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ICMM
International Council
on Mining & Metals

MINING WITH
PRINCIPLES



TOOLS FOR SOCIAL PERFORMANCE

ABOUT THESE TOOLS

Mining often takes place in and around local communities and on Indigenous land. It has the power to create lasting positive outcomes and carries the responsibility to avoid/minimise negative impacts.

How well mining and metals companies mitigate negative impacts from their activities and maximise positive benefits for local communities and society is increasingly important to all stakeholders. Getting it right consistently across the sector, in order to build trusted relationships with impacted communities, will also be key to meeting the demand for the critical minerals necessary to drive the clean energy transition.

Yet, social performance – what it is, what value it delivers and how to improve it – is not always consistently understood or executed well.

In 2019, ICMM examined the value of the social performance function to mining companies and to what degree social performance was integrated into company decision-making processes. It explored opportunities for deeper integration of

social performance functions, in pursuit of an optimal all-of-asset approach to social performance.

In 2020, ICMM agreed a standard definition of social performance, (see box below). It also embarked on a project to compile this series of short, accessible, and practical tools to support greater understanding of what social performance is, and the enablers required within organisations to deliver good, consistent social performance. The tools distil practical insights from social practitioners, both from member companies and external experts, gained over decades of experience supporting organisations to ‘build in’ rather than ‘bolt on’ the management of social risks and impacts.

The tools are primarily targeted at non-social performance specialists within mining companies, with an emphasis on integrating social performance considerations across whole-of-assets to improve decision making. They will also be useful to social performance specialists in communicating internally about how to integrate social performance across the business. They have been designed as an additional resource to the existing suite of ICMM materials which support improved social performance.

Social performance definition

Social performance is the outcome of a company’s engagement, activities and commitments that can directly and indirectly impact stakeholders or affect the quality of its relationships with them. Achieving excellence in social performance requires strong leadership, integrated management systems, and the capability and culture to identify, address and report social risks and impacts.

Social performance management aims to:

- Avoid harm to people and communities from company activities throughout the mining life cycle.
- Ensure respect for human rights.

- Contribute to the social and economic development of affected people and engage society more widely on key issues.
- Establish and maintain relationships of trust between companies and stakeholders for mutual benefit.

Critical to a mining and metals company’s social performance is how well a company fulfils its commitments, interactions and activities as they relate to local communities. Broader societal aspects include revenue and contract transparency, mineral resource governance, and engagement with partners across the value chain on social risks.

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This is one of a set of practical tools aimed at enhancing the understanding of what social performance is, why it is important and how it can be integrated into business decision making. The tools have been developed for non-social performance specialists working in mining companies and to support social performance specialists in influencing decision makers in their companies. The full set of tools can be accessed on [ICMM's website](#)

WHAT IS SOCIAL PERFORMANCE?

Tools for Social Performance

WHAT IS SOCIAL PERFORMANCE?

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ICMM's Mining Principles

ICMM requires members to commit to its [Mining Principles](#), which define good environmental, social and governance requirements for the industry through a comprehensive set of performance expectations. Almost all of the Mining Principles and related Performance Expectations contain social performance requirements, which are intended to embed social performance throughout a company's systems.

Table 1 lays out the Performance Expectations per Principle to illustrate how they embed social performance. Blue shading indicates where social performance considerations would directly influence decision making and action to meet the expectation. Grey shading indicates that social performance considerations are less directly relevant but may still contribute to decision making and action.



WHAT IS SOCIAL PERFORMANCE?

Table 1. Integration of social performance considerations across ICMM Performance Expectations
(blue shading indicates where social performance principles would directly influence decision making and action)

Mining Principle	Description	Performance Expectations	
1. Ethical business	Apply ethical business practices and sound systems of corporate governance and transparency to support sustainable development.	1.1	Establish systems to maintain compliance with applicable law.
		1.2	Implement policies and practices to prevent bribery, corruption and to publicly disclose facilitation payments.
		1.3	Implement policies and standards consistent with the ICMM policy framework.
		1.4	Assign accountability for sustainability performance at the Board and/or Executive Committee level.
		1.5	Disclose the value and beneficiaries of financial and in-kind political contributions whether directly or through an intermediary.
2. Decision-making	Integrate sustainable development in corporate strategy and decision-making processes.	2.1	Integrate sustainable development principles into corporate strategy and decision-making processes relating to investments and in the design, operation and closure of facilities.
		2.2	Support the adoption of responsible health and safety, environmental, human rights and labour policies and practices by joint venture partners, suppliers and contractors, based on risk.
3. Human rights	Respect human rights and the interests, cultures, customs and values of employees and communities affected by our activities.	3.1	Support the UN Guiding Principles on Business and Human Rights by developing a policy commitment to respect human rights, undertaking human rights due diligence and providing for or cooperating in processes to enable the remediation of adverse human rights impacts that members have caused or contributed to.
		3.2	Avoid the involuntary physical or economic displacement of families and communities. Where this is not possible apply the mitigation hierarchy and implement actions or remedies that address residual adverse effects to restore or improve livelihoods and standards of living of displaced people.
		3.3	Implement, based on risk, a human rights and security approach consistent with the Voluntary Principles on Security and Human Rights.
		3.4	Respect the rights of workers by: not employing child or forced labour; avoiding human trafficking; not assigning hazardous/ dangerous work to those under 18; eliminating harassment and discrimination; respecting freedom of association and collective bargaining and; providing a mechanism to address workers grievances.

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		3.5	Remunerate employees with wages that equal or exceed legal requirements or represent a competitive wage within that job market (whichever is higher) and assign regular and overtime working hours within legally required limits.
		3.6	Respect the rights, interests, aspirations, culture and natural resource-based livelihoods of Indigenous Peoples in project design, development and operation; apply the mitigation hierarchy to address adverse impacts and; deliver sustainable benefits for Indigenous Peoples.
		3.7	Work to obtain the free, prior and informed consent of Indigenous Peoples where significant adverse impacts are likely to occur, as a result of relocation, disturbance of lands and territories or of critical cultural heritage, and capture the outcomes of engagement and consent processes in agreements.
		3.8	Implement policies and practices to respect the rights and interests of women and support diversity in the workplace.
4. Risk management	Implement effective risk-management strategies and systems based on sound science and which account for stakeholder perceptions of risks.	4.1	Assess environmental and social risks and opportunities of new projects and of significant changes to existing operations in consultation with interested and affected stakeholders, and publicly disclose assessment results.
		4.2	Undertake risk-based due diligence on conflict and human rights that aligns with the OECD Due Diligence Guidance on Conflict-Affected and High-Risk Areas, when operating in, or sourcing from, a conflict-affected or high-risk area.
		4.3	Implement risk-based controls to avoid/prevent, minimise, mitigate and/or remedy health, safety and environmental impacts to workers, local communities, cultural heritage and the natural environment, based upon a recognised international standard or management system.
		4.4	Develop, maintain and test emergency response plans. Where risks to external stakeholders are significant, this should be in collaboration with potentially affected stakeholders and consistent with established industry good practice.
5. Health and safety	Pursue continual improvement in health and safety performance with the ultimate goal of zero harm	5.1	Implement practices aimed at continually improving workplace health and safety, and monitor performance for the elimination of workplace fatalities, serious injuries and prevention of occupational diseases, based upon a recognised international standard or management system.
		5.2	Provide workers with training in accordance with their responsibilities for health and safety, and implement health surveillance and risk-based monitoring programmes based on occupational exposures.

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6. Environmental performance	Pursue continual improvement in environmental performance issues, such as water stewardship, energy use and climate change	6.1	Plan and design for closure in consultation with relevant authorities and stakeholders, implement measures to address closure-related environmental and social aspects, and make financial provision to enable agreed closure and post-closure commitments to be realised.
		6.2	Implement water stewardship practices that provide for strong and transparent water governance, effective and efficient management of water at operations, and collaboration with stakeholders at a catchment level to achieve responsible and sustainable water use.
		6.3	Design, construct, operate, monitor and decommission tailings disposal/storage facilities using comprehensive, risk-based management and governance practices in line with internationally recognised good practice, to minimise the risk of catastrophic failure.
		6.4	Apply the mitigation hierarchy to prevent pollution, manage releases and waste, and address potential impacts on human health and the environment.
		6.5	Implement measures to improve energy efficiency and contribute to a low carbon future, and report the outcomes based on internationally recognised protocols for measuring CO2 equivalent (GHG) emissions.
7. Conservation of biodiversity	Contribute to the conservation of biodiversity and integrated approaches to land-use planning	7.1	Neither explore nor develop new mines in World Heritage sites, respect legally designated protected areas, and design and operate any new operations or changes to existing operations to be compatible with the value for which such areas were designated.
		7.2	Assess and address risks and impacts to biodiversity and ecosystem services by implementing the mitigation hierarchy, with the ambition of achieving no-net-loss of biodiversity.
8. Responsible production	Facilitate and support the knowledge-base and systems for responsible design, use, re-use, recycling and disposal of products containing metals and minerals	8.1	In project design, operation and de-commissioning, implement cost-effective measures for the recovery, re-use or recycling of energy, natural resources, and materials.
		8.2	Assess the hazards of the products of mining according to UN Globally Harmonised System of Hazard Classification and Labelling or equivalent relevant regulatory systems and communicate through safety data sheets and labelling as appropriate.
9. Social performance	Pursue continual improvement in social performance and contribute to the social, economic and institutional development of host countries and communities.	9.1	Implement inclusive approaches with local communities to identify their development priorities and support activities that contribute to their lasting social and economic wellbeing, in partnership with government, civil society and development agencies, as appropriate.
		9.2	Enable access by local enterprises to procurement and contracting opportunities across the project life cycle, both directly and by encouraging larger contractors and suppliers, and also by supporting initiatives to enhance economic opportunities for local communities.

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		9.3	Conduct stakeholder engagement based upon an analysis of the local context and provide local stakeholders with access to effective mechanisms for seeking resolution of grievances related to the company and its activities.
		9.4	Collaborate with government, where appropriate, to support improvements in environmental and social practices of local Artisanal and Small-scale Mining (ASM).
10. Stakeholder engagement	Proactively engage key stakeholders on sustainable development challenges and opportunities in an open and transparent manner. Effectively report and independently verify progress and performance.	10.1	Identify and engage with key corporate-level external stakeholders on sustainable development issues in an open and transparent manner.
		10.2	Publicly support the implementation of the Extractive Industries Transparency Initiative (EITI) and compile information on all material payments, at the appropriate levels of government, by country and by project.
		10.3	Report annually on economic, social and environmental performance at the corporate level using the GRI Sustainability Reporting Standards.
		10.4	Each year, conduct independent assurance of sustainability performance following the ICMM guidance on assuring and verifying membership requirements.

WHAT IS THE VALUE OF SOCIAL PERFORMANCE?

