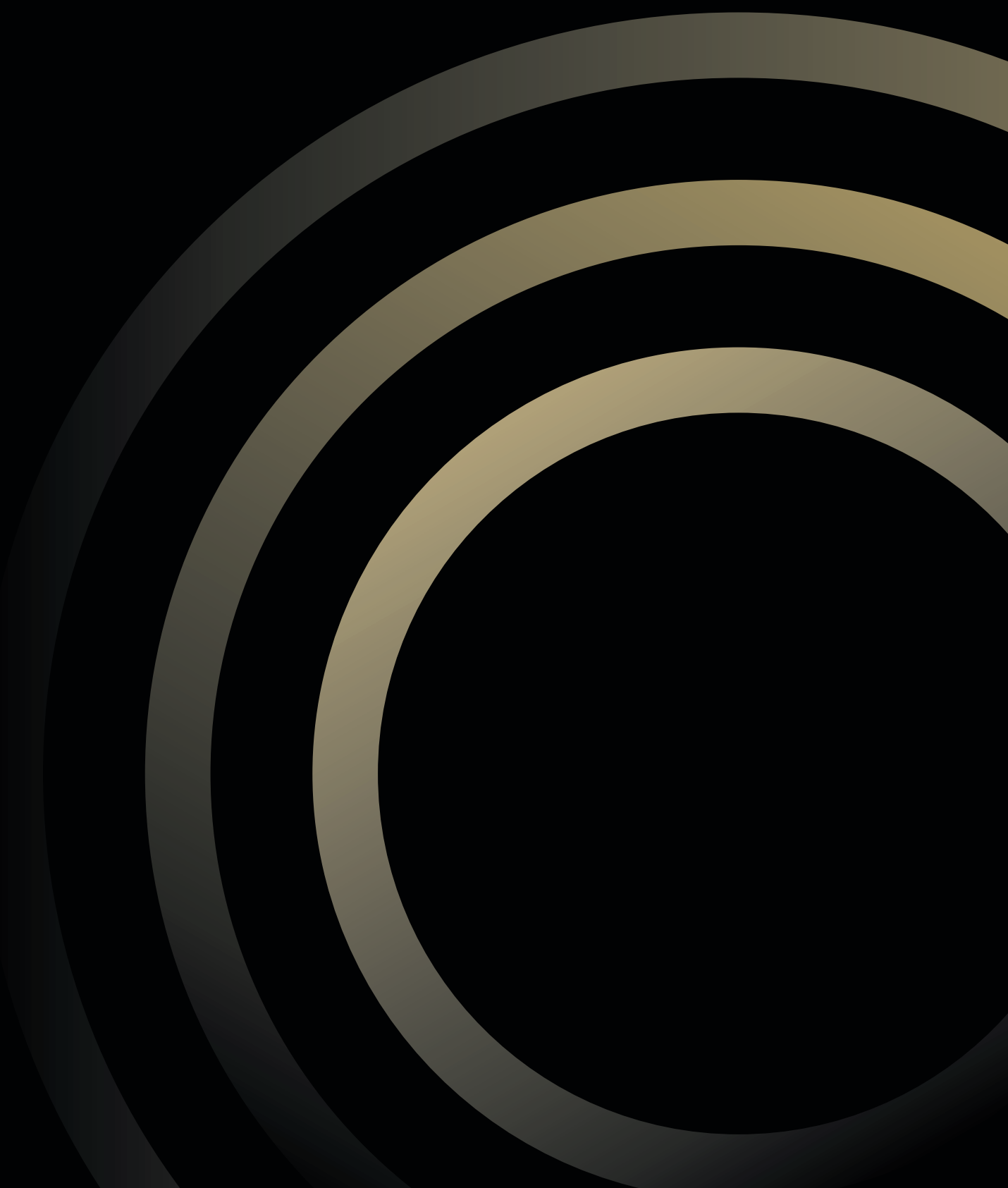




Assurance Framework for the Responsible Gold Mining Principles



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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1. Introduction

The World Gold Council has developed the Responsible Gold Mining Principles (referred to as RGMPs or Principles throughout) to provide a guide to the key elements of responsible gold mining. The RGMPs are designed for implementation by World Gold Council member companies but may also be adopted by other entities involved in gold mining – subject to them seeking independent assurance by assurance providers that meet the criteria set out in Section 2.3 of this Framework.

The RGMPs require implementing companies to:

1. Make a **public commitment** to align with the RGMPs
2. Develop internal systems, processes and performance that **conform with the Principles**
3. **Report publicly** on the status of conformance with the Principles
4. Obtain **independent assurance** on their conformance with the Principles. The assurance will be conducted at both mine site and corporate levels.

In addition, two reports are associated with the assurance:

1. An Annual Report on implementation of the RGMPs produced by the implementing company
2. An Independent Assurance Report produced annually by the assurance provider.

This Framework sets out guidance on how assurance can be delivered. The intended audience for this guidance is both implementing companies preparing for assurance, and assurance providers delivering the assurance.

The purpose of this document is to provide guidance, with illustrative examples, on how an assurance provider can assure an organisation's conformance with the RGMPs. Implementing companies are responsible for selecting and engaging assurance providers with the necessary credentials and independence that deliver their work in line with recognised assurance standards.

It is intended that meeting the requirements of the RGMPs will support and demonstrate a high standard of environmental, social and governance (ESG) performance. This will in turn improve a company's social licence to operate. It will also help discharge a company's responsible sourcing obligations down the supply chain, including to LBMA Good Delivery List refiners.

The World Gold Council has developed this Framework following extensive consultation with a wide range of stakeholders, including governments and international institutions, gold producers, the gold supply chain participants, interested non-governmental organisations (NGOs), the assurance profession and other stakeholders. The Framework has been pilot-tested with selected World Gold Council member companies and knowledge gained from the pilots has been incorporated into this document.

