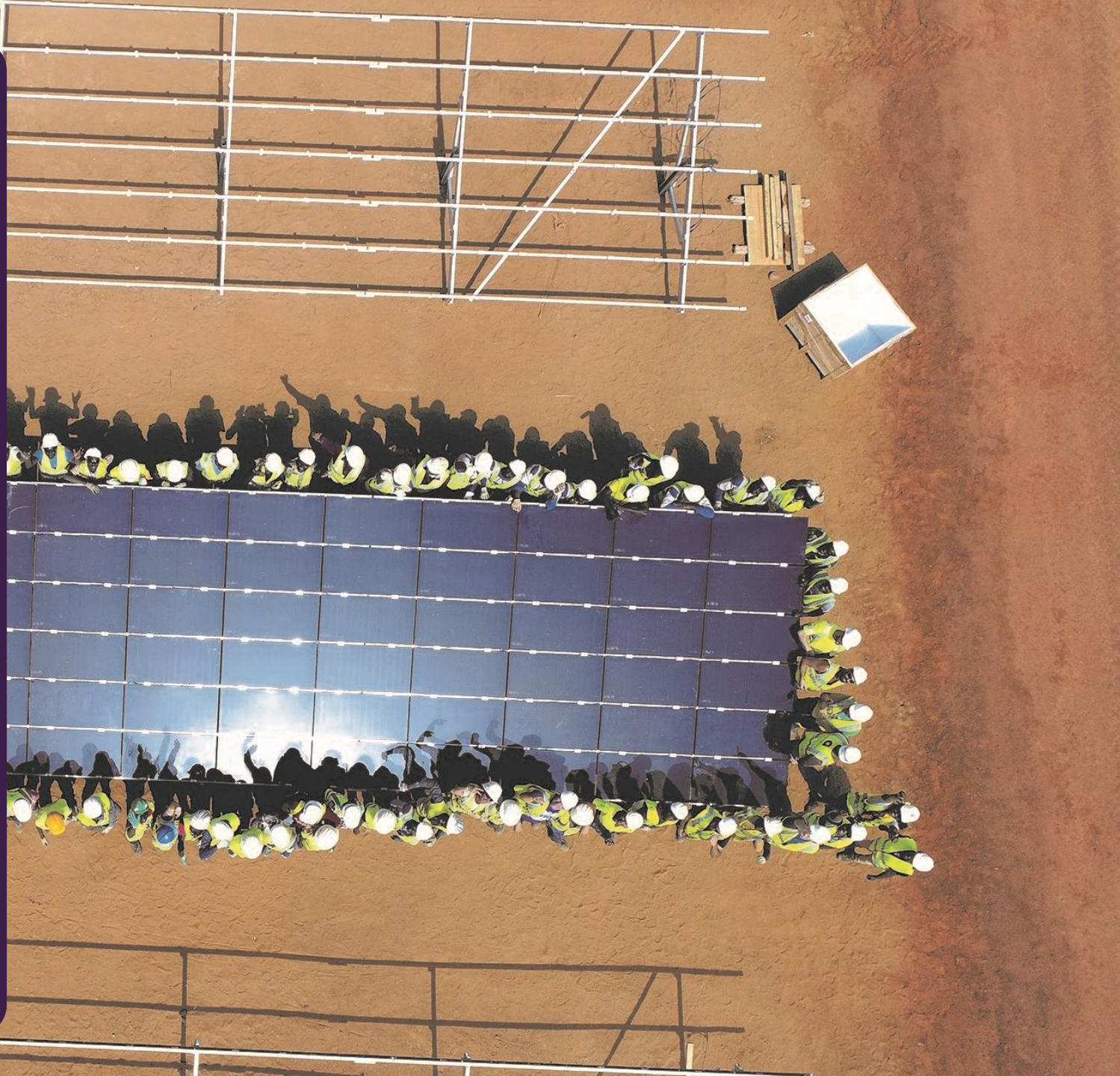




gold.org

Gold, ESG and Sustainability

A Summary





WGC: Responsible Gold, Sustainability and ESG

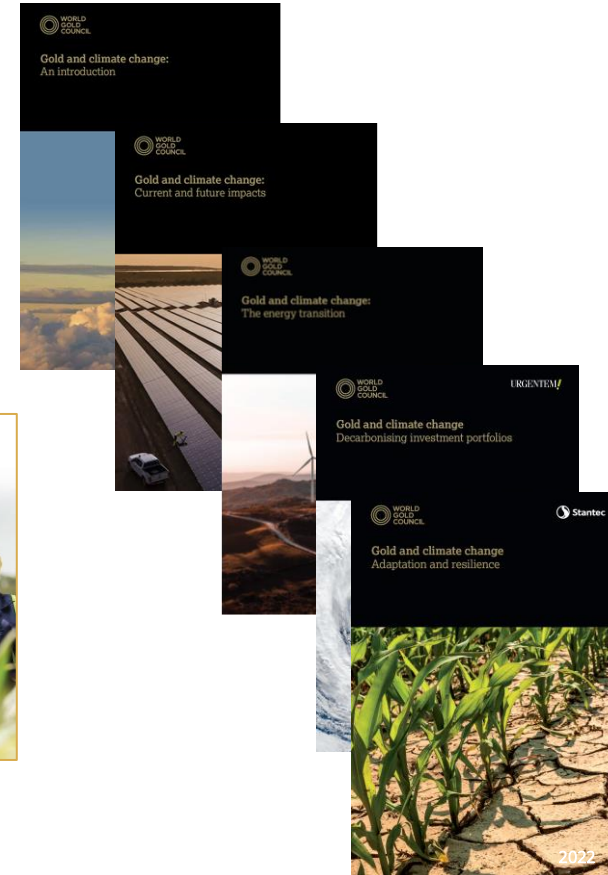
Responsible Mining



Contribution to Society



Climate Change



ASGM



Responsible Gold Mining





Responsible Gold Mining Principles (RGMPs)

- A framework which reflects expectations of responsible gold mining
- Provides investor and consumer confidence that their gold is ethically sourced
- Developed with strong input from civil society, investors, governments and supply chain participants
- Conformance requires full public disclosure and independent assurance
- Reflects the commitment of the world's leading gold mining companies

1. Ethical conduct 	2. Understanding our impacts 	3. Supply chain 	6. Labour rights 	4. Safety & health 	5. Human rights & conflict 	7. Working with communities 	8. Environmental stewardship 	9. Biodiversity, land use & mine closure 	10. Water, energy and climate change 
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Responsible Gold Mining Principles

Governance

1. Ethical conduct

- Legal compliance
- Code of conduct
- Combating bribery and corruption
- Political contributions
- Transparency
- Taxes and transfer pricing
- Accountability and reporting

2. Understanding our impacts

- Risk management
- Stakeholder engagement
- Due diligence
- Impact assessment
- Resolving grievances

3. Supply chain

- Supply chain policy
- Local Procurement
- Market access for ASM

Social

4. Safety and health

- Safety
- Safety management systems
- Occupational health and wellbeing
- Community health and emergency planning

5. Human rights and conflict

- UN Guiding Principles
- Avoiding complicity
- Security and human rights
- Conflict