The purpose of social performance is to maintain alignment between a company's behaviour and activities, and the expectations both of local stakeholders and broader society. Social performance is a support function, like others, that enables business outcomes. What is distinctive about social performance is the way in which it straddles a wide range of organisational, social and operating domains. Consequently, there are a number of ways in which social performance enables business success, as shown in Table 2. Each of these items overlaps and is complementary to a cohesive, integrated approach.

Table 2. How social performance enables business success

Realise company values and purpose	Creating value for stakeholders and communities is central to ICMM member companies' values and vision. It also provides employees with a greater sense of purpose in their work, which helps to attract and retain talent.
Enhance business decision-making	Integrating social performance perspectives, such as risks, impacts and opportunities, improves the outcomes of decision-making.
Manage complexity	The social performance function enables businesses to better navigate complex operating contexts, especially in new jurisdictions.
Enhance market value	Empirical research has revealed that companies with strong social performance and stakeholder cooperation tend to be more financially valuable.
Differentiate	Peer-leading social performance both improves company reputation and creates value for its external stakeholders.
Access to land	Social performance is crucial in securing and maintaining access to mineral resources and the land where they are located.
Access to finance	Amidst a greater focus on ESG and compliance with standards, like the Equator Principles, social performance has become key to securing finance.
Access to markets	Social performance enables companies to maintain access to markets amidst more stringent requirements for responsible sourcing and traceability.
'Insure' against risks to production	Strong social performance reduces risks to production by preventing company-community conflict.
Maintain legal compliance	Some aspects of social performance are mandated via regulatory, legal, and permitting conditions.

HOW TO ACHIEVE EXCELLENCE IN SOCIAL PERFORMANCE

Social performance is core to business. It should be integrated across the organisation and supported by a fully formed business function.

The organisational structure should reflect the fact that social performance is a key enabler of an asset's and corporate's objectives. The social performance function, at a minimum, should be organised, resourced, managed, held accountable and supported in the same ways as other established business support functions, such as safety and human resources. However, since securing and maintaining the social license to operate is core to business, all functions of the company should also contribute to a single cohesive, coordinated and integrated approach to social performance.

The ICMM resource on Integrating Social Performance Across the Organisation sets out guidance on how to structure the organisation to enable social performance success and how to achieve an all-of-asset approach to securing social performance outcomes.

An effective all-of-asset approach to social performance requires integrated management systems that feed information into company decision-making.

Companies should have procedures and standards for managing social risk that integrate into broader company-wide systems and processes. Management systems that integrate social performance serve a number of purposes, including embedding minimum performance standards for how an organisation interacts and engages with stakeholders, capturing knowledge about the social environment in which an organisation operates, identifying and managing social risks, and driving continuous improvement.

As with all management systems, the maturity of these can vary considerably. The ICMM Social Performance Maturity Matrix can be used to identify the maturity of a mining company's social performance approach in order to identify strengths and gaps to take action to improve those systems.

Good social performance depends on the skills, capabilities and engagement of people in the company.

Social performance is a technical function within companies that requires technical skills as well as specific behaviours and competencies.

Social performance practitioners need critical experience, skills, knowledge and behaviours to perform their function within the organisation. Decision-makers at all levels of the organisation should understand the social performance implications of their decisions. Other organisational functions that interact with stakeholders or have social performance responsibilities (including contractors) also need to have the necessary understanding and skills to deliver on the corporate or asset's social performance objectives. The attitude, approach to and awareness of social performance of those in non-social performance roles and especially the asset general manager, can be decisive.

An increasing number of practitioners in the extractives industry have medium or long-term career experience in social performance, and this trend is set to continue growing. Social performance practitioners come from a diverse range of backgrounds, including geography, anthropology, sociology, economics and development. As the field becomes increasingly professionalised, more resources for training and professional development in social performance are being made available.

The ICMM Social Performance Competency Framework supports social performance managers, human resources, and recruiters to identify the competencies that social performance practitioners, and others with social performance responsibilities, need to perform their job successfully.

The ICMM Social Performance: Guidance for Leaders helps leaders to understand the social performance implications of their decisions and identify actions to achieve their social performance objectives.

Social performance responsibilities should be shared and owned across the asset and company.

A fully integrated approach to social performance requires that different functions at the corporate- and asset-level are aligned, engage with each other and build partnership-type arrangements and alliances. This alignment facilitates a cohesive approach to social performance across the company.

The ICMM resource on Integrating Community Engagement Across the Organisation sets out how non-social performance functions contribute to aspects of community engagement to guide them in understanding their responsibilities and support integration.

HOW TO ACHIEVE EXCELLENCE IN SOCIAL PERFORMANCE

Effective social performance management requires metrics to improve communication, monitoring and reporting

Social performance metrics are increasingly commonplace throughout the mining industry. However, they are highly variable in their effectiveness. Most member companies have some form of leading and lagging indicators, or asset- and

corporate-level dashboards, or perhaps Key Performance Indicators (KPIs) that link personal objectives to function and business objectives. To add weight and clarity to how social performance is discussed, especially with non-specialists and line management, social performance needs 'gold standard' metrics, particularly a more consistent and all-encompassing set of metrics which adequately measures the outcomes and impact that businesses are seeking to achieve.



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SOCIAL PERFORMANCE MATURITY MATRIX

Tools for Social Performance

INTRODUCTION

What is the Social Performance Maturity Matrix?

Mining companies are increasingly developing their approach to managing social performance. The ICMM Social Performance Maturity Matrix is a tool designed to assess the maturity of a mining company's social performance approach and management systems.

Management maturity models are used elsewhere in the mining industry including for risk, health and safety, and security management systems. Some mining companies already use versions of the maturity model in social performance. The tool contributes to and accelerates the definition and codification of social performance as an emerging discipline.

Why use the Matrix?

The matrix is intended to help the industry to develop more systematic processes for managing social issues. It is a tool to support continuous learning and improvement. Mining companies can use the resource to diagnose their social performance systems to identify strengths and gaps, and then plan and take action to improve those systems. In the process, the tool can also assist companies to demonstrate conformance with the [Mining Principles](#) (see Box 1). Importantly, the tool helps identify actions which are appropriate to the current level and what is needed to move towards the next level.

Who can use the Matrix?

General managers, corporate managers and social performance teams can use this resource to guide them in assessing their existing social performance systems and capability levels, and plan appropriate improvement initiatives.

Box 1: Mining Principles

ICMM's [Mining Principles](#) define good practice environmental, social and governance requirements for the mining and metals industry. They include 10 principles, reinforced by ICMM's eight Position Statements. The [Assurance and Validation Procedure](#) reinforces commitments to transparency, and ensures the credibility of reported progress. Level 4 and above of the Social Performance Maturity Matrix broadly indicate conformance with the social performance elements of the Mining Principles.

How to use the Matrix

The Maturity Matrix can be used at either a corporate or asset level and has been developed to assist companies to critically analyse their approach to social performance and identify actions to evolve and improve. To best use the Maturity Matrix, companies should try to involve a cross-section of representatives from within the company in making the assessment, and to be as objective as possible in determining which level of descriptor best suits the company's current maturity.

The Maturity Matrix could also be useful to consider how external stakeholders might position each aspect; companies can consider involving external stakeholders in the maturity assessment (such as national association representatives or partners). It is not intended that it be used by external parties or 'verified' in any way, nor is evidence required to support a company's own assessment of its maturity. However, companies may also seek an independent assessment of maturity undertaken by a third-party, at their discretion.

The Maturity Matrix has five maturity levels (from nascent to leadership) that apply to four key aspects of social performance (leadership and culture, integration and systems, people, and metrics). Users should take the description provided for each aspect in the detailed matrix and identify which one best reflects the current situation within their company or asset to determine the level of maturity. Note that the descriptions are not prescriptive and so the entire description does not need to be present for a company or asset to consider itself at that maturity level.

Depending on an asset's operating context (eg key risks, stage of development and other factors), certain aspects of social performance may be more mature than others. For example, management systems may be more mature than metrics initially. In addition, it is also likely there will be a range of maturity in systems and approaches between assets in the same company.

Level 4 and above are broadly aligned with conformance with several of ICMM's Mining Principles, see Box 1.

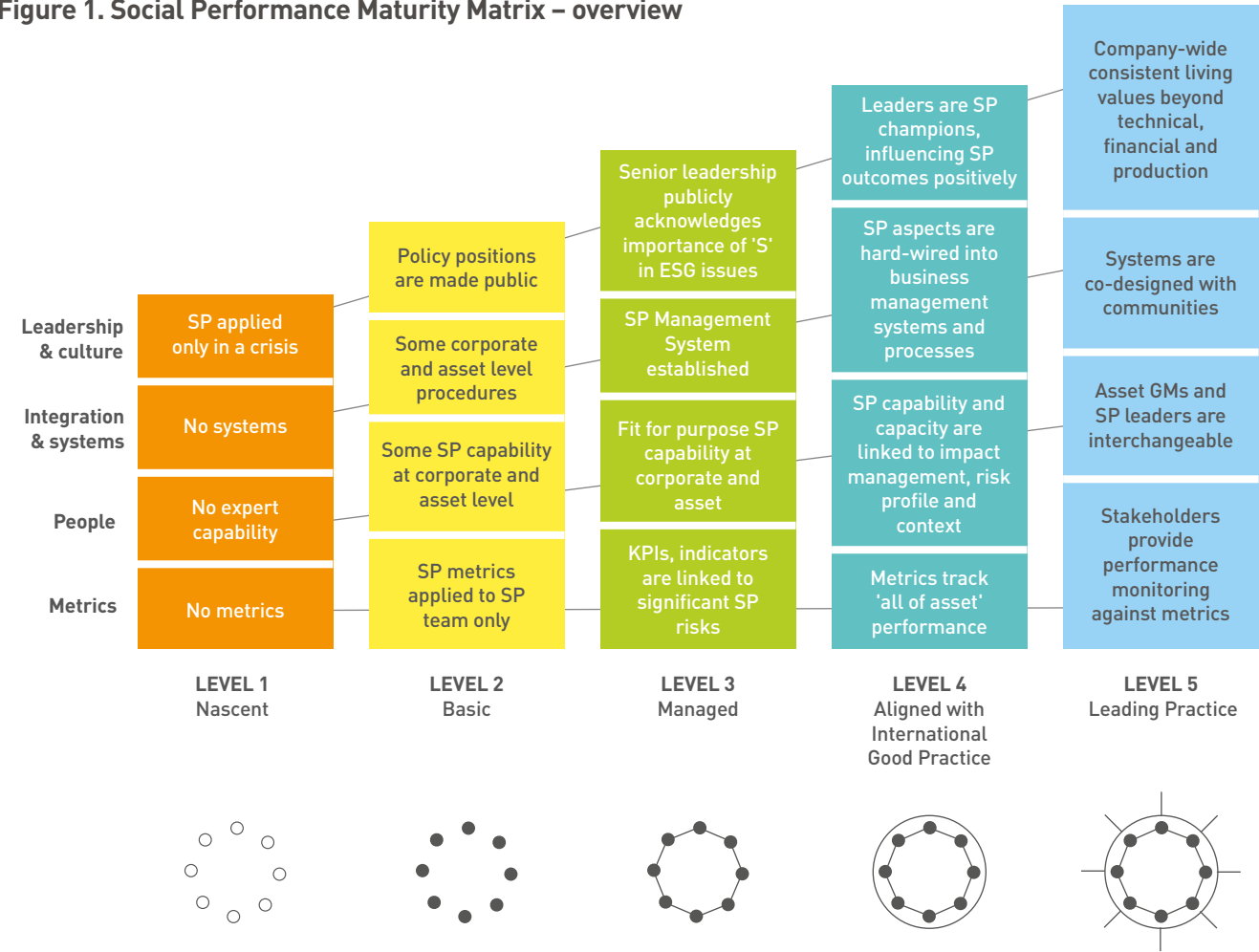
1. SOCIAL PERFORMANCE MATURITY MATRIX

The aspects of social performance contained in the Maturity Matrix are the essential enablers of success in social performance, while the levels describe in generic terms the phases through which systems and approaches evolve.