This Framework is supported by three Annexes and one stand-alone Supplement:

- Annex 1: Illustrative Annual Report on the Implementation of the Responsible Gold Mining Principles
- Annex 2: Illustrative Independent Assurance Report
- Annex 3: Frequently Asked Questions
- *Guidance on implementing and assuring the RGMPs: supplement to the Assurance Framework.*

2. Overview of assurance

2.1 What is assurance?

“Assurance” is an evaluation method that uses a specific set of principles and standards to assess the quality of an organisation’s systems, processes and competencies that underpin its performance and public disclosure. Assurance includes the communication of the results of this evaluation to provide credibility on the subject matter for its users.¹

An assurance engagement is defined by the International Standard on Assurance Engagements (ISAE 3000) as follows:

- A process where a practitioner evaluates or measures a subject matter that is the responsibility of another party against suitable criteria
- Based on that evaluation, preparation of an Independent Assurance Report that expresses a conclusion and provides the intended users with a degree of confidence.

Table 1 below outlines the characteristics of an assurance engagement and the responsibilities of the three-party relationship within the RGMPs’ assurance engagement.

Table 1

Characteristics	
Enhances the confidence of intended users in the robustness and reliability of a company’s policies, systems, performance and disclosure	
Evaluates the subject matter against suitable criteria	
Obtains sufficient and appropriate evidence to form a conclusion	
Provides output in the form of an Independent Assurance Report	
Utilises a three-party relationship (between company management, assurance provider and intended users of the assurance reports).	
Responsibilities	
Implementing company	Demonstrates ongoing conformance with the Principles Develops a Remedial Action Plan for any non-conformance identified (Section 4.5) Discloses status of conformance with the RGMPs (Annex 1) Appoints an independent assurance provider using the competencies specified in this Framework (Section 2.3) Provides access to all evidence required by the assurance provider
Assurance provider	Reports, in accordance with recognised assurance standards (Section 2.2), on whether the company is in conformance with the Principles Satisfies the competency requirements and provides a specific declaration on this within the Independent Assurance Report (Section 2.3) Applies recognised assurance standards, and abides by standards of quality control (Section 2.2)
Intended users	Use the company’s report on its implementation of the RGMPs and Independent Assurance Report to assess company performance and make decisions.

¹ AA1000 Assurance Standard (AA1000AS, 2008) with 2018 Addendum.

2.2 Use of assurance standards

In order to deliver credible RGMP assurance, it is expected that assurance providers will use globally recognised assurance standards.

There are a number of assurance standards and frameworks for non-financial reporting engagements. One of the most widely used is the International Standard on Assurance Engagements (ISAE) 3000 Revised, Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE 3000), issued by the International Auditing and Assurance Standards Board (IAASB).

Implementing companies can choose to engage with assurance providers that apply other assurance or verification standards for their assurance against the RGMPs. These include, but are not limited to, US attestation standards AT-C 105 and AT-C 205 issued by the American Institute of Certified Public Accountants, local assurance standards issued by International

Federation of Accountants (IFAC) member bodies, and the AA1000 Assurance Standard (AA1000AS, 2008) with 2018 Addendum.

Where references to specific assurance standards are made in this document, this is to highlight certain requirements of a particular standard and the implications for RGMP assurance. It is not intended to imply that these requirements are a mandatory part of this Framework, as they may not be required by all assurance standards.

2.3 Credentials of the assurance provider

The RGMP assurance engagement should be conducted by an independent assurance provider. The assurance provider is typically an external group of practitioners who collectively possess the range of skills, knowledge and experience required to competently perform the assurance engagement.

The competencies and independence requirements of the engagement team are set out in **Table 2** below.

Table 2

Criteria for competence and independence	
Competence	Independence
	<ul style="list-style-type: none"> An assurance provider should have no direct or indirect financial or material interest in the assurance client (<i>ref: Code of Ethics for Professional Accountants</i>)
	<ul style="list-style-type: none"> An assurance provider should have no undue dependence on total fees from the assurance client
<ul style="list-style-type: none"> Individuals involved in any specific assurance process must have experience and be demonstrably competent in terms of the relevant subject matter and topic areas, specifically ESG in the mining industry (see list below) and assurance process experience (<i>ref: AA1000AS</i>) 	<ul style="list-style-type: none"> No member of the assurance team should be performing services for the assurance client that relate to the subject matter of the assurance engagement or deal in, or be a promoter of, shares and securities in the assurance client (<i>ref: Handbook of International Auditing, Assurance, and Ethics Pronouncements</i>)
<ul style="list-style-type: none"> A multidisciplinary team should provide the expertise necessary, including familiarity with the mining industry's international ESG standards and codes, to adequately assure a company's non-financial performance (<i>ref: ISAE 3000</i>) 	<ul style="list-style-type: none"> No member of the assurance team should be acting as an advocate on behalf of an assurance client in litigation or in resolving disputes with third parties (<i>ref: Handbook of International Auditing, Assurance, and Ethics Pronouncements</i>)
<ul style="list-style-type: none"> Assurance providers must be able to demonstrate adequate institutional competencies, including adequate assurance oversight and understanding of the legal aspects and infrastructure (<i>ref: ISQC 1 and AA1000AS</i>). 	<ul style="list-style-type: none"> Assurance providers should make a public statement of independence that makes the nature of their relationship with the reporting organisation explicit (<i>ref: ISAE 3000 & AA1000AS</i>).