6. Labour rights

- Wages and benefits
- Preventing discrimination and bullying
- Child and forced labour
- Freedom of association and collective bargaining
- Diversity
- Women and mining
- Raising concerns

7. Working with communities

- Community consultation
- Understanding communities
- Creating local benefits
- Seeking community support
- In-migration
- Indigenous Peoples
- Cultural heritage
- Resettlement

Environment

8. Environmental stewardship

- Managing environmental impacts
- Tailings and waste management
- Cyanide and hazardous materials
- Mercury
- Noise and dust

9. Biodiversity, land use and mine closure

- Biodiversity
- World Heritage Sites
- Land use and deforestation
- Mine closure

10. Water, energy and climate change

- Water Efficiency
- Water access and quality
- Combating climate change
- Energy efficiency and reporting

The Social and Economic Contribution of Gold Mining





The social and economic contribution of gold mining

Key highlights

In 2022, World Gold Members:

- Directly contributed a total of US\$57.7bn to host economies of 34 countries
- This comprised US\$38.3bn of payments to in-country suppliers, US\$10.1bn in employee wages and US\$9.3bn in payments to governments
- Directly employed close to 210,000 people and over 150,000 contractors
- Every local job at gold mining operations supports six more, or close to ten more if induced jobs are included*
- National employees make up 95% of the in-country workforce
- An estimated 16% of employees are women – compared to 5-10% in the wider mining sector

* Based on analysis from 2021 report [The Social and Economic Contribution of Gold Mining](#) | World Gold Council





Gold mining industry's contribution to the UN Sustainable Development Goals

When undertaken responsibly....

