**

- 7.2 We will ensure that we engage with communities, including traditional leaders, in a culturally appropriate manner. We will be alert to the dangers of causing differentially negative impacts on women, children, Indigenous Peoples and other potentially vulnerable or marginalised groups. We will strive to ensure that the voices of these groups are heard and that this knowledge is integrated into how we do business.

**Creating local benefits**

- 7.3 We will ensure that the communities associated with our operations are offered meaningful opportunities to benefit from our presence, including through access to jobs and training, and procurement opportunities for local businesses and social investment.

**Seeking community support**

- 7.4 We will seek to obtain and sustain the broad-based support of communities affected by our activities.

**In-migration**

- 7.5 We will work with local authorities and community leaders to control or manage the impact of migratory influxes of people attracted by mine development.

**Indigenous Peoples**

- 7.6 We will respect the collective and customary rights, culture and connection to the land of Indigenous Peoples. We will work to obtain their free, prior and informed consent where significant adverse impacts may occur during exploration, project design, operation and closure, including around the delivery of sustainable benefits.

**Cultural heritage**

- 7.7 We will seek to preserve cultural heritage from adverse impacts associated with project activities, including through our impact assessments. We will put in place chance finds procedures at all relevant operations.

**Resettlement**

- 7.8 We will seek to avoid involuntary resettlement. Where this is unavoidable, we will proceed on the basis of meaningful consultation with affected communities, a publicly available planning framework, the restoration of established livelihoods and the provision of fair and timely compensation. We will seek to minimise adverse impacts on displaced people.

## Environment

**Principle 8 – Environmental stewardship: we will ensure that environmental responsibility is at the core of how we work**

### Managing environmental impacts

8.1 We will implement systems to monitor and manage our impacts on the environment. We will avoid, minimise, mitigate or compensate for significant adverse impacts on the environment relating to our activities.

### Tailings and waste management

8.2 We will design, build, manage and decommission tailings storage and heap-leaching facilities and large-scale water infrastructure using ongoing management and governance practices in line with widely supported good practice guidelines. We will not develop a new mine that would involve the use of riverine or shallow submarine tailings.

### Cyanide and hazardous materials

8.3 We will identify and manage potential risks relating to the transportation, handling, storage and disposal of all hazardous materials. Where our operations use cyanide, we will ensure that our arrangements for the transport, storage, use and disposal of cyanide are in line with the standards of practice set out in the International Cyanide Management Code.

### Mercury

8.4 We will not use mercury to extract gold in our processing facilities nor accept gold produced by third parties using mercury. We support the Minamata Convention's objective of reducing mercury emissions for the protection of human health and the environment. We will identify point source mercury emissions to the atmosphere arising from our activities and minimise them. We will only sell mercury thereby captured for uses recognised as acceptable by international conventions.

### Noise and dust

8.5 We will adopt and implement policies and practices to avoid or mitigate impacts on local communities and the environment arising from noise, dust, blasting and vibration.

**Principle 9 – Biodiversity, land use and mine closure: we will work to ensure that fragile ecosystems, habitats and endangered species are protected from damage, and will plan for responsible mine closure**

### Biodiversity

9.1 We will implement biodiversity management plans. At a minimum, we will seek to ensure that there is no net loss of critical habitat. Where opportunities arise to do so, we will work with others to produce a net gain for biodiversity. We will incorporate both scientific and traditional knowledge in designing adaptation strategies in ecosystem management and environmental assessment.

### World Heritage Sites

9.2 We will not explore or seek to develop new mining operations in an area designated as a World Heritage Site.

### Land use and deforestation

9.3 We recognise the importance of integrated land use planning. In determining our project footprint, we will give meaningful consideration to the land access needs of nearby communities and to the preservation of biodiversity. We will aim to minimise deforestation arising from our activities.

### Mine closure

9.4 We will plan for the social and environmental aspects of mine closure in consultation with authorities, our workforce, affected communities and other relevant stakeholders. We will make financial and technical provision to ensure planned closure and post-closure commitments are realised, including the rehabilitation of land, beneficial future land use, preservation of water sources and prevention of acid rock drainage and metal leaching.

**Principle 10 – Water, energy and climate change: we will improve the efficiency of our use of water and energy, recognising that the impacts of climate change and water constraints may increasingly become a threat to the locations where we work and a risk to our licence to operate**

**Water efficiency**

10.1 We will use water efficiently and responsibly and in co-operation with authorities and, where possible, other users. When we operate in water-stressed areas, we will take proportionate and practicable steps to improve the efficiency of our water use and seek to reduce our water footprint, including, where possible, through increased recycling.

**Water access and quality**

10.2 Recognising that access to water is a human right and fundamental ecosystem requirement, we will manage our operations so as to ensure that they do not adversely affect the overall quality of catchment water resources available to other users.

**Combating climate change**

10.3 We support the objectives of global climate accords through avoidance, reduction or mitigation of carbon emissions. Where relevant, we will work to enhance the ability of our operations and nearby communities to be resilient to the effects of climate change.

**Energy efficiency and reporting**

10.4 We will work to improve the efficiency of our energy use and to minimise our greenhouse gas emissions intensity. We will measure and report on our CO<sub>2</sub> equivalent emissions in line with accepted reporting standards.

# D. Assurance requirements

Companies wishing to be recognised as implementing the Responsible Gold Mining Principles are required to obtain independent assurance on their conformance. Such assurance must be provided by credible organisations that meet demanding criteria. The purpose of independent assurance is to give stakeholders confidence that implementing gold miners are living up to their stated intention to observe high standards of corporate governance and of environmental and social performance.

The Principles require implementing companies to:

1. Make a public commitment to align with the Responsible Gold Mining Principles
2. Develop internal systems, processes and performance that conform with the Principles
3. Report publicly on the status of their conformance with the Principles
4. Obtain independent assurance on their conformance with the Principles.

The Principles are supported by an Assurance Framework. This Framework provides guidance, with illustrative examples, on how an assurance provider can assure an organisation's conformance with the RGMPs.

Assurance over the RGMPs is required at both corporate and site levels. Corporate assurance will focus on policies and approach; site-level assurance will focus on implementation. The number of sites visited by the assurance provider will depend on the size of the company and the ESG-related risks across the company's portfolio.

In order for assurance to be delivered, implementing companies are required to report publicly each year on their conformance with the RGMPs. Implementing companies should be transparent if they fall out of conformance, including how they have done so, and on what timescale they expect their conformance to be restored.

Two public reports are associated with the assurance:

1. An annual report on implementation of the Responsible Gold Mining Principles produced by the implementing company
2. An Independent Assurance Report produced annually by the assurance provider.

The Principles provide a demanding framework. Full implementation of the systems, policies, procedures and performance required to conform with all of the applicable Principles may take some time. Therefore, in the first and second years, implementing companies will be required to report on their progress towards achieving conformance, and the assurance providers' work in these years will be adjusted accordingly. Although some companies may achieve conformance more quickly, by the third year after adoption all implementing companies' internal systems and process should conform with the Principles and this, as well as their underlying performance, will need to be independently assured.

The approach set out in the Assurance Framework has been designed to be flexible and practical, and to avoid duplication of existing assurance activities that a company may already be commissioning.





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