The specific subject matter and industry experience in relation to providing assurance against the Principles may include (but not be limited to) knowledge of:

- Systems, policies and performance related to safety and health, security, environmental impacts and mitigation, human rights, labour issues, community relations activities, social performance, legal and governance requirements and controls
- Practical experience of applying or assessing the above issues at both the corporate and mine site level
- Application of international frameworks for the gold mining industry
- Physical metal flows, and the process integrity of gold/ gold-bearing materials
- The gold industry and/or the mining industry in general.

Companies are encouraged to apply the criteria above in developing their request for proposals (RFPs) for assurance providers. In early years of reporting and assurance against the RGMPs, it will be especially important for an implementing company to require the assurance provider to demonstrate that they have the necessary subject matter and industry expertise. This should ensure a common understanding early in the engagement, and support both comprehensive reporting and robust assurance.

3. Approach to assuring conformance with the Principles

3.1 Reporting boundaries and application of assurance against the RGMPs

The boundaries of a company's activities related to the implementation of the RGMPs includes all gold mining (namely mines where the primary output is gold) and associated processing operations over which the company has direct control. These should, at a minimum, be consistent with the reporting boundaries in a company's Sustainability Report. Companies should also use their best endeavours to encourage adoption of the RGMPs at all operations where they have influence.

Royalty and streaming companies, at a minimum, are required to publicly endorse the RGMPs. They are also required to ensure conformance with the RGMPs for any gold mining operations over which they have direct control. If they do not own or control any gold mining operations, they are not considered an implementing company and are therefore not required to report on or assure conformance with the RGMPs. Royalty and streaming companies should, however, use their best endeavours to encourage adoption of the RGMPs at all operations where they have influence.

If the application of one or more of the RGMPs conflicts with local laws or regulations (i.e., causes a breach of local laws or defies a legal prohibition), the local laws or regulations will take precedence over the Principles. The implementing company should, however, disclose the reason that they cannot implement the specific Principle(s) and describe any measures that have been taken to attempt to meet the overall spirit or intention of the Principles. If local or national laws or regulations require a lower performance standard than a Principle requires, then the Principle will take precedence and the implementing company will be required to go beyond local requirements to meet the Principle.

The expectation is that the majority of companies adhering to the RGMPs will seek a "limited" level assurance from their independent assurance providers.

3.2 Assurance Reports

Company report on the RGMPs

Implementing companies are required to publicly disclose their conformance with the RGMPs in the form of an Annual Report on their implementation of the RGMPs. The implementing company can determine the format of the disclosure. It can be a stand-alone report or a distinct section of the company's website, Annual Report or Sustainability Report. It can also be in the form of a statement from a member of the Board of Directors, the CEO, or the most senior executive responsible for ESG/sustainability issues.

The report should set out enough information to adequately inform key stakeholders, including investors, communities, governments, regulators and organisations down the supply chain, that the company has conformed with the RGMPs. An illustrative example with recommended content is included in **Annex 1**. Companies can cross-reference rather than repeat information that may be accessibly disclosed elsewhere (e.g., the company website).²

The assurance provider should review whether the company's report on the RGMPs is a fair reflection of how internal systems, processes and performance conform with the underlying Principles.

Independent Assurance Report

The assurance provider should provide the company with an Independent Assurance Report at the conclusion of the assurance engagement. The Independent Assurance Report should be addressed to management and state the assurance provider's conclusion (see example in **Annex 2**).

The Independent Assurance Report should be publicly disclosed alongside the company's own report on the RGMPs; alternatively, there should be clear reference as to where it can be accessed. For companies that already receive independent assurance on their sustainability reporting (e.g., Global Reporting Initiative (GRI)/ International Council on Mining and Metals (ICMM) requirements), it may be possible to incorporate assurance on the Principles into one combined independent report as an additional assurance scope area.

² If there is a cross-reference to web-based information, which can be amended (and may not be date specific), the report on the RGMPs will need to be clear on the date that the information was cross-referenced.

Management Report (optional)

The assurance provider may also, as part of the terms of engagement, issue a Management Report addressed to the company for internal use. This may be used to communicate additional assurance observations, insights, areas of strong performance and recommendations for improvement. It should not be used as an alternative to material observations that should be included in the Independent Assurance Report.

3.3 Conformance and assurance in early years

The WGC Principles are designed, intentionally, as a demanding framework. Fully implementing the underlying systems, policies and procedures in order to meet this high-performance standard and conform with all the Principles may require some time. It is expected that by the third year after adoption implementing companies' internal systems, processes and performance should conform with the Principles.

In the first and second year the RGMP implementing companies should report on their progress towards conformance with the Principles. This reporting can comprise:

- Year 1: a description of the process of self-assessment or "readiness review"³ that has been undertaken, or is under way, to determine conformance with the RGMPs for all operations within the reporting boundary
- Year 2: As per year 1, plus, based on self-assessment, a statement of progress on developing internal systems and processes to conform with the Principles.

The assurance providers' work in years 1 and 2 will be adjusted to align to the RGMP requirements for years 1 and 2. Companies are encouraged to progress towards full year 3 compliance at an earlier stage if they are confident that their systems and performance are sufficiently robust.

3.4 Timing/frequency for obtaining assurance

A company's conformance with the RGMPs should be assured every year, covering a 12-month period. Assurance over the Principles is delivered for the company as a whole and therefore will require assurance at multiple levels of the company: corporate, regional or country levels if applicable and, importantly, at mine-site level. At site level an assurance provider will test the implementation of the Principles on the ground in order to support the delivery of the overall company-level assurance.

For multi-site operators, different site(s) may be selected to be visited each year as part of the assurance engagement. The criteria for the selection of sites are described in **Section 4.3**. As a guide, between one and four sites should be visited each year, depending on the size of the company, and an assurance provider should aim to visit all the sites in a company's portfolio over at least a three- to five-year period.

The staged approach for reporting and assurance (as set out in **Section 3.3**) will apply from the date of adoption of the Principles.