The four aspects are:

- Leadership & Culture** – this refers to the organisation’s awareness of social performance, the company’s policies and the ‘tone from the top’ from the CEO, executive committee, and board.
- Integration & Systems** – this includes three aspects: strategy – purpose and outcomes of social performance; structure – accountabilities and reporting lines; and management systems – standards, policies and procedures, internal and external reporting, risk and impact identification and management.
- People** – this aspect is about the competencies and capabilities of social performance practitioners, as well as the awareness, competency and capability of social performance as demonstrated by those in non-social performance roles.
- Metrics** – this aspect includes lagging and leading indicators of social performance outcomes, as well as Key Performance Indicators (KPIs) and management dashboards.

Figure 1. Social Performance Maturity Matrix – overview



1. SOCIAL PERFORMANCE MATURITY MATRIX

The maturity levels of the ICMM Social Performance Maturity Matrix are defined in the following table.

Table 1. Definition of maturity levels

Maturity Level	Descriptor	Definition
1	Nascent	Practice is emerging: Policies may (or may not) exist at corporate level but at asset level they, and activities relating to them, are ad-hoc and not formalised. Social performance is reactive and firefighting; social performance operates in a silo, disconnected from other functions and operational decision-making. There is limited understanding of social performance across the company or asset.
2	Basic	Practice is established: Policies exist at corporate level and apply at asset level, and procedures are in-place, however implementation is inconsistent and/or not achieved systematically. There is a basic understanding of social performance across the company or asset.
3	Managed	Practice is compliant: Corporate policies generally reflect implementation at asset level, procedures are followed routinely and compliance with them is generally achieved, but social performance is not yet embedded throughout asset level activities or fully integrated into business decision making. There is sound understanding of social performance across the company or asset and increasing acknowledgement of what needs to occur to embed and integrate social performance.
4	Aligned with international good practice	Practice is embedded: Increasing bandwidth means social performance risk management is pro-active and understood across the business; continuous improvement of policies and procedures occurs in line with community and stakeholder expectations, and outcomes from incident investigations, audits, and assurance; adherence with policies and procedures is internalised and embedded (ie, is business as usual). The company and assets meet the performance expectations of ICMM's Mining Principles 1, 2, 3 and 9 (see Box 1) and performance is aligned with international good practice.
5	Leading practice	Practice is continuously evolving: The company and assets not only meet the performance expectations of ICMM and operate in alignment with international good practice, but they demonstrate leadership to peers and wider stakeholders. The social performance of the business as a whole continues to evolve and improve based on engagement with local and external stakeholders. Innovative approaches to partnering and participation are evident. Social performance is part of the organisational fabric, continues unhindered during disruptions, and keeps pace with, and may even exceed, community and stakeholder expectations.

For each of the aspects and maturity levels, the Social Performance Maturity Matrix provides a descriptor to indicate the respective level of maturity.

2. SOCIAL PERFORMANCE MATURITY MATRIX

The Social Performance Maturity Matrix in full detail is set out below. Items in bold are considered most relevant at a corporate level.

ASPECT	LEVEL 1: Nascent	LEVEL 2: Basic	LEVEL 3: Managed	LEVEL 4: Aligned with International Good Practice	LEVEL 5: Leading Practice
LEADERSHIP & CULTURE Organisation's awareness of social performance Policy and tone from CEO and ExCo Approach of asset leadership & management	<p>Reactive interest in social performance; short-term and/or inconsistent focus</p> <p>Social performance elements (eg engagement) are applied when perceived as needed or in crisis, for example when problems arise or there are operational interruptions, or they are considered optional</p> <p>Internal leadership forums (town halls, management meetings) do not reference social performance thematic areas (although they may for production, safety, financial, etc)</p> <p>No social performance expertise on executive or asset management teams. Social performance objectives are interchanged with corporate affairs objectives.</p> <p>Little understanding of social performance by other functions and no alignment between functions; decisions are made that impact social performance outcomes in the absence of social performance data, assessment or advice.</p>	<p>Leadership verbally recognises the importance of social performance but does not make explicit effort to operationalise effective responses or actions</p> <p>Policy positions on social performance are made public and data is collected on some indicators of social performance activities/progress</p>	<p>A social performance function is established</p> <p>Senior leadership publicly acknowledges the importance of ESG issues in internal and external communications and engagement forums.</p> <p>Social performance regularly considered by Board and ExCo; and at stage-gates of capital projects, including new country entry and mine closure (inc. early mine closure and care and maintenance decisions)</p>	<p>Social performance leadership at corporate and asset level is visible, leaders are social management champions, influencing social performance.</p> <p>Social performance is discussed alongside financial, production and HSE performance at town halls, investor presentations, in annual reports.</p> <p>Social performance requirements are embedded in individual performance management and assessment, at asset leadership level and executive level.</p> <p>The company is able to demonstrate that ESG issues are perceived as critical for the success of the business.</p> <p>Social performance considered at all levels</p>	<p>Company- and asset-wide support and embody the values of the company, including those that reach beyond meeting specific technical, financial or production objectives (eg transparency and respect).</p> <p>The company demonstrates leadership with peers and wider stakeholders.</p> <p>Social performance of the organisation is unaffected by leadership turn-over, at general manager or corporate level (self-sustaining).</p> <p>The company/asset demonstrates that genuine partnerships with local communities both exist and are pre-requisite for success</p>

2. SOCIAL PERFORMANCE MATURITY MATRIX

ASPECT	LEVEL 1: Nascent	LEVEL 2: Basic	LEVEL 3: Managed	LEVEL 4: Aligned with International Good Practice	LEVEL 5: Leading Practice
INTEGRATION & SYSTEMS: Strategy Purpose and outcomes of social performance Identification and response to long-term issues and emerging trends	No strategy; ‘fire-fighting’	Approach or strategy based on CSR/ community investment projects only or conceptual in nature; focused on avoidance of interruptions to production; non-systematic identification of required social performance outcomes or longer-term planning to achieve those; no or little action to identify emerging issues/trends and respond pro-actively	Social performance strategy linked with business objectives, based on systematic risk and impact management	Fully integrated social performance accountabilities across asset/s and company	Long-term outlook and addresses emerging issues. Strategic objectives are achieved, can be demonstrated and are recognized or confirmed by host communities. Policies and practices of partners, suppliers and/or contractors are influenced and reflect the company’s/ asset’s own. Companies are recognised as important, but not the only, contributors to the ecosystem of regional development.
Structure Accountabilities and reporting lines	No centralised structure or coordination between assets	Social performance activities and outcomes heavily influenced by org structure (HSE vs EA) Foundational elements of social performance are being implemented, with varying effectiveness Accountability and reporting lines for social performance management are being defined	Foundational elements of social performance, and additional site-specific elements, are implemented, with increasingly consistent effectiveness. There are clear accountabilities and reporting lines for social performance activities; with KPIs in place for accountable personnel	Accountability for social performance exists at and reporting lines extend to senior/executive management level; KPIs are attached to remuneration/rewards for senior personnel. Company is able to demonstrate consistent fit-for-purpose social performance across the business.	Organisational structure is stable, which enables consistent and evolving improvement to social performance outcomes.

2. SOCIAL PERFORMANCE MATURITY MATRIX

ASPECT	LEVEL 1: Nascent	LEVEL 2: Basic	LEVEL 3: Managed	LEVEL 4: Aligned with International Good Practice	LEVEL 5: Leading Practice
Management systems Systems for managing risk, impacts, assurance, project development (including social criteria for stage gate progression) Standards, policies procedures Internal and external reporting	<p>No systems</p> <p>No knowledge base upon which to identify risks or impacts or otherwise support decision making (no baseline data or ongoing monitoring data)</p> <p>No knowledge of applicable licence or legal obligations, commitments or regulations</p>	<p>Some corporate-level systems and procedures; asset-level procedures and protocols developed, with heavy reliance on key individuals, and inconsistent implementation</p> <p>Potential gaps in the knowledge base are acknowledged and action plans developed. Some monitoring data is captured.</p> <p>Licence or legal obligations, commitments or regulations are captured</p>	<p>Comprehensive systems, either discrete or part of an integrated management approach, to support foundational aspects of social performance risk and impact management</p> <p>Data management protocols are in place and new information is incorporated into knowledge base.</p> <p>Risk/obligations/commitments registers are maintained</p> <p>Social performance assurance process in place with a focus on compliance.</p>	<p>Social performance aspects are hard-wired into the business processes and management systems of the company (project approval, change management etc) and assumptions about risk (profile & ratings) are continuously reassessed.</p> <p>Integrated systems are consistently implemented, and enable data driven decision-making support continuous improvement; ensure continuity and consistency of performance</p> <p>New information is added to the knowledge base and alerts made to team members to review</p> <p>There is coordination with other sites to leverage success and improve capacity and understanding of potential issues.</p> <p>Risk/obligations/commitments registers are continuously updated (live system)</p> <p>Social performance assurance process in place with a focus on effectiveness and improvement</p>	<p>Systems are co-designed with communities (grievance, cultural heritage, etc) or benefit from community participation (risk assurance, management of change, etc) and as a result procedures and processes are well understood by communities.</p>