...gold mining contributes significantly to sustained social and economic development

The Responsible Gold Mining Principles provide an over-arching ESG framework which defines responsible gold mining

including through employment, infrastructure, healthcare, education, environmental stewardship, and tax and royalty payments to government



Artisanal and Small-Scale Gold Mining Challenges and Why They Matter





ASGM challenges

- 15 million + direct livelihoods from ASGM
- 20% of newly-mined gold production from ASGM sector
- 80% undertaken **outside of legal frameworks**
- Growth driven by high prices; unemployment; conflict; displacement; climate change
- Value of ASGM economy c. **\$40 billion p.a.**
- Association with illicit flows, smuggling, money laundering, organised **crime**
- **Environmental degradation**
- **Poor safety** performance; breaches of labour standards
- Fragmentation of production units inhibits due diligence and restricts market access



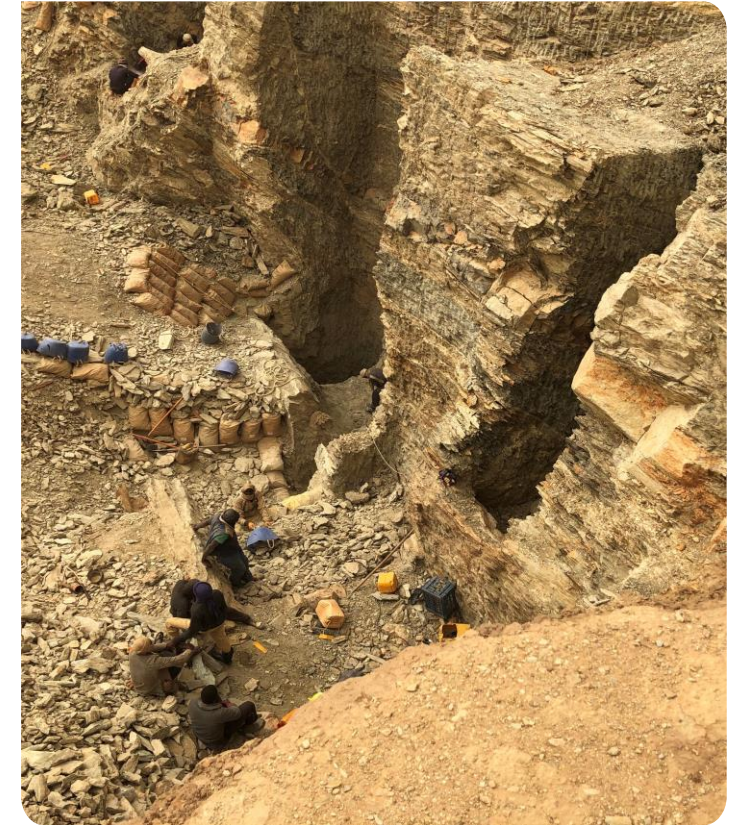


Why ASGM matters to the World Gold Council

- Biggest **social/developmental/environmental challenge** for gold sector
- Illegal mining and **unregulated ASGM** is a source of **instability** for gold market
- Illegal/unregulated mining **fuels and finances conflict and corruption** in some producer countries
- **Reputational and security challenges** for gold
- ASGM can be a major source of **operational disruption** for WGC companies

Our Policy Objectives

- Seek to **promote positive developmental impacts** of ASGM
- **Promote formalisation** of small-scale mining – **rule of law**
- **Reduce environmental hazards** associated with mercury and cyanide use
- Co-operate with others in **countering illicit flows**
- Spread **responsible management practices**