For implementing companies that acquire sites or companies after the date of adoption of the Principles, the RGMPs should be implemented at the new sites no more than three years after the acquisition is finalised.

3 If preferred, implementing companies can ask an assurance provider (or other suitability qualified organisation) in the first year to perform a "readiness review" or "gap assessment" on the results of the self-assessment. In this readiness review the assurance provider can comment on whether the evidence that the company has to support their view on the extent of conformance with the Principles is sufficient, or whether additional evidence/management activity is required, allowing the company to take further action/put a plan in place to achieve publicly communicated assurance.

4. Practical guidance on assuring the RGMP reporting

4.1 Assurance procedures and evidence gathering

As noted above, the independent assurance covers the status of conformance with the RGMPs. Assurance providers are responsible for determining the appropriate assurance procedures and evidence-gathering activities in order to deliver a credible assurance opinion. The assurance will need to be conducted at both corporate and site levels.

An illustrative guide to management activities and evidence needed to conform with the Principles, as well as the associated assurance activities, is provided in the *Guidance on implementing and assuring the RGMPs: supplement to the Assurance Framework*. This document can be used by companies to support their RGMP implementation and reporting, and by the assurance provider to guide the assurance process.

The assurance procedures and evidence-gathering activities are likely to include:

- Assessment of whether operations included in the RGMPs are consistent with defined reporting boundaries
- Review of the company's self-assessment of conformance with the Principles at its operations
- Review of the company's application of the Principles' requirements in relation to its operations; the assurance provider will review whether the company's application is in line with the intention or spirit of the Principles
- Review of whether or not internal systems and processes related to the Principles are in place (as per examples in *Guidance on implementing and assuring the RGMPs: supplement to the Assurance Framework*) and whether associated performance at site level reflects conformance
- Evidence-gathering activities to review how the requirements of the Principles have been implemented in practice; these activities are likely to include:
 - Site visits
 - Management interviews
 - Review of risk assessments
 - Review of systems and processes relevant to the Principles
 - Evaluation of other audit and assurance processes/controls
 - Testing of internal controls for prevention and detection of material errors
 - Sample testing the integrity of underlying information.

Assurance providers should ensure that sufficient emphasis is given to site-based observation and review in order to assure practical implementation of the RGMPs (in terms of systems and processes and actual ESG performance). Assurance providers will also need to understand corporate-level controls and the extent to which common or consistent systems and processes exist across a company to conform with the RGMPs.

In early years, as a company is “ramping up” to full conformance with the Principles, the above assurance procedures/evidence-gathering activities can be appropriately adjusted/scaled to align with the company's status of implementation.

If, by carrying out the self-assessment, companies determine that certain Principles do not apply, then reporting and assurance activities can be limited to those Principles deemed to be applicable. The assurance provider should be satisfied with the company's judgement on the non-applicability of specific Principles and may require explanatory disclosures to be made around this in the company's report on its implementation of the RGMPs and, where relevant, in the assurance provider's conclusion.

The nature and extent of the above assurance activities are determined by a consideration of “materiality” in relation to how the company has applied the Principles (see Section 4.2), the level of assessed risk associated with the subject matter or operations in scope, and the level of assurance (i.e., limited).

4.2 Materiality

“Materiality” is a concept used to assess what is likely to influence the views or decisions of readers of the report on the RGMPs together with its supporting material and accompanying assurance statement. A matter that is material is expected to be transparently and fairly disclosed and will be considered when planning and performing the assurance procedures and assessing the results. A materiality assessment should be used to guide the company’s self-assessment, to determine how the Principles apply to the company and the required related reporting.

In relation to the RGMPs, materiality can apply at several different levels, as set out in **Table 3**.

4.3 Site visit selection

In determining which sites to visit, assurance providers will need to understand the company, its operations and locations. The assurance provider will also review the company’s assessment of ESG risks relevant to the Principles. This will allow the assurance provider to conduct a risk-focused assurance engagement to determine whether the company’s systems, processes and controls are appropriate to manage its significant risks, taking into account the materiality considerations above.

Table 3

Materiality consideration	Example/detail
Whether a company’s interpretation or application of a Principle is in line with the intention or spirit with which it was drafted, which may differ from a strict or literal interpretation of the Principle	A particular company’s approach to implementing Principles may differ slightly from that used in the Principles, but if the outcome is consistent with the intention of the Principles then any differences should not be considered material
Whether a company’s activity (or part thereof) is significant enough to be captured by the requirements of a specific Principle	The requirement to assess environmental impacts at a mine site is unlikely to warrant the inclusion of the impact of paper waste from site-based offices, and so may not be considered to be material
The extent to which any bias, selective reporting or misstatements would have an impact on the reader	If three sites have good environmental performance but one site has had a significant groundwater incident or permit excursion, then disclosure should be made regarding this site providing information about the significance of the issue, even if the one site is perhaps immaterial in terms of size/production
The level of detail to which information should be reported	If a resettlement programme has been subject to intensive media or NGO scrutiny or community controversy, then disclosure of material information for this issue may include a greater level of detail than for another issue of less interest to external parties
The sensitivity and/or potential impact of non-conformance.	Non-conformance is only likely to be considered material if it impacts the extent to which interested stakeholders consider that the implementing company is conforming to the intention of the Principles.

Determining “higher-risk” sites will depend on a range of factors. **Table 4** below sets out example considerations for ESG risks (this list is not intended to be exhaustive, and companies and their assurance providers will need to assess specific risks for each company and its operating environment).