2. SOCIAL PERFORMANCE MATURITY MATRIX

ASPECT	LEVEL 1: Nascent	LEVEL 2: Basic	LEVEL 3: Managed	LEVEL 4: Aligned with International Good Practice	LEVEL 5: Leading Practice
<p>PEOPLE</p> <p>Competencies are for competence by practitioners and non-practitioners, including mine site General Managers</p> <p>Decision-maker awareness of social performance, at both asset and corporate levels</p>	<p>No social performance capability at corporate or asset level</p> <p>No dedicated people who have a social performance focus or specialist technical skills at corporate or asset level</p>	<p>Social performance practitioners with defined skills and capabilities at corporate and asset level</p> <p>Focus of the social performance function is about outreach (external engagement)</p>	<p>Social performance specialists at corporate and asset level are fit-for-purpose in their experience and technical competence and have a sound understanding of the business</p> <p>Focus of the social performance function is as much about internal engagement and integration as about external engagement.</p>	<p>Appropriate social performance competencies integrated into non-social performance roles</p> <p>Capability and capacity are linked to impact management, risk profile and communities' context</p>	<p>Social performance practitioners and leaders are mainstreamed in the organisation and are considered for leadership roles.</p> <p>Clearly defined social performance career progression, that is integrated with non-social performance functions and line management.</p> <p>Social performance function is lean as all staff have social performance mandate.</p>

ASPECT	LEVEL 1: Nascent	LEVEL 2: Basic	LEVEL 3: Managed	LEVEL 4: Aligned with International Good Practice	LEVEL 5: Leading Practice
<p>METRICS</p> <p>Management dash boards</p> <p>Leading & lagging indicators</p>	<p>No metrics to define performance or achievement of objectives or commitments</p>	<p>Some metrics measuring inputs & activities</p> <p>Metrics for social performance apply to social performance team only</p>	<p>Metrics measure outputs of activities</p> <p>Leading and lagging indicators linked to significant social performance risks</p> <p>Some engagement with stakeholders on metrics.</p>	<p>Metrics measure outcome and impact of activities</p> <p>Leading and lagging indicators linked to significant social performance risks; plus, KPIs for tracking integration</p>	<p>Social performance metric(s) established and are understood across the business, equivalent to safety (eg AIFR); outcome metrics are long-term and enable tracking of trends over time.</p> <p>Stakeholders provide performance monitoring against metrics.</p> <p>Independent assessments identify a high degree of trust in the organisation and measurable contributions to local socio-economic priorities</p>

3. WHAT DIFFERENT LEVELS OF MATURITY LOOK LIKE

What people say can be a good indicator of the maturity level of the company or asset's approach to social performance. Stakeholders often have a nuanced and insightful perspective on the maturity of a company's or asset's social performance.

Drawn from many years of experience, these are some of the things that have been said about different companies' approaches to social performance, and what these sentiments reflect in terms of maturity of approach to social performance.

	Level 1	Level 2	Level 3	Level 4	Level 5
Stake-holders	<p>'We only hear from them when they want something or if something goes wrong.'</p> <p>'I'm so tired of going to meetings with them – all they do is talk and never listen.'</p>	<p>'The GM always says the right things, but nothing ever changes. They are all talk and no walk!'</p> <p>'That social performance manager is a good person, but we need to see things get fixed.'</p>	<p>'They're a good company. They tell us what's going on and listen when things go wrong.'</p> <p>'Whenever there's an issue or problem, they're pretty good at getting on to it and sorting things out.'</p>	<p>'They're a member of the community and we want them to stay.'</p> <p>'They've made a significant contribution to our town over the years.'</p> <p>'We trust them'</p>	<p>'We stand beside them – they are part of our community'</p> <p>'They set a good example for others'</p> <p>'I can't believe I'm saying this about a mining company, but I think they will leave things better off when they're gone.'</p>
Team	<p>'I can't get ahead of anything – there's also some issue caused by operations I need to fix.'</p> <p>'social performance is taking up so much of my time – I've got to get back to my day job.'</p>	<p>'We spend a lot of time on external engagement – it's really important to know what's going on.'</p> <p>'It's really great the community members like and trust me.'</p>	<p>'We're getting the balance between internal influencing and external engagement about right'</p> <p>'The metrics we're reporting internally have really helped management understand social performance better'</p>	<p>'As a team, we feel appreciated and understood by both our managers and our stakeholders.'</p> <p>'We know we're making a difference and we have the metrics to demonstrate this.'</p>	<p>'I'm proud to work for my company.'</p> <p>'It is really satisfying to see our colleagues embrace and succeed in delivering their social performance objectives.'</p>

3. WHAT DIFFERENT LEVELS OF MATURITY LOOK LIKE

	Level 1	Level 2	Level 3	Level 4	Level 5
Management	<p>'Social performance is a 'nice to have''</p> <p>'Social performance is an important part of us being able to tell our story better.'</p>	<p>'Social performance is important – it keeps the neighbours onside.'</p> <p>'Thank goodness for our social performance person – we'd go under if they weren't here'</p>	<p>'Primarily, social performance is just good risk management.'</p> <p>'It's good to see the social performance dashboard – they're accountable to the business just like other functions.'</p>	<p>'We all need to contribute to the social performance of the company.'</p> <p>'My team understand what they need to do to contribute to social performance, it's just like safety in this respect.'</p>	<p>'Our approach to social performance gives us a strategic business advantage'</p> <p>'Doing social performance really well reflects who we are as a company.'</p> <p>'It's in our interest to ensure other companies do social performance well too'</p>
Other functions	<p>'I never know who I should contact when an issue comes up with our neighbours.'</p> <p>'We know the farmers aren't happy about the water issues, but we're within permit requirements, so we just have to get on with it.'</p>	<p>'We never see nor hear from the social performance team. We have a hard time finding them.'</p> <p>'The social performance manager just sent us a list of issues they think we need to fix – good luck with that!'</p>	<p>'It's good working with the social performance team – we're all on the same page.'</p> <p>'The social performance team have improved their visibility internally lately – this is good as we need to work together'</p>	<p>'We've found that, in fact, by working together we're able to leverage each other's work.'</p> <p>'Finally, we have achieved some kudos for our environment work – getting social performance involved and improving our engagement has made all the difference.'</p>	<p>'Social performance is just part of the way we work'</p> <p>'We value social performance input – they're a critical friend.'</p> <p>'The regulator has noticed that we are leading the way with truly integrated solutions and have asked us to share our approach.'</p>

4. ACTIONS TO IMPROVE MATURITY

Generally, progressing from one maturity level to the next may take about one year or longer, except in the case of maturity level 5 – the most aspirational level – where achieving this level will likely be an ongoing process of continuous improvement. ICM members have found that achievement of Levels 3, 4 and 5 is consistent with corresponding maturity levels in safety and risk management.

Changes from one level to the next may be underpinned by a change in culture or precipitated by a particular event or driver. Internal and external events can be critical in helping to drive improvement to the next level.

The actions listed below are not a definitive roadmap to achieving the next level of maturity. Rather these are a selection of indicative actions that, if implemented successfully, would likely result in securing that level of system evolution.

To achieve...	Level 2	Level 3	Level 4	Level 5
Leadership & culture	<p>Develop and publish social performance Policy</p> <p>Asset leadership promote the social performance policy internally and externally</p>	<p>Include social performance in the charter of the relevant Board committee</p> <p>Implement social performance awareness training for Leaders</p> <p>Social performance reports directly to asset level leader and joins asset management committees</p>	<p>Include social performance metrics in asset leadership performance plans</p> <p>Establish asset level social performance governance committee to oversee integrated approach to social performance</p> <p>Include social performance metrics in all external company reporting</p>	<p>Include head of social performance in key business decision committees, such as investment committee</p> <p>Set up external social performance committee to provide oversight and advice at corporate and asset level</p> <p>Publicly demonstrate a leadership position on specific issues</p>
Integration & systems	<p>As part of social performance policy implementation set out mandatory minimum requirements at asset level</p> <p>Develop procedures and tools on foundational social performance elements</p>	<p>Develop and implement company-wide social performance management system (SPMS)</p>	<p>Integrate SPMS requirements into other business and function management systems</p>	<p>Engage with local stakeholders on co-design of social performance Management System aspects/elements</p>
People	<p>Establish role descriptions for social performance roles that include relevant expertise and experience</p>	<p>Implement social performance competency framework</p>	<p>Map social performance requirements in non-social performance roles and apply social performance competency requirements</p>	<p>Require high performance line management candidates to spend time in social performance team or roles as part of their career development</p>
Metrics	<p>Implement metrics at asset level to track activities and expenditures</p>	<p>Implement asset level metrics that track outputs and outcomes of social performance programmes</p>	<p>Implement 'all of asset' social performance metrics</p>	<p>At corporate and asset level, establish mechanism for stakeholders to assess performance of company</p>

This is one of a set of practical tools aimed at enhancing the understanding of what social performance is, why it is important and how it can be integrated into business decision making. The tools have been developed for non-social performance specialists working in mining companies and to support social performance specialists in influencing decision makers in their companies. The full set of tools can be accessed on [ICMM's website](#)



SOCIAL PERFORMANCE COMPETENCY FRAMEWORK

Tools for Social Performance

INTRODUCTION

Good social performance depends on the skills, capabilities and engagement of people in the company – both social performance practitioners and non-specialists, who work at the corporate and asset level.

Social performance is a recognised discipline and a technical function within companies that requires technical skills as well as specific behaviours. Social performance practitioners need critical experience, skills, knowledge and behaviours to perform their function within the organisation. Other functions that interact with stakeholders or have social performance responsibilities (including contractors) also need to have the necessary understanding and skills to deliver on the company's or asset's social performance objectives. The attitude, approach to and awareness of social performance of those in non-social performance roles, and especially the asset general manager, can be decisive.

What is the Social Performance Competency Framework?

The Social Performance Competency Framework describes the experience, skills, knowledge and behaviours needed to manage social performance successfully. The Competency Framework is enterprise-wide: it articulates the competencies that all roles and levels with social performance responsibilities, at company- and asset-level, need to perform their jobs successfully.

The Competency Framework contributes to the professionalisation of the social performance discipline by establishing standardised requirements for managing social performance. It supports companies to mature their social performance systems, integrate social performance across the organisation and ensure that all personnel with social performance responsibilities have the necessary skills and behaviours.

ICMM's Competency Framework is aligned with other leading frameworks.¹

Why use the Competency Framework?

The Competency Framework helps companies to improve their social performance by indicating the competencies needed throughout the organisation. The Competency Framework can be used as a tool to:

- Plan recruitment, personal development and career pathways.

- Build awareness and capabilities in an organisation by identifying learning, training and coaching needs.
- Assess performance and identify gaps in competencies at an asset or corporate level.

Who can use the Competency Framework?

The Competency Framework applies to any role or level in the organisation with social performance responsibilities. As such, both social performance practitioners and non-practitioners alike can use the Competency Framework.