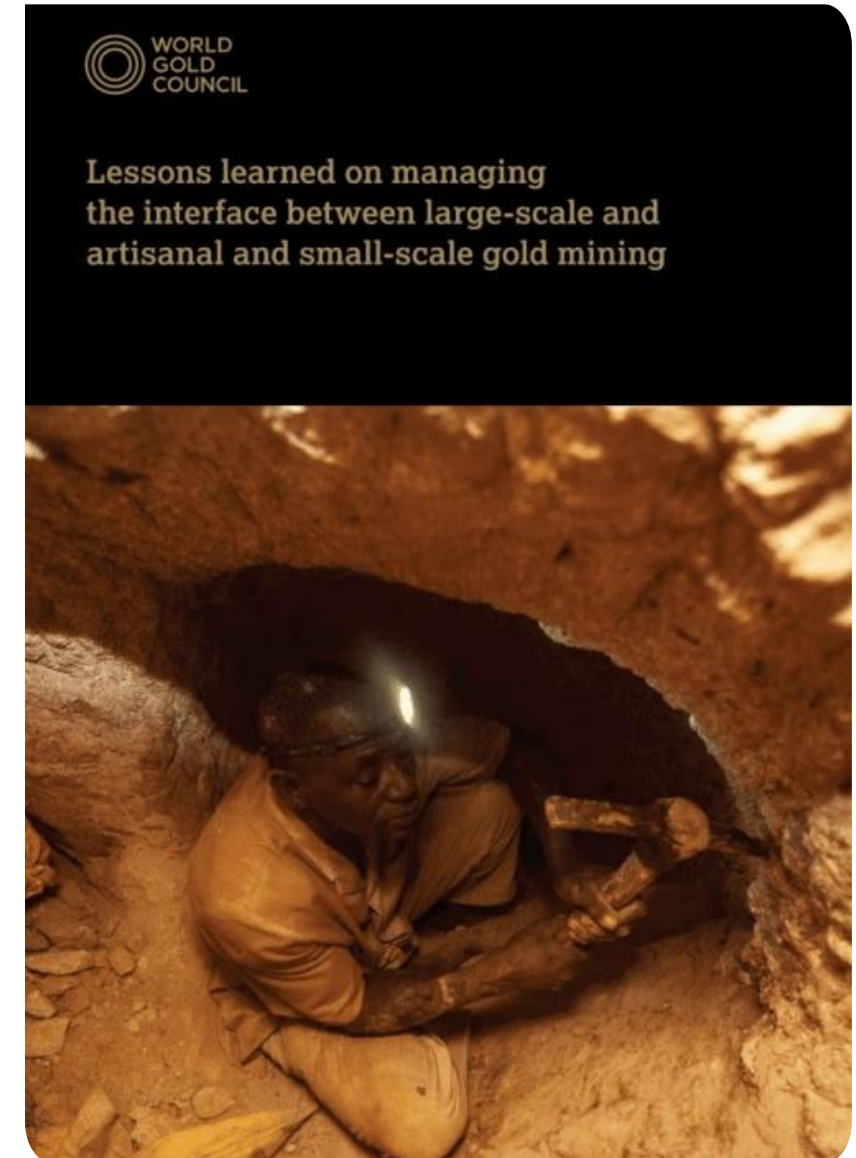




LSM/ASGM interface

Large-Scale Miners can support responsible ASGM through:

- Advocacy with host governments to facilitate co-existence arrangements
- Capacity building of ASM groups (e.g. formation of companies or co-operatives, regulatory compliance and business skills)
- Relinquishment or sub-contracting of concession areas unsuitable for industrial mining
- Technical support (e.g. safety; processing etc)
- Sharing geological data
- Integration with company programmes on social investment, supply chains and livelihoods
- Ore purchase programmes or toll treatment of material
- Due diligence or logistical support to get ASM material to market
- Facilitation of access to funding and equipment
- Exploitation of non-gold resources on concession
- Co-operation on closure planning