Other factors that might also be considered in site selection include:

- Different types of operating facilities – specifically where different type of facilities have different ESG risk profiles
- Size of operations (gold production/number of employees/financial contribution)
- The extent to which conformance with the Principles can be demonstrated at head office versus having to visit sites

- Geographical, cultural or regulatory influences
- Changes in operational control or activities (e.g., new joint venture or control arrangements)
- Stage of mine (e.g., new operation, nearing closure)
- Track record of quality of management practices and incidents related to the scope of the Principles
- Level of reliance on existing certification and assurance (e.g., internal audit)
- Prior year assurance findings.

The number of sites selected for visits should be determined in consultation between the assurance provider and the company as part of the assurance planning process.

Table 4

RGMP scope area	Examples of elevated risk indicators
Governance	<ul style="list-style-type: none"> • Operations in countries where corruption and bribery are common • Operations in countries assessed as involving high levels of political risk and instability • Insufficient oversight and accountability for a company’s risk assessment process • Low levels of awareness among company management on how ESG performance could impact company operations (disruptions/reputation, etc.) • Risks identified but poor escalation or mitigation strategies implemented • High concentration of risks in one territory or operation • Insufficient resources or allocation of resources not linked to assessed risk • Lack of ongoing monitoring of management controls • Lack of oversight of devolved operations.
Social/political/economic	<ul style="list-style-type: none"> • Poor health and safety performance, such as frequent accidents and/or high rates of illness potentially linked to occupational exposures • Area with a high level of gender-based violence • Common labour disputes, conflict or community disruption • Weak governance around child labour practices • Area of conflict, political/social instability or severe income disparity • Area with a lack of law and order or a functioning judiciary system • Area subject to sanctions, export bans, higher taxes and tariffs • Area with a concentration of indigenous peoples or with a background of conflict between ethnic groups.
Environmental	<ul style="list-style-type: none"> • High water consumption/water-stressed locations/competition with local water use • Weak environmental regulatory capacities • Track record of poor tailings or water management • Track record of major incidents harmful to the environment • Mining operations that could potentially impact fragile ecosystems and/or biodiversity • Operations with high exposure to climate change impacts/extreme weather events • Volatility in energy supply and prices.

It may be that in early years of reporting under the RGMPs the assurance provider, after discussion with the company, judges it appropriate to visit a larger sample of operations. For subsequent years the assurance provider, in discussion with the company, should determine a suitable approach to cycle through the company's portfolio of sites, so that after a period of time all sites have been visited. For example, this may mean that higher-risk sites are visited every three years, whereas lower-risk sites are visited every five years.

4.4 Using existing certifications, standards, internal audit, external assurance

Companies may already have internal or external assurance processes that demonstrate conformance with some Principles, and these can be used by the assurance provider. Relevant principles and standards may include:

- Voluntary Principles on Security and Human Rights
- ICMM Performance Expectations
- Mining Association of Canada's Towards Sustainable Mining (MAC-TSM) protocols
- World Gold Council's Conflict-Free Gold Standard (CFGS)
- International Cyanide Management Code certification
- ISO certifications
- International Finance Corporation (IFC) Performance Standards
- Use of reporting standards such as GRI, CDP (formerly Carbon Disclosure Project) and the Task Force on Climate-related Financial Disclosures (TCFD).

Assurance against a company's conformance with the RGMPs is not intended to duplicate existing assurance arrangements nor require these to be duplicated. However, the assurance provider needs to be satisfied by the scope and quality of other assurance activity so as to be in a position to issue its own conclusion in accordance with the relevant assurance standard requirements.

Companies are encouraged to use the same assurance provider for multiple requirements, particularly where the subject matters largely overlap.

4.5 Areas of non-conformance and remediation

The Principles are centred on both (i) the establishment of policies, systems, processes and controls to achieve conformance with the Principles and (ii) companies' performance in relation to the Principles.

It is recognised that companies may require time to implement the necessary systems and processes to enable them to state conformance with the Principles – and the phased approach to reporting reflects this (see Section 3.3). Consequently, in early years, if internal systems and processes do not yet conform with the RGMPs, RGMP assurance can still be delivered, *provided that the status of conformance is disclosed (including any significant incidents) and there is a plan in place to fully conform with the Principles.*

Once the company has reached and reported a steady state of RGMP conformance, the details of any material incident(s) at its sites should be disclosed by the company in a transparent, fair and balanced manner. Such incidents may be considered a non-conformance with the Principles, and would be pointed out by the assurance provider in its conclusion.

Table 5 below describes a range of scenarios and the implications for assurance.

Where additional disclosures are required, the assurance provider will expect the company to:

- 1 Clearly describe, in the company's report on the RGMPs, the nature of, and reasons for, any non-conformance, and a summary of the action taken to address such deviations. This should be disclosed in sufficient detail for the readers of the report to be able to understand the context, implications and expected outcome, as well as the implementation period for any actions

- 2 Provide sufficient, appropriate, objective evidence to:

- demonstrate that the company otherwise conforms with the Principles
- support its description of the deviations from conformance
- support its action plan to address the deviations from conformance.

Scenarios may occur in addition to those listed in the table above – such as those related to misstatements, distortions or omissions of information relevant to the company's conformance – and these could result in non-conformance. These may be major (e.g., non-disclosure of a significant labour dispute) or minor (e.g., energy usage misreported by <1%). It will be the professional judgement of the assurance provider, having regard to the materiality determinations made at the start of the engagement, to determine the disclosures required in the report on the RGMPs, and whether those misstatements, distortions or omissions would likely influence the reactions or decisions of the reader. An assurance provider will also ensure that appropriate disclosures are made so that assurance over the RGMPs remains meaningful and credible.