Social performance managers and practitioners can use the Competency Framework for supervision and career planning (see the section on career pathways for guidance), as can other functions with social performance accountabilities. Human resources and recruiters may also use the Competency Framework.

How to use the Competency Framework

The Competency Framework categorises 15 key social performance competencies into four areas:

- **Working within complex contexts** – a reflection of the complexity and interconnectedness of social performance issues and the need to understand contexts and operate within them.
- **Working within the business** – acknowledging the fact that social performance is core to business, understanding the internal environment and having core business skills is critical.
- **Working together** – internal and external engagement is core to achieving results in social performance.
- **Technical** – in relation to the typical sub-disciplines of social performance

To be able to chart and assess development and progress, the Competency Framework defines four levels of competence, starting with awareness, then progressing to application, integration and leadership.

See the case studies at the end for examples of how member companies have built up and integrated social performance competencies.

1. For example, see the Social Practice Forum's 'Competency Framework for Social Performance Practitioners' and IPIECA's 'Community Liaison Officer's Team Building and Management Guidance'

THE SOCIAL PERFORMANCE COMPETENCY FRAMEWORK

The 15 social performance competencies are grouped into four areas and organised around achieving the core purpose of social performance. As outlined in the ‘What is Social Performance?’ resource, the aims of social performance are to:

- Avoid harm to people and communities from company activities throughout the mining life cycle.
- Ensure respect for human rights.

- Contribute to the social and economic development of affected people and engage society more widely on key issues.
- Establish and maintain relationships of trust between companies and stakeholders for mutual benefit.

Table 1 below describes the competency areas and why they are key to achieving the core purpose of social performance. Table 2 outlines the four levels of competency that are used throughout the framework

Figure 1. The Social Performance Competency Framework



THE SOCIAL PERFORMANCE COMPETENCY FRAMEWORK

Table 1. Competency Areas

Competency Area	Description
Working within complex contexts	The social performance space is inherently complex and interconnected. Therefore, the abilities to both understand tensions and operate within this complexity is a foundational competency area for those with responsibilities for social performance. It can therefore be expected that most people would require relatively high levels of competency in this area regardless of their seniority or specific role.
Working within the business	Appreciation of working within business (the mine, the mining company and the industry more broadly) has often been an under-recognised competency area in social performance – sometimes described as ‘in-reach’ as opposed to outreach to external stakeholders. As well as an understanding of the business, this area requires the skills to manage change within the business, such as through strategy, risk management, project management and ensuring a focus on delivering performance improvements. Social performance practitioners must be accountable to the business and be seen as credible by the business, if they are to be successful in delivering desired outcomes.
Working together	The focus of working together may be more internal or external depending on the specific role. The nature of social performance inherently requires practitioners to be able to successfully work together with others as a foundational competency through bridging company and community perspectives and working towards creating a shared understanding of social performance issues and how they are managed. In addition, an all-of-asset approach requires an additional level of ability to work successfully with others by helping to manage internal organisational change. Practitioners are increasingly applying many of the tools originally developed for use with external stakeholders internally, such as stakeholder mapping, engagement planning and conflict management. Therefore, engagement competencies are no longer solely focused on external engagement and seen as a technical skill, but have become part of the core competencies of all social performance practitioners.
Technical	These include competencies required in each of the generic sub-disciplines of social performance (see the Social Performance Landscape Report for more detail). However, more specific competencies may be required in operating certain contexts depending on the risks (eg where there are indigenous people or a resettlement). Generally, it would be expected that increasingly senior social-performance specific roles would require higher levels of competency in the technical competency areas. Where responsibility for social performance sits within other functions, they may require high competency levels in specific technical competency areas.

Table 2. Levels of Competency

Competency Levels	Description
Level 1 – Awareness	A basic knowledge of the core characteristics and how they might impinge on business decision-making.
Level 2 – Application	The ability to supplement this basic knowledge of the issues with the competence to apply it to specific activities.
Level 3 – Integration	An in-depth understanding of the issues and an expertise in embedding issues into the business decision-making process
Level 4 – Leadership	The ability to help managers across the organisation operate in a way that fully integrates issues in the decision-making process.

THE SOCIAL PERFORMANCE COMPETENCY FRAMEWORK

Table 3. Social Performance Competency Framework

Competency	Level 1 – Awareness	Level 2 – Application	Level 3 – Integration	Level 4 – Leadership
Working within complex contexts				
Systems Thinking	Ability to see and understand interconnections and interdependence between actors (stakeholders, relationships, etc) and domains (social, economic, environmental), across time (past, present to future) and scales (local to global) to reframe and address challenges and opportunities for business and societal progress.²			
	Understanding how systems work. Understanding interdependencies and interconnections of systems.	Dealing with complexity and ambiguity. Seeing the big picture and the connections rather than the parts. Understanding sustainability challenges and opportunities	Estimating consequences of decisions on the system. Working across disciplines & boundaries.	Taking a long-term and a transgenerational perspective. ³
Managing tensions	Managing tensions both within and outside the organisation, across different time horizons, between different issues, etc; being able to work on one side of the issue according to the situation, without losing sight of the other side of the tension⁴			
	Understanding of different tensions in social performance practice and frameworks for dealing with them. Appreciation of both sides of the tension.	Identifies different tensions in specific situations. Identifies solutions to work within and through tensions.	Ability to identify interconnections between multiple tensions and work with others to navigate through them.	Creates new narratives and synergies from tensions and enables others to appreciate and work through tensions.
Working within the business				
Knowledge of the Business	Understands the strategy, decision-making processes, and day-to-day activities within the business and the culture and pressures that can impact ways of working. Proactively manages the incorporation of social performance management within mining operations.			
	Understands key operational processes and the impact of social performance practices on business strategies and plans.	Demonstrates understanding of operational processes including specific roles and responsibilities at the operation.	Understands how different/complex Operations function including the interdependencies that exist between different activities, priorities and processes.	Understands the global changes and multiple pressures that impact on mining production and ensures social performance solutions respond appropriately.

2. Strandberg, C. (2015) Sustainability Talent Management: The New Business Imperative. Available at <https://corostrandberg.com/wp-content/uploads/2015/04/sustainability-competencies-20151.pdf>

3. Levels adapted from Muff, K. (2016). The Collaboratory: A Common Transformative Space for Individual, Organizational and Societal Transformation. Journal Corporate Citizenship. 18(2), 91-108.

4. Kemp, D. (2011) Between a rock and a hard place : community relations work in the minerals industry. Centre for Social Responsibility in Mining, The University of Queensland. Available online at: <https://espace.library.uq.edu.au/view/UQ:107617>

THE SOCIAL PERFORMANCE COMPETENCY FRAMEWORK

Competency	Level 1 – Awareness	Level 2 – Application	Level 3 – Integration	Level 4 – Leadership
Determining Strategy	Contributes to the development of site and business level strategy and advances work in the context of that strategic direction.			
	Understands strategy: has the ability to understand one's role in the context of a larger strategy	Broadly scans: Seeks and uses the broadest internal and external view, beyond current issues and constraints.	Sets direction: Sets clear direction and priorities and gaining support of others.	Leads change: Alerts and engages people in the need for specific transformational changes in the way things are done.
Integrated Risk Management	Pre-empts and defines the behaviours, organizational pressures, aspects of the business and system implications that cause risk to the business, individuals and communities. Combines international good practices with the ability to create and implement practical tools and techniques. Proactively identifies and addresses the behaviours that detract from effective management of risk.			
	Proactively identifies people, process, business and system factors that have the potential to create negative impacts and risks.	Applies tools and techniques to identify the key factors that contribute to risk and harm. Empowers line management to contribute to risk management.	Understands the complex interdependencies between people, process, business and system factors that create risk. Delivers a holistic method of identifying, controlling and managing risks.	Drives a group-wide approach to proactive and predictive risk management, business continuity and catastrophic risks.
Project Management & Business Processes	Applies project management techniques and business processes to drive and embed the effective delivery of social performance activities, within new and existing projects/sites, to gain maximum value for the business. Ensures interdependencies and conflicting priorities across operations and disciplines are understood and actively managed.			
	Applies awareness of project management tools and techniques deliver tasks within own roles.	Applies project management and business processes to effectively manage project activities	Applies awareness of project management tools and techniques deliver tasks within own roles.	Encourages others to ensure that effective social performance drives better commercial outcomes.
Delivering Results	Focuses on producing results in a timely and quality fashion that ultimately drives value for the business.			
	Works effectively: Delivers quality results on time.	Makes good decisions: Evaluates info, makes good decision, manages risk, drives safe, reliable and sustainable operations and protects the company's license to operate.	Drives performance: Drives plan delivery, holds people and self to account.	Has business acumen: Applies rigorous commercial and business thinking to decision making in order to generate value for the business.

THE SOCIAL PERFORMANCE COMPETENCY FRAMEWORK

Competency	Level 1 – Awareness	Level 2 – Application	Level 3 – Integration	Level 4 – Leadership
Working together				
Engaging and Energizing People	Forms collaborative relationships with co-workers and other stakeholders and creates an environment of commitment, energy, and support. Manages internal and external relationships to bring about change of behaviors and attitudes. Draws on the skills and experience of stakeholders, to draw them together for mutually beneficial outcomes. Involves stakeholders at all relevant stages of social performance management, involves mainstream company employees, and leverages comparative advantage of the business. Brings about alignment of mutual interests between company and community.			
	Self-motivated: Conducts one's own work with energy and openness	Inspires others: Engages, energizes, develops and enables colleagues to succeed.	Collaborative: Builds relationships and fosters cross boundary collaboration.	Has impact and influence: Deep self-awareness and applies influencing techniques that gain commitment and support.
Managing Diversity and Inclusion	Is able to engage, work with and manage people with awareness of how issues of diversity, equality and inclusion may affect these relationships, and proactively works to address barriers to and enable a diverse and inclusive approach to social performance including workplace diversity and fair pay and working hours.			
	Understands diversity, equality and inclusion, understands own diversity in relation to others and potential blind spots.	Identifies where intervention is needed to address diversity, equality and inclusion issues, work constructively to address issues.	Able to identify and address potential diversity, equality and inclusion challenges and work strategically to resolve them.	Managing tensions which come from diversity, equality and inclusion, and allows diversity of thinking. Allow others to see and appreciate benefit of diversity and inclusion.
Conflict Management	Understands identifies, assesses and proactively responds to conflicts, seeing them as opportunities for improvement. Able to develop and reach agreements and settle disputes equitably. Good at focused listening; understands others quickly. Can find common ground and achieve cooperation. Faces up to people problems quickly and directly. Makes difficult decisions when appropriate.			
	Aware of conflict, understands root causes, manifestations and triggers	Analyses conflict, knows what approach to use in specific contexts. Able to work with direction in managing conflict.	Working to resolve and manage conflict appropriately in a variety of situations.	Ability to mediate conflict in high tension and high-risk situations. Able to proactively identify and avoid potential conflict situations.
Technical competencies				
Managing Social Impacts	Identifies, avoids, and where possible, and mitigates social impacts, in line with the mitigation hierarchy. Ensures appropriate management of social impacts and makes effective use of resources to add value to both the operation and local communities. Ensures consideration of social impacts from a holistic perspective, including human rights and cumulative impacts.			
	Proactively identifies immediate social impacts and opportunities in own area and applies knowledge to suggest solutions.	Understands social impacts and applies this knowledge to pre-empt and manage impacts and to create solutions.	Translates strategies into practical actions to reduce impacts. Actively identifies and promotes opportunities across disciplines.	Creates company-wide strategies to manage social impacts. Considers the whole system changes required to manage social impacts more effectively.