Using Central Bank DPPs to leverage wider ASGM reform

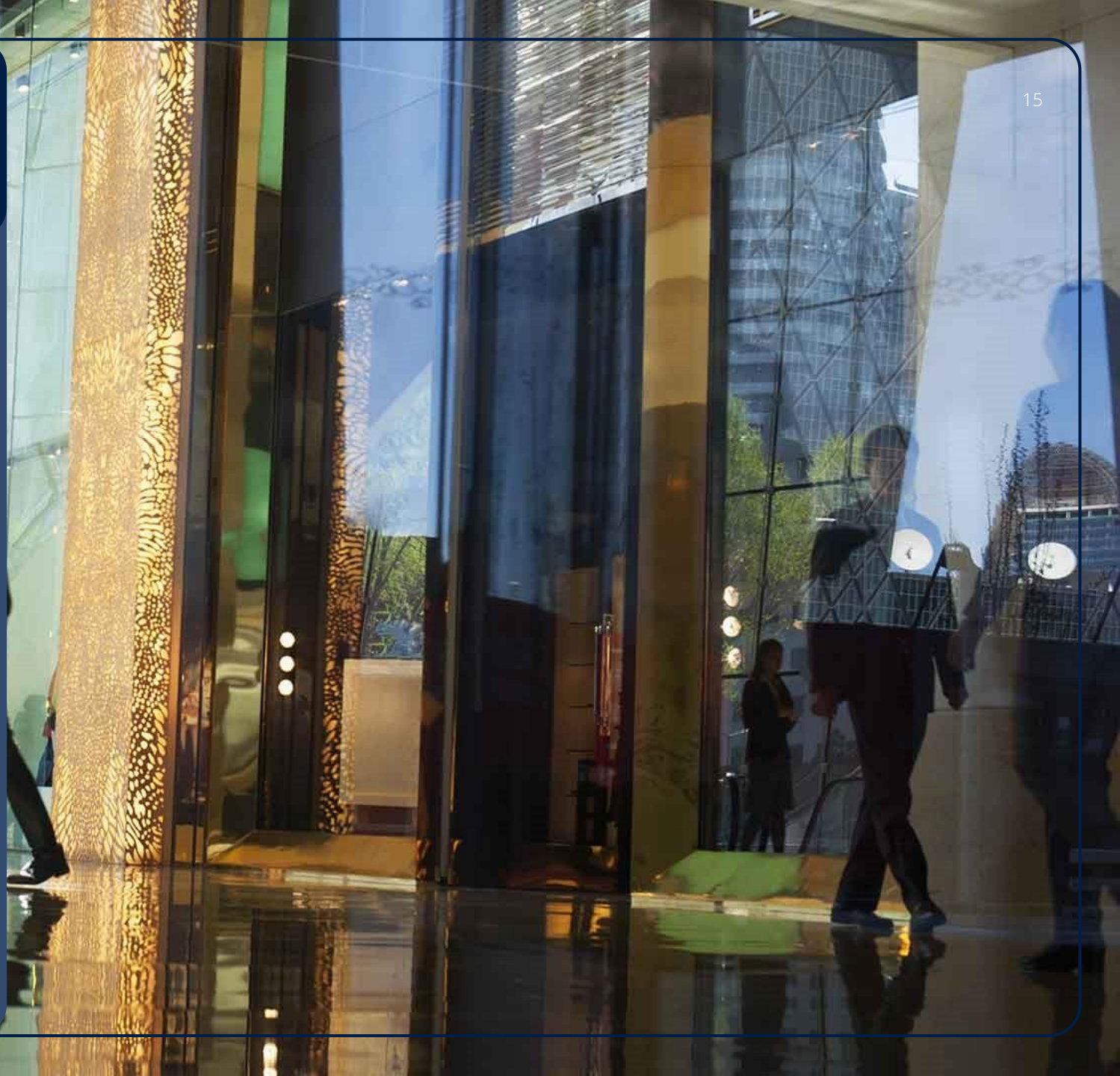


More later...

Gold and
Climate Change

Gold Industry Declaration of Sustainability Principles

*An industry-wide statement of
ambition and intent on
responsible business practices
and sustainability objectives*






Coming together...

...to put **Principles into Practice**; to produce **Profit with Purpose**...

“The world has problems governments can’t solve; we need the innovation of business... We need the ability of business to drive new things at scale...