Table 5

Status of company activity	Implications for conformance with the RGMPs	Implications for assurance
Self-assessment against the requirements of the Principles not completed	Non-conformance with the requirements of the RGMPs	RGMP requirements not met – modified assurance conclusion or assurance may not be delivered
Internal systems and processes do not yet conform with the RGMPs but commitment and plan in place to fully conform	Not a non-conformance	No implications for assurance, provided the results of self-assessment and status of action plan are fairly reflected in the report on implementation of the RGMPs
Internal systems, processes or performance do not conform with the RGMPs and no progress being demonstrated	Non-conformance with the requirements of the RGMPs	RGMPs' requirements not met – modified assurance conclusion or assurance may not be delivered
Internal systems, processes and performance have conformed with the RGMPs, but performance has subsequently and temporarily fallen out of compliance. (This may be due to temporary lapses in management control or other changes in the company that have resulted in some operations not being in conformance)	Non-conformance with the requirements of the RGMPs	No implications for assurance, provided the deviation from conformance is described in the report on the RGMPs' implementation along with a summary of actions taken to bring the company back into conformance

Annex 1: Illustrative Annual Report on the Implementation of the Responsible Gold Mining Principles

Set out below is an example, including suggested content, of a company's disclosure on the implementation of the RGMPs. This report can be a stand-alone report or a distinct section of the company's website, Annual Report or Sustainability Report. It could also be in the form of a statement from a member of the Board of Directors, the CEO, or the most senior executive responsible for ESG/sustainability issues.

The specific content of the report will vary depending on the nature, extent and complexity of the organisation, the self-assessment undertaken, and the systems and processes in place to conform with the RGMPs. Companies should use their judgement in deciding what is appropriate in the circumstances to be meaningful to users. The report should set out enough information to adequately inform key stakeholders, including investors, communities, governments, regulators and organisations down the supply chain that the company has conformed with the RGMPs.

The scope, level of detail and content of an implementing company's RGMP disclosure should be discussed with the assurance provider during the assurance engagement. The report may also benefit from consultation with stakeholders and users of the report.

Commitment to the RGMPs

[Name of company] takes seriously our responsibility to produce gold in a responsible manner. In order to demonstrate that commitment, the company has endorsed the Responsible Gold Mining Principles (the "Principles") developed by the World Gold Council.

In conforming to the Principles, we have:

- Developed and implemented policies, systems, processes and controls to ensure that the company conforms with the Principles
- Disclosed information that helps external stakeholders understand how conformance with the Principles is achieved

- Secured independent assurance over the process to ensure stakeholder confidence and credibility in the process and conclusions
- Disclosed instances or events which have given rise to a situation of non-conformance and the steps that will be taken to remedy the situation.

Boundary for RGMP implementation

The boundary for implementing the RGMPs includes all mining and processing operations over which the company has direct control. This is consistent with the reporting boundaries that we publicly disclose in our Sustainability Report [and Annual Report].

[Or explain how it differs and why – for example, it incorporates the following joint ventures, which are not reported in our Sustainability Report or Annual Report, but which we have included in this report for the following reasons...]

[Name of company]'s description of [progress towards/achievement of] conformance with the Principles

[Describe in sufficient detail to be meaningful/enable a reader to understand status of conformance. If a company is fully conforming with the Principles this may be a simple description to this effect, although it is recommended that further information is provided to substantiate/evidence this conformance. The disclosure may be in the form of a table listing all Principles, possibly giving reference to the relevant policies or management systems and the status of conformance at each site, including a balanced account of achievements and challenges or may be a more narrative description which cross-references other ESG disclosures.

Where companies are still working towards conformance, sufficient detail should be provided – for example...]

As of [date] the status of our conformance with the RGMPs is as follows:

- *At the six largest (by production) of our 10 sites, there are systems, processes and controls in place to adequately address Principles 2, 3, 5, etc., but further work remains to put in place systems to achieve conformance with the remaining Principles at the other sites*
- *In relation to performance, the sites where particular focus is needed are x and y, where a series of incidents occurred during the year, including a major incident at site y as more fully described on page z of our Sustainability Report*
- *The company has a detailed action plan in place to address the issues identified, and work commenced on extensive remedial measures at site y on [date] in order to...*

[In early years, an implementing company may also describe the status of its self-assessment against the RGMPs, for example...]

During the year ended [date], we initiated a self-assessment of the company's policies, internal systems, processes, controls and performance against the Principles. Our self-assessment covered the following:

- *The self-assessment was completed for xxx sites [Describe why certain sites were chosen]*
- *The self-assessment covered yyyy Principles [If not all, include the reasons for focusing on particular Principles.]*
- *[Add detail of the self-assessment process and how it was conducted, for example...] The self-assessment was done by senior subject matter experts visiting x sites and information collected by local management and collated at head office.*

Description of any non-conformance

[A key component of remaining in conformance with the Principles is the successful execution of a remedial action plan for any non-conformance identified.]

[Name of company] has systems in place for monitoring adherence to company policies and processes, including those related to conformance with the RGMPs. During the course of [year] it became apparent that [ABC Mine] had not fully implemented the new policy and processes relating to [y] for the period [date] to [date]. The matter was fully investigated, a remedial action plan was drawn up and the necessary changes were implemented within three months. A follow-up monitoring visit and testing showed no further deviations at this site.

Based on the monitoring procedures performed, except for the matter described above, the company conformed with the Responsible Gold Mining Principles as at and for the year ended [date].

Link to Assurance Statement

The company engaged the services of an assurance provider [name of assurance firm], and its Independent Assurance Report can be viewed on [page number/ web link].

Annex 2: Illustrative Independent Assurance Report

This is an illustrative report only. The reporting format adopted should align with the reporting and assurance standard being used.

Independent limited assurance report to the directors of [name of company]

We were engaged by [name of company] (the “Company”) to provide limited assurance on the conformance with the Responsible Gold Mining Principles for the year ended [date].

Assurance conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention to indicate that the Company’s conformance with the Principles as described in [set out where described in the report on the RGMPs] as at [date] is not fairly stated, in all material respects. This conclusion is to be read in the context of the remainder of our report.