THE SOCIAL PERFORMANCE COMPETENCY FRAMEWORK

Competency	Level 1 – Awareness	Level 2 – Application	Level 3 – Integration	Level 4 – Leadership
Promoting Social and Economic Development	Identifies and develops opportunities for maximizing the operation's impact on local communities and host country. Proactively identifies opportunities to form partnerships for co-creation of solutions (government, other private sector, civil society). Considers mine closure and how activities today will reduce dependence, promote self-reliance and leave communities up to be better off once the mine is gone.			
	Proactively identifies social and economic development opportunities within own area of responsibility in response to community needs and strengths.	Develops and implements systems to co-create social and economic development.	Translates social and economic development strategy into practical solutions for multiple sites and leads the development of required skills and capability in others. Ensures on-going focus on the development of sustainable interventions and solutions.	Promotes a culture that focuses on social and economic development. Explores and implements innovative solutions for benefits sharing with a focus on win-win solutions for the mine, local communities, and host government.
Managing Stakeholder Engagement	Able to understand, map and analyse stakeholders, and use this to develop stakeholder engagement plans that align with business objectives. Can develop and deliver stakeholder engagement plans, engaging with all stakeholders appropriately, in good faith and aligned with company values. Ensures commitments are met and when they arise, grievances managed professionally.			
	Understands the need for and benefit of stakeholder engagement and initiates it for selected activities.	Understands and carries out successful stakeholder engagement on key projects, building support and buy-in from the local community.	Identifies priorities where stakeholders need to be engaged and managed. Carries out successful engagements to build a common interest.	Understands and engages with multiple layers of stakeholders in a way that builds collaborative and mutually beneficial relationships.
Data Analysis & Reporting	Creates, analyses and reports on key metrics. Uses qualitative data to identify risks and opportunities for improvement. Encourages an open, honest and supportive reporting culture. Ensures key metrics are practical, relevant and embedded in business processes.			
	Gathers accurate performance data and promotes the value of effective reporting and data management systems. Challenges and escalates issues to ensure accurate data collection.	Ensures effective monitoring of performance data within own area and applies data analysis to identify opportunities for improvement.	Analyses discipline-wide data, processes and systems to identify meaningful trends. Drives effective use of databases, business processes and reporting systems and proactively suggests improvements in reporting metrics.	Drives predictive group-wide strategic indicators and makes informed recommendations. Drives the use of solutions (people, process and technology) to support globally consistent reporting.

THE SOCIAL PERFORMANCE COMPETENCY FRAMEWORK

Competency	Level 1 – Awareness	Level 2 – Application	Level 3 – Integration	Level 4 – Leadership
Assurance	Creates and embeds effective assurance processes in collaboration with the relevant audit functions, that accurately measure compliance, assess the effectiveness of risk controls, enable the identification of areas for improvement. Is able to identify best practice for wider dissemination. Applies rigorous, systematic analysis and brings practical insights. Proactively follows up on improvement progress and identifies areas where improvements have not been adopted.			
	Understands audit and assurance processes and activities and their role in evaluating and improving risk management, control and governance.	Applies audit processes and activities to analyse data in order to identify and escalate risks.	Able to lead cross functional audit teams and monitors quality of audit procedures and outputs.	Identifies enhancements and incorporates industry best practice to existing audit procedure.

INTEGRATING SOCIAL PERFORMANCE COMPETENCIES THROUGH CAREER PATHWAYS

To support the professionalisation of social performance, the discipline should have clear career pathways. A competency framework with different levels of competence is a tool to develop those pathways as it can be used to plan the skills, experience and behaviours needed in different roles and the maturity needed at different organisational levels. This will improve professional development within social performance and facilitate the movement of people into and out of social performance, consequently, helping to integrate the discipline throughout the organisation.

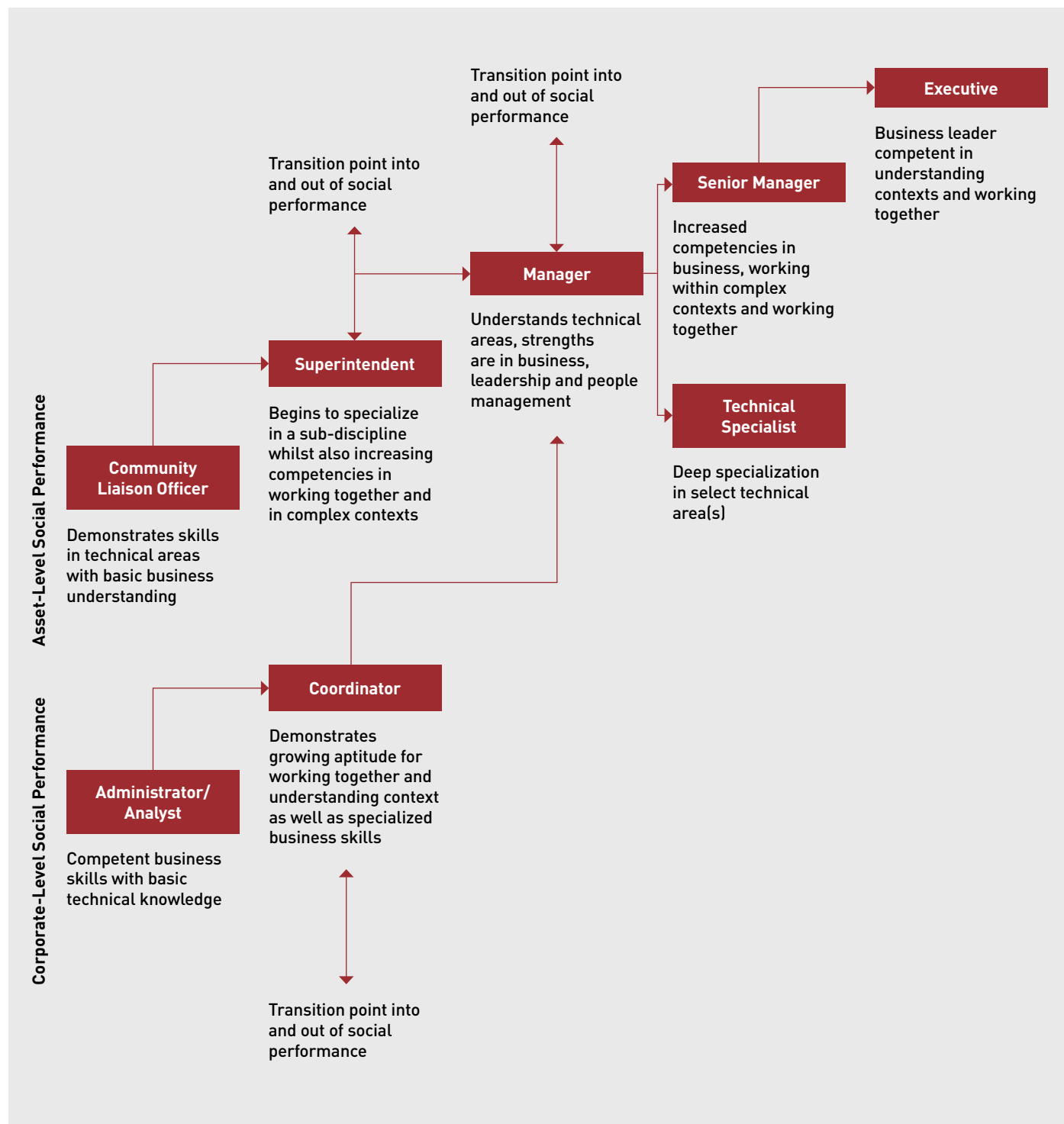
Whilst career pathways will vary according to individuals, companies, geographies and other contextual factors, Figures 2 to 5 illustrate some of the possibilities for career progression in and through social performance. Figure 2 below outlines one example of a generic career pathway in social performance. It indicates the different competencies that are required by different roles and it illustrates how specialising in certain competencies can drive a career in a specific direction. For example, junior positions at assets may require greater technical skills compared to counterparts at corporate level and senior managers and executives need greater business aptitude than deep technical specialisation.

Figures 3, 4 and 5 are three possible career trajectories to illustrate the range of career pathways within social performance:

- Figure 3 is a career beginning in social performance and leading to a specialised technical role within the discipline.
- Figure 4 is a career beginning outside of social performance and transitioning into the discipline.
- Figure 5 illustrates a career beginning inside of social performance and transitioning into a different corporate role.