*Industries collaborate, governments start to regulate and it becomes **a virtuous circle**”* DARIAN STIBBE, THE PARTNERING INITIATIVE

*The sustainability challenges our world faces today are too big for any individual company to tackle. Pooling resources, intelligence, **leadership, and common sustainability goals** with other companies, even with competitors, can **elevate the level of results and make a significant difference.**”*  Network for Business Sustainability



... moving towards Convergence, Collaboration and Consensus

Gold Industry Declaration of Responsibility and Sustainability Principles

1. Aligning gold industry practices and operations with the relevant responsible sourcing standards.
2. Supporting the advancement of the UN Sustainable Development Goals (SDGs) by working with partners in government, industry, and civil society.
3. **Respecting human rights** by aligning the gold industry's activities with the United Nations Guiding Principles for Business and Human Rights and the core labour rights of the International Labour Organisation, including an absolute commitment to high safety and health standards.
4. **Promoting diversity, equity, and inclusion** in our organisations and across the industry, supporting the representation and participation of people of different genders, ages, races and ethnicities, abilities and disabilities, religions, cultures and sexual orientations.
5. Considering the **impact of the gold industry's activities on Indigenous Peoples and other potentially vulnerable populations.**
6. Improving the gold industry's understanding of its impacts on climate change and to **reporting its positions on climate change**, aligned with the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD).
7. Working to **reduce the gold industry's greenhouse gas emissions**, in line with goals of the Paris Agreement.
8. Exploring opportunities to **support responsible Artisanal and Small-Scale Mining (ASM) in the formalisation of the sector, to improve its environmental, social and governance performance**, and to encourage closer engagement between ASGM actors and the formal gold supply chain.
9. Encouraging **industry-wide participation and collaboration** in advancing and implementing these Principles.
10. **Reporting on progress** in the implementation of these Principles.

Gold Industry Declaration of Responsibility and Sustainability Principles

Gold plays a unique role in the global economy; in stimulating economic growth; 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 contributions that gold makes to socio-economic progress. To maintain and strengthen that trust, we – key participants in the global gold industry – are committed to operating responsibly and sustainably, from mine to market, and this declaration sets out the principles that guide that commitment.

The gold supply chain is complex and global. Gold is mined on every continent except Antarctica, refined in numerous countries, and products containing gold are distributed across the globe in multiple sectors.

The gold industry has an opportunity to demonstrate and expand its contributions to sustained socio-economic development, as evidenced through our commitment to the advancement of the UN Sustainable Development Goals (SDGs).

We acknowledge that a commitment to high standards of responsible and sustainable business practices is critical. We also recognise the need to demonstrate how the gold industry collectively supports this ambition, as well as our commitment to continuous improvement. As such, we commit to:

1. Aligning gold industry practices and operations with the relevant responsible sourcing standards.
2. Supporting the advancement of the UN Sustainable Development Goals (SDGs) by working with partners in government, industry, and civil society.
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9. Encouraging industry-wide participation and collaboration in advancing and implementing these Principles.
10. Reporting on progress in the implementation of these Principles.

Demonstrating alignment with the Principles
This Declaration is intended as a clear statement of sectoral aspiration and intent. In most instances, gold market participants who want to demonstrate their commitment to the Declaration will do so through their adherence to initiatives that are designed for their specific activity in the supply chain.

- Specifically, it should be noted that:
- Gold mining companies can demonstrate their alignment with the Declaration through adherence to the World Gold Council's Responsible Gold Mining Principles
 - Gold refining companies can demonstrate their alignment with the Declaration through adherence to the LBMA's Responsible Gold Guidance.

As support for the Declaration grows, we expect a range of industry reference and proof points to be identified to demonstrate the ongoing progress and alignment of the wider gold industry with these Principles.





... moving towards Convergence, Collaboration and Consensus

Gold Industry Declaration of Responsibility and Sustainability Principles

1. Responsible Sourcing.
2. Sustainable Development Goals (SDGs)
3. Human Rights
4. Diversity, Equity, and Inclusion
5. Indigenous Peoples and Vulnerable Populations
6. Climate Change Reporting
7. Climate Change Emissions Reduction
8. Formalisation/Professionalisation of Artisanal and Small-Scale Gold Mining (ASGM)
9. Industry-wide Collaboration
10. Reporting on Progress

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An Industry-wide Statement of Ambition and Intent

Gold Industry Declaration of Responsibility and Sustainability Principles

Signatories to the Declaration:

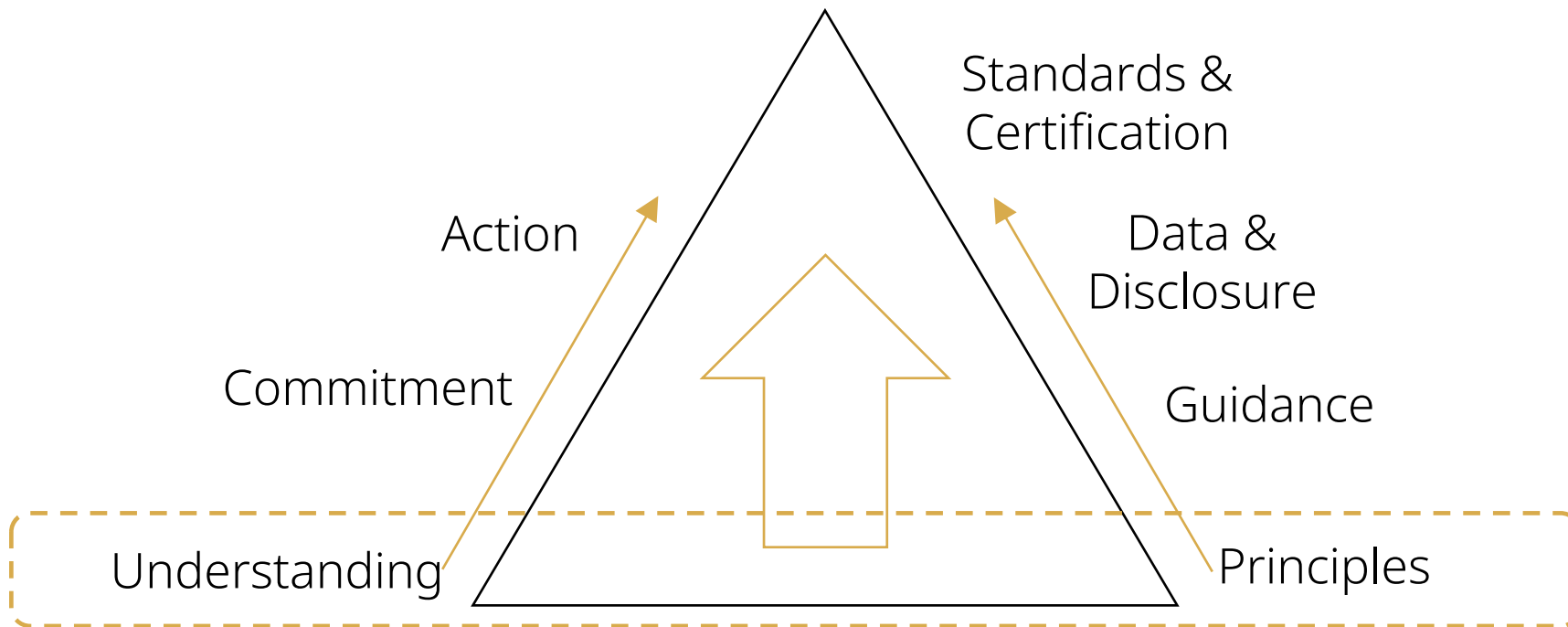
- London Bullion Market Association (LBMA)
- World Gold Council (WGC),
- Singapore Bullion Market Association (SBMA)
- China Gold Association (CGA)
- Swiss Association of Precious Metals Producers and Traders (ASFCMP)
- London Metal Exchange (LME)
- Dubai Multi Commodities Centre (DMCC)
- Indian Gold Policy Centre (IGPC)
- Indian Bullion and Jewellery Association (IBJA)
- Indian International Bullion Exchange (IIBX)
- World Jewellery Confederation (CIBJO)
- Artisanal Gold Council (AGC)
- Responsible Jewellery Council (RJC)
- Watch and Jewellery Initiative 2030 (WJI2030)



A Sectoral Sustainability Journey...

Foundations and Forward Motion

Awareness → Knowledge → Commitment → Action → Measurement → Improvement





What next?

Moving forward...



GoldPrinciples

Evidence and examples:

- of current frameworks, guidance and standards
- of current (corporate) good practice
- of partnerships and collaboration
- of progress – data, metrics and ‘proof points’

Cross-industry dialogue and engagement

- Collective awareness and understanding
- Information exchange and shared problem-solving



Thank you.
Any questions?

X @goldcouncil

in World Gold Council

f @worldgoldcouncil

[gold.org](https://www.gold.org)