Assurance scope

The assurance scope consists of a review of the disclosures made by the Company [state where these disclosures can be found] and the underlying systems, processes and performance to conform with the requirements of the RGMPs. The illustrative criteria for the Company’s conformance with the Responsible Gold Mining Principles are set out in the *Guidance on implementing and assuring the RGMPs: supplement to the Assurance Framework*.

Respective responsibilities of the company and the independent practitioner

The Company is responsible for ensuring that the Company designs, implements, operates and monitors activities, processes and controls to ensure compliance with policies and procedures that conform with the Principles. It is also responsible for the preparation and presentation of the report on implementing the RGMPs.

Our responsibilities are to carry out a limited assurance engagement and to express a conclusion based on the work performed. We conducted our assurance engagement in accordance with [set out details of applicable standard/s and include, in this report, any additional paragraphs required by those standards] and the guidance set out in the *Assurance Framework for the Responsible Gold Mining Principles* and the *Guidance on implementing and assuring the RGMPs: supplement to the Assurance Framework*.

The extent of evidence-gathering procedures performed in a limited assurance engagement is less than for a [reasonable/moderate/high⁴] level of assurance, and therefore a lower level of assurance is provided.

Limited assurance procedures performed

[Describe the assurance procedures performed, for example:

We planned and performed our work to obtain all the evidence, information and explanations considered necessary in relation to the above scope. These procedures included:

- Enquiries of management to gain an understanding of the Company’s processes and risk management protocols in place
- Enquiries of staff responsible for the performance of the processes at corporate level and at selected sites, and for preparation of the disclosure related to the RGMPs
- Visits to the following operating mine sites, which were selected taking account of the risk profile of those sites [list sites]
- Assessment of the suitability of policies, procedures and internal controls that the Company has in place to conform with the Principles
- Etc.].

⁴ [include wording here explaining that ISAE 3000 contemplates limited vs reasonable assurance; AA1000AS contemplates low, moderate and high assurance – either way, low/limited is not as extensive as the other levels].

Inherent limitations

Non-financial information, such as the Company's conformance with the Principles, is subject to more inherent limitations than financial information, given the more qualitative characteristics of the subject matter and the methods used for determining conformance. The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measurement techniques and can affect comparability between entities and over time.

Independence and competency statement

In conducting our engagement, we have [applied/ complied with] [state any applicable ethical/independence, competency, quality control standards].

We confirm that we satisfy the criteria for assurance providers as set out in the *Assurance Framework for the Responsible Gold Mining Principles* and the *Guidance on implementing and assuring the RGMPs: supplement to the Assurance Framework*, issued by the World Gold Council.

[BASIS FOR QUALIFIED CONCLUSION Include basis for qualified conclusion paragraph, where relevant]

[Signature]

[Assurance Firm]

[Location]

[Date]

Annex 3: Frequently asked questions

Implementing the RGMPs

Who does the gap assessment, and do I need to assure it in years 1 and 2?

As described in **Section 3.3**, the RGMPs allow a three-year period for implementation. During years 1 and 2, a company is required to carry out a self-assessment for all sites in scope, to determine the status of its conformance with the Principles. This self-assessment exercise will identify areas where more work may be required to achieve conformance with the Principles. This self-assessment process will be the subject of the assurance process in years 1 and 2.

Can I reach full conformance before year 3?

Yes – many companies will already be conforming with some or all of the Principles and they can seek assurance of their full conformance as soon as, within the three-year period for implementation, they are confident that they are conformant.

What if the application of the Principles conflicts with local laws or regulations?

If local laws explicitly prohibit a requirement(s) of the Principles, the local laws or regulations will take precedence over the Principles. The implementing company should, however, describe the reasons that it cannot implement the specific Principle(s), and describe any measures that have been taken to ensure that the overall spirit or intention of the Principles is still being met. If this is done, the assurance provider will not view it as a non-conformance since Principle 1.1 affirms that, as a minimum expectation, implementing companies will obey the laws of their home and host countries and relevant international law. If, however, there is merely a divergence between the Principles and local laws or regulations – i.e., the Principles envisage performance that goes above and beyond local requirements – implementing companies should observe whichever is the more demanding.

What if local country laws or regulations are more straightforward/easier to meet than a Principle in the RGMPs?

If this is the case, the Principles will take precedence over the local country laws or regulations and the implementing company will be required to go beyond local requirements to meet the Principles.

How do I deal with retrospective application of the RGMPs?

Some of the Principles may be more or less applicable at certain stages of a mine's life cycle i.e., exploration, development, operation, closure. For example, related to Principle 2.4 while environmental and social impacts should be continually assessed and managed over the life cycle, the main environmental and social impact assessment (which is often a prerequisite for mine approval) will be carried out during the development stage. It is recognised that many companies implementing the RGMPs will do so for mines already in operation and at closure stages. Consequently, there may not be the opportunity to implement in full Principles that apply primarily at earlier life cycle stages. In these instances, companies can assess the extent to which retrospectively applying the Principles can be done in a way that is practical and meaningful and leads to improvements in their social licence to operate. Full retrospective application of the Principles, however, is not required.

Planning for the assurance engagement

How often do I need to conduct assurance?

A company's conformance with the RGMPs should be assured every year, covering a 12-month period.

Is the assurance conducted at corporate or site level, or both?

Assurance over the Principles is delivered for the company as a whole and therefore requires assurance at multiple levels of the company – corporate, regional or country levels, if applicable, and, importantly, at mine-site level. At site level an assurance provider will test the implementation of the Principles on the ground in order to support the delivery of the overall company-level assurance.

How do I select sites for assurance? How many sites are visited each year as part of the assurance engagement?