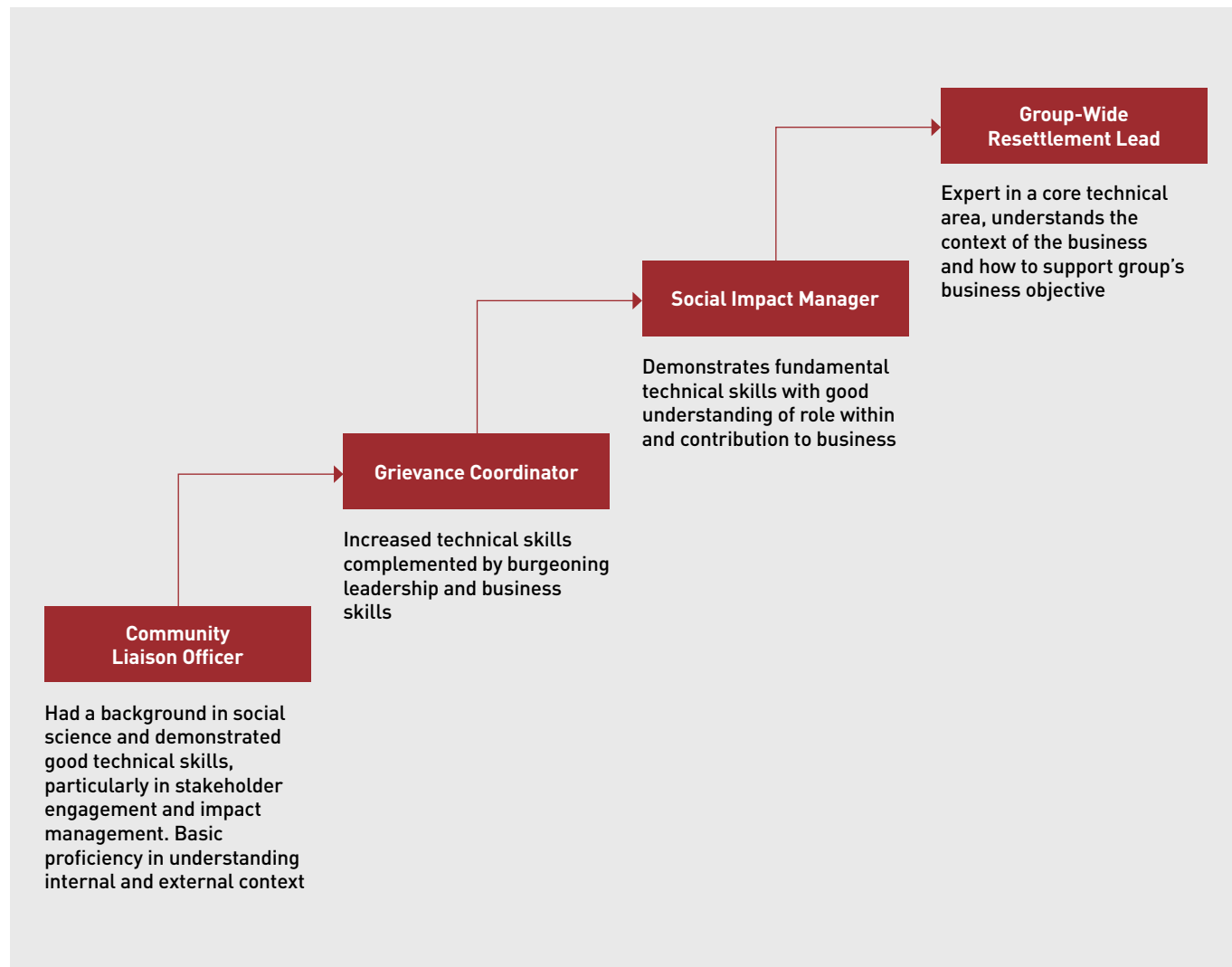
INTEGRATING SOCIAL PERFORMANCE COMPETENCIES THROUGH CAREER PATHWAYS

Figure 2. Example of Generic Career Pathways in Social Performance



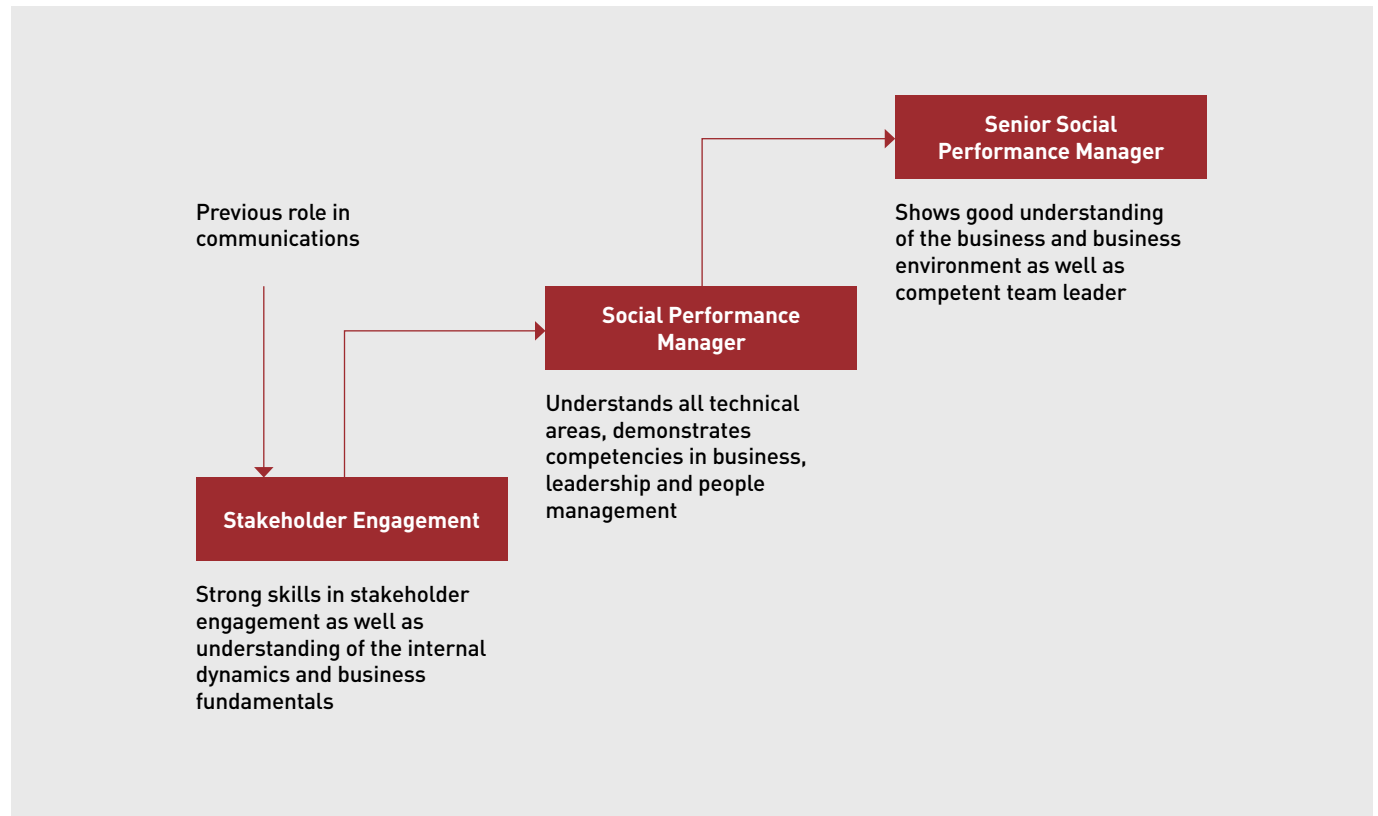
INTEGRATING SOCIAL PERFORMANCE COMPETENCIES THROUGH CAREER PATHWAYS

Figure 3. Example Career Specialising in Social Performance



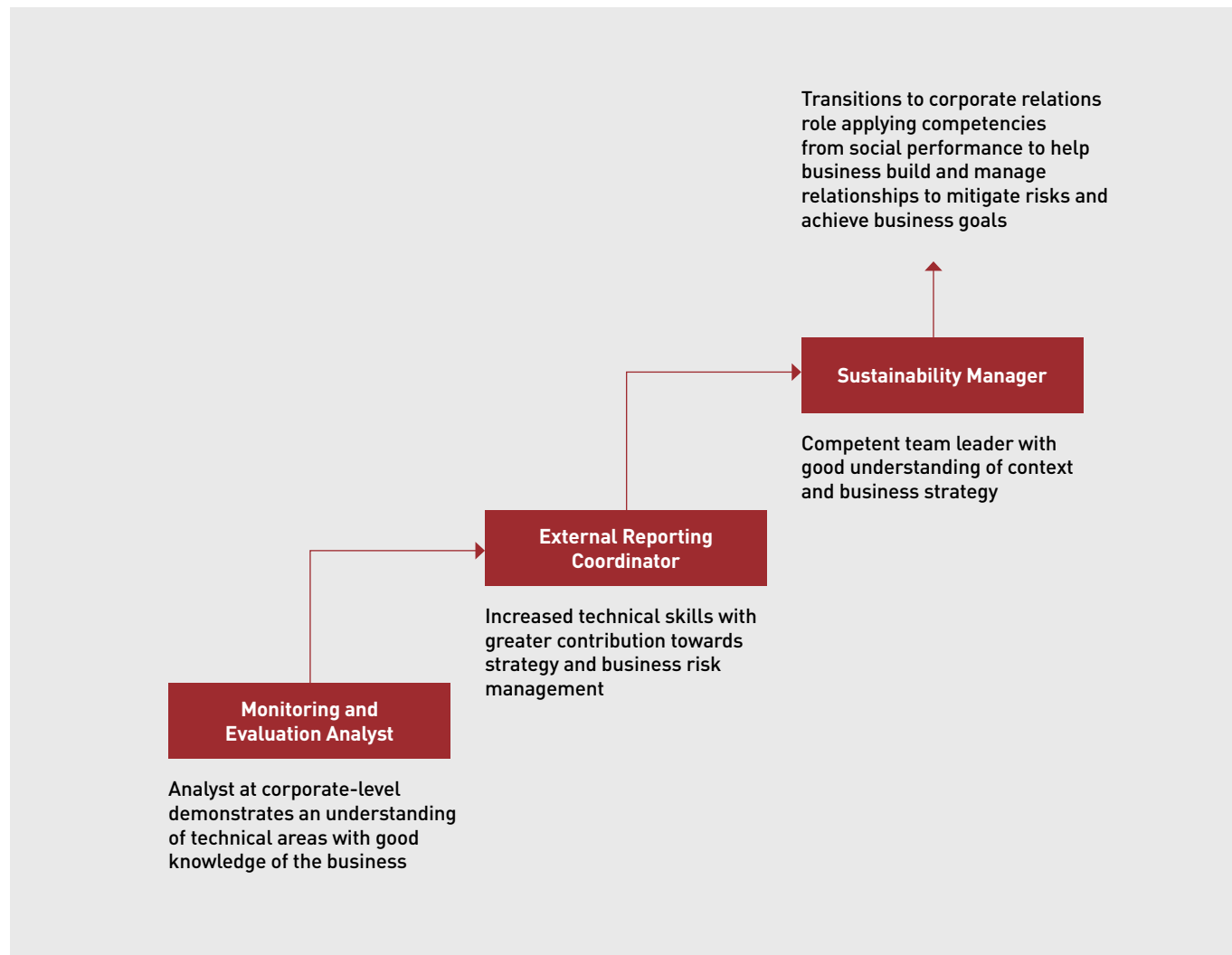
INTEGRATING SOCIAL PERFORMANCE COMPETENCIES THROUGH CAREER PATHWAYS

Figure 4. Example Career Transitioning into Social Performance



INTEGRATING SOCIAL PERFORMANCE COMPETENCIES THROUGH CAREER PATHWAYS

Figure 5. Example Career Transitioning Out of Social Performance



COMPETENCY CASE STUDIES FROM MEMBER COMPANIES

CASE STUDY

INTEGRATING SOCIAL PERFORMANCE INTO CORE COMPETENCIES AT GOLD FIELDS

In 2017, as part of a wider process of strategic business performance improvements, Gold Fields embarked on a process of reviewing the competencies needed for staff to be able to execute their current strategy as well as considering the core capabilities that may be required in the future. Competencies were a key element to the answer because they create alignment in the way the organisation works, and they create the organisational culture for the business.

Gold Fields identified four types of competencies: core competencies aligned with the organisation's values and embodied by all employees; critical behaviours required by leaders; technical knowledge, proficiency and expertise specific to different roles; and, behaviours specific to different jobs. Through consultations with core disciplines, including social performance, Gold Fields mapped the skills, behaviours and experiences necessary to be proficient in each discipline to define the overall job architecture for their business. A key pillar of that

architecture, that came out of the consultations, is the social and behavioural competencies, such as valuing differences, collaboration and balancing stakeholders, that are becoming increasingly important for delivery in specialist and leadership roles now and into the future.

This has been a journey for Gold Fields that is still ongoing, but it is set to define the job architecture framework to assess new talent, develop existing talent and plan for talent that may be required in the future. The job families have job profiles with required accountabilities, behaviours and experiences as well as clear career progression and mapping that are developed for all regions and operations to provide a sense of consistency in their business around how talent is assessed. This new structuring better integrates disciplines, like social performance, as it facilitates career progression and transitioning. It also improves recruitment and skills development amongst existing staff.

By feeding social performance competencies into an overall organisation-wide competency framework, used for recruitment, performance appraisals and career development, Gold Fields are working to ensure that its people will be prepared in the future to solve problems in a way that supports social performance.

CASE STUDY

SOCIAL WAY LEARNING: EMBEDDING SOCIAL PERFORMANCE ACROSS ANGLO AMERICAN

As part of its commitment to continuous improvement, in 2020 Anglo American launched the next iteration of its social performance management system, called the Social Way 3.0. Publicly available in English, Spanish and Portuguese on an innovative new web platform, to make the content more accessible and easier to navigate, the Social Way provides a governing policy, implementation toolkit and assurance framework for social performance for all Anglo American-managed sites, at all phases of development.

The Social Way embeds international standards and sets out clear requirements to engage with affected and interested stakeholders; avoid, prevent, and, where appropriate, mitigate and remediate adverse social impacts; and maximise development opportunities.

The revamped Social Way builds on what the company has learned over the past decades to ensure that the identification, prioritization and management of adverse social and human rights impacts and risks are effectively embedded at the operational level and integrated into core planning and business management processes with robust cross-functional support.

In addition to adding and expanding requirements, the revised Social Way materially updated numerous processes to embed cross-cutting themes – such as human rights, inclusion and diversity, leadership and culture – and aligned more clearly to a PLAN-DO-CHECK-ACT management approach, in order to support continuous improvement and learning across the business.

A principle aim of updating the Social Way was to drive a collective mindset shift within Anglo American to focus on social performance outcomes.

Building social performance competencies at all levels of the organisation is a key enabler to successfully implement Social Way 3.0. To build knowledge, skills and experiences of its people, Anglo American developed an ambitious organisation-wide learning programme. This programme and has been designed to support practitioners, supporting functions and leaders across the business to understand the foundational concepts and processes of social performance and to have the skills and experience in implementation requirement to transition to the new Social Way.

Anglo American rolled-out the first phase of its learning journey in early 2020 shortly after launching the updated Social Way through training and awareness raising sessions for over 1,700 people across different functions and levels of seniority. The programme has used several methods to embed learning including self-led, instructor-led, facilitated advisory workshops and peer learning supported by an online learning platform. The second phase of the programme has delivered additional technical training on various topic areas – such as land access, displacement and resettlement, socio-economic development and cultural heritage – and was supported by a new social practitioner forum and dedicated communities of practice. The final phase will begin in 2022 and focuses on driving greater skills development.

Anglo American's ambitious commitment to developing social performance competencies throughout the organisation demonstrates that improving social performance outcomes depends on people across the business.



This is one of a set of practical tools aimed at enhancing the understanding of what social performance is, why it is important and how it can be integrated into business decision making. The tools have been developed for non-social performance specialists working in mining companies and to support social performance specialists in influencing decision makers in their companies. The full set of tools can be accessed on [ICMM's website](#)

INTEGRATING COMMUNITY ENGAGEMENT ACROSS THE BUSINESS

Tools for Social Performance

INTRODUCTION

Social performance is the outcome of a company's engagement, activities and commitments that can directly and indirectly impact stakeholders or affect the quality of its relationships with them. Social performance aims to:

- Avoid harm to people and communities from company activities throughout the mining life cycle.
- Ensure respect for human rights.
- Contribute to the social and economic development of affected people and engage society more widely on key issues.
- Establish and maintain relationships of trust between companies and stakeholders for mutual benefit.

Stakeholder engagement is an essential component of social performance because it builds resilient relationships between companies and stakeholders. This engagement can involve a

broad spectrum of activities, including sharing information, co-creating plans, agreeing on programmes, joint decision-making and collaborative performance monitoring.

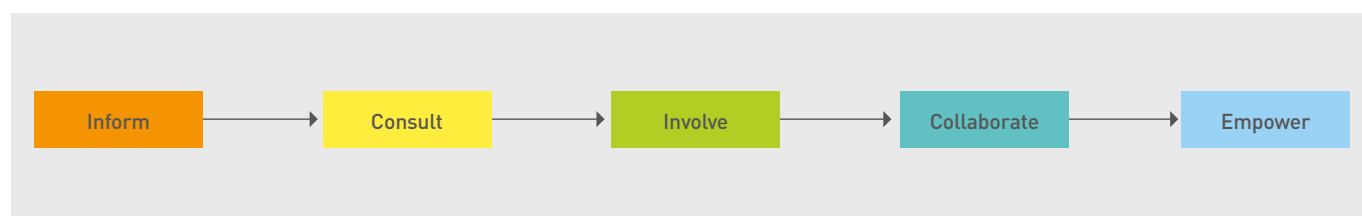
Community engagement is a specific aspect of stakeholder engagement that prioritises communities local to an asset as a key cohort of stakeholders, alongside other external stakeholders, such as government or civil society. Engaging with these communities shares information and builds relationships. It is, therefore, critical to effective social performance and an enabling mechanism for and the achievement of broader business objectives.



FORMS OF ENGAGEMENT

There are several forms of engagement and they differ depending on the level of involvement of communities in business decision-making processes (Figure 1):

Figure 1. Forms of Engagement



Inform: This form of engagement is usually a one-way exchange of information from the company to communities. It involves disclosing company intentions, commitments and limitations to community stakeholders. It does not empower them to influence those intentions or commitments. Informing communities and disclosing balanced, objective information in a clear and timely manner is an important part of the overall engagement strategy, particularly during the early stages of a mining project when engaging for the first time and needing to build trust.

Consult: This form of engagement involves a two-way exchange of information, with increased information sharing from the company, and receiving feedback and comments from communities in. Consulting communities is important when collecting contextual information, for example, during surveys and assessments. It is also used to understand community perceptions, priorities and expectations as well as identifying potential alternatives and solutions.

Involve: This approach entails working directly with communities, ensuring that their concerns are understood and considered in the decision-making process.

Collaborate: This involves working together with communities to make decisions, and to design and plan initiatives collectively. This type of engagement can be used when working towards common objectives with communities such as designing impact management strategies or community benefit initiatives. Collaboration requires a level of trust between community stakeholders and the asset. It may also often require each party to build capacity in each other's engagement and decision-making processes, so that they are able to collaborate in an effective way. New community structures to represent community stakeholders, such as working groups or committees, may need to be established to enable effective collaboration.

Empower: This involves putting decision-making in the hands of community stakeholders who will have a final say on planning and implementation processes.

All forms of engagement serve different purposes and can be used throughout the life cycle of a mine. As a project progresses and builds its relationship with communities, the forms of engagement will often mature to become more consultative and participatory. This leads to increased buy-in from both parties, and generally creates greater community satisfaction with the project design and outcomes.

IMPORTANT CONSIDERATIONS DURING COMMUNITY ENGAGEMENT

Vulnerable or marginalised people are individuals or groups who may be disproportionately adversely impacted by the asset, may not be in a position to experience project benefits, or may experience challenges getting their opinions or concerns heard.

Steps should be taken to ensure vulnerable or marginalised people are fairly represented in decision-making process and their views and concerns are listened to and responded to.

Indigenous Peoples have specific rights over land or natural resources, as defined in Article 1 of the International Labour Organization's Indigenous and Tribal Peoples Convention (ILO 169). To respect these rights, there are more stringent requirements related to engaging Indigenous People, which often means using forms of engagement that give greater decision-making authority to representatives of these communities, including Free, Prior and Informed Consent (FPIC).

ICMM's position¹ on FPIC is that it "seeks to respect the individual and collective rights and interests of Indigenous Peoples, as well as those of states, to make decisions on the development of resources (recognising that there may be limited recognition for indigenous rights in some countries).

FPIC comprises a process and an outcome. An effective process ensures that Indigenous Peoples are meaningfully engaged and have sufficient information about the project and sufficient time to be involved in decisions. They can freely make decisions without coercion, intimidation or manipulation. However, if consent is not forthcoming, despite the best efforts of all parties, in balancing the rights and interests of Indigenous Peoples with the wider population, a government might determine that a project should proceed and specify the conditions that should apply. In such circumstances, it is for ICMM members to determine individually whether they ought to remain involved with a project."²

Resettlement & Land Acquisition is sometimes initiated by a new project or initiative (such as, mine expansion, exploration, tailings management or biodiversity offsets). Land acquisition results in the physical or economic displacement of communities. In these cases, the asset should take a more collaborative approach to resettlement planning, implementation and monitoring. Capacity building should be provided to communities to ensure they are able to fairly participate in negotiation and decision making.³

1. ICMM, Indigenous Peoples and Mining: Position Statement: <https://www.icmm.com/en-gb/about-us/member-requirements/position-statements/indigenous-peoples>

2. ICMM, Respect Indigenous Peoples: <https://www.icmm.com/en-gb/social-performance/human-rights/respect-indigenous-peoples>

3. ICMM Land Acquisition and resettlement: Lessons learned: <https://www.icmm.com/website/publications/pdfs/social-performance/2015/guidance-land-acquisition-and-resettlement.pdf>

ICMM MEMBER COMMITMENTS

While stakeholder engagement is directly cited as a key commitment under ICMM Principle 10, specific ICMM member commitments for community engagement are integrated throughout ICMM's principles, position statement and guidance.

These commitments are summarised in Table 1 below. References to engagement approaches are outlined for various issues, including:

- Risk management
- Health and safety
- Mine closure
- Tailings management
- Water stewardship
- Conservation of biodiversity
- Climate change

Engagement approaches differ throughout the process of managing these issues. Generic phases of the process outlined in the table include:

- Communicate commitments & limitations
- Risk assessment
- Data gathering & baseline
- Mitigation design & planning
