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The scope of the draft methodology is very clear and takes into account the key factors and topics one would expect to see. Typically, most other initiatives look at benchmarking good practice of listed equities, therefore it is great that the index will also cover companies that are state-owned and private companies, as this will provide a different perspective.

A couple of additional thoughts:

Section 6 – Draft methodology

Measurement areas – effectiveness. For social indicators, the UNGPs are helpful in defining an effectiveness criteria. Perhaps the UNGP effectiveness criteria can be applied to this area more widely too? Measuring meaningful effectiveness, especially in terms of input/impact indicators and metrics, tends to be a challenge.

List of topics included (p.19):

Is there room for including anything on innovation and innovative solutions in the lifecycle management section? Innovative solutions and R&D tends to feature within the industry and might inherently carry ESG factors and benefits.

Metric types (p.19)

- Scope – how does the Index look at the wider scope of the value chain, e.g. joint ventures in upstream?

Section 7 – Data collection and analysis process

- Company reporting – how do you ensure companies will complete the survey? How will you manage unresponsiveness by companies within the designated time frame?
- Company review – will there be an engagement opportunity during the analysis? Are you planning to engage with the companies once the ranking is published to encourage better improvement and disclosure?

Section 8 Company wide indicators

- The section and indicators on enhancing the skills base and institutional capacity building is good. Would it be worth including something on local content within institutional capacity building (e.g. if there are any metrics in place disclosing the diversity composition and focus on hiring local content?)
- Grievance and remedy: it would be interesting to add a question on how the company tracks and monitors grievance mechanisms, any challenges faced in particular regions that might be

useful to inform operations/management in other regions etc. This could help reinforce the legitimacy and efficiency of grievance mechanisms in place, for investors.

- Unresolved issues – land use. Maybe it's a slight side comment, but in the scoping of mining projects it would be interesting to ask companies how they manage any legacy issues associated with the land? For example, if land was previously government owned or carries potential human rights risks/opportunities.

Here are also some comments from my colleague:

F.4.1 The company implements a water management system that reflects its commitment and accountability to the rights and needs of the affected area, including the environment, communities, farmers, and water-dependent industries.

- 'Affected area' could be re-worded to 'the catchments or regional basins the company is operating in' as this is more specific and still captures the different stakeholders that they have named above.
- A water stewardship strategy would be set at the corporate level, but each individual site will require a tailored water action plan to actually manage on-site and off-site water issues and risks. The company-wide commitment is probably better labelled as a strategy, whilst the operational level would be a water management plan.

F.4.2 The company publishes mine-site level water quality monitoring data in a timely manner

- This should include monitoring water quantity as well as water quality.
- Depending on how specific the indicators should be – maybe some wording around 'regular' monitoring and establishing baseline data too.

MS 4 The operating company actively and inclusively engages local communities in decisions on water management and in implementing and sharing the results of water quality monitoring activities.

- Again, water quantity will also be a factor here.

F.6.1 The company applies a mitigation hierarchy approach for biodiversity management.

Agree with this indicator but the biodiversity section misses any reference to operating in high biodiversity value areas or hotspots. Maybe this could be covered in the 'avoid' part of the mitigation hierarchy but something to flag and consider.