This will depend on the size of the company and the risk level at each site with respect to the ESG issues covered by the Principles. As described in **Section 4.3**, the implementing company is expected to carry out an assessment of the risk level across all sites within the company. This risk assessment will then be reviewed by the assurance provider as part of the planning process, and a decision will be made jointly by the company and assurance provider as to which sites to visit, and how sites will be cycled through year-on-year. As a guide, between one and four sites should be visited a year depending on the size of the company, and an assurance provider should aim to visit all the sites in a company's portfolio over at least a three- to five-year period.

How does an assurance provider assure the company when it does not visit every site?

An assurance provider will typically start its review at a company's head office to understand how each Principle applies at the company and the extent to which there are common or consistent policies and processes in place across the company to conform with the Principles. The assurance provider will then visit one or more sites (depending on the size of the portfolio) to test how the Principles have been implemented in practice. In the event of a multi-year assurance engagement, in the early years of assurance, when an assurance provider is becoming more familiar with an implementing company, it may look to increase the number of sites visited in order to feel confident that there is a consistent level of performance across sites (even if conformance with the Principles differs between sites). An assurance provider may additionally carry out "remote" testing of selected issue areas (at sites that are not being visited) e.g., through telephone interviews and site-specific document review.

If a company or site is assured as conforming with the Principles, does it have to be assured repeatedly?

Assurance is delivered on an annual basis, so each year conformance with the Principles will need to be demonstrated. Although an assurance provider may rely on knowledge and insights gained in previous years' assurance engagements, each year a company will need to demonstrate conformance with all sites in the scope of implementation. If a site has been visited as part of an assurance engagement, and is judged to be conforming with the Principles, it is unlikely that it will be visited the following year as it is recommended that each site will be visited at least every three to five years. However, an assurance provider will want to confirm a site's continued conformance with the Principles, especially if there are higher-risk ESG issues that need to be carefully managed. For lower-risk environments, this may sometimes be done remotely (e.g., through telephone interviews/ document review) or through a consolidation exercise at corporate level.

Selecting and engaging an assurance provider

Who selects the assurance provider?

The implementing company selects the assurance provider using the criteria set out in **Section 2.3** of the Framework.

What are the most important criteria for selecting an assurance provider?

The implementing company should make its selection based on the criteria set out in **Section 2.3**. Particular attention should be given to the assurance provider's experience of assessing ESG issues at site level in the mining industry, so that the implementing company can use the insights from the assurance provider to gain the most value from the assurance process.

How long will the assurance engagement process take?

The site visit part of the engagement is likely to take up to one week. The actual time required will vary depending on the size and complexity of the site, the amount of time required to spend at local offices and travel between office and site, etc. Audit time can be reduced by careful planning and providing information related to the implementation of the Principles ahead of the "audit."

How many people would be on the audit team?

It is likely that two to three people would be on the audit team. Having a number of team members ensures that a range of skills will be available and reduces the overall audit time, as interviews can be “doubled up” or one auditor can review documentation while another carries out interviews.

How should a company prepare for the assurance visit?

For the assurance visit to the site, the assurance provider will want to understand, through discussion with management, the nature and extent of operations (and the broader operating context) and how the Principles have been applied at the site. The assurance provider will look to review documentation to support management’s assertions on how the Principles have been implemented and any performance challenges. An implementing company should prepare this documentation in advance.

Non-conformance

Does every site need to meet all 51 of the RGMPs? What happens if a site does not conform with one or two Principles, but conforms with the rest?

As set out in [Section 3.3](#), the Principles allow up to a three-year initial implementation period, after which implementing companies are expected to have implemented all of the applicable Principles, in all material aspects, across all of the sites within the scope of implementation. If after three years there are isolated elements of specific Principles that have not been implemented, assurance can still be obtained provided that there is adequate disclosure in the company’s reporting around the areas of non-conformance and there is a clear plan in place to address the areas of non-conformance in a timely fashion. It will be down to the judgement of the assurance provider to determine at what point multiple areas of non-conformance mean that an implementing company cannot be said to have implemented the Principles and the assurance cannot be obtained. Further detail on non-conformance is provided in [Section 4.5](#).

Reporting

What reporting is required around a company’s implementation of the RGMPs? How much detail is required?

The reporting requirements for a company implementing the RGMPs are described in [Section 3.2](#). An assurance provider will look to ensure that this reporting is a fair and accurate reflection of the company’s implementation of the RGMPs. The assurance provider will present its conclusions in its Assurance Report (see [Annex 2](#)).

Links to other audit/assurance/certification schemes

How do I get credit for other audits and assurance exercises I have already completed? Will the assurance provider accept these?

Many companies implementing the RGMPs will also be implementing other standards which are required to be assured/certified. Where there is a significant amount of overlap in the subject matter of the standards (and the assurance requirements are similar), it is anticipated that an implementing company will be able to use a single assurance provider to carry out a single assurance engagement to cover multiple standards. Where it is not possible to use a single assurance provider (e.g., where certain standards require highly specialised/technical auditors such as certification of the Cyanide Code), it is expected that the assurance provider will be able to use the work done by other assurance providers to support the RGMP assurance. More details on what the RGMP assurance will look for before accepting the work of other providers is provided in [Section 4.4](#).

How do I use assurance against the RGMPs to avoid or reduce audits under other frameworks or commitments?

It is recognised that an increasing number of gold mining customers (including refiners and manufacturers using gold in their products) and investors are interested in the provenance of gold and the manner in which it is mined. The RGMPs have been designed to set a robust and credible internationally recognised framework for responsible gold mining. By obtaining third-party assurance over the RGMPs, companies will be able to credibly demonstrate that they are operating responsibly. It is anticipated that this should reduce the number and/or extent of customer and investor audits/enquiries in relation to responsible mining practices.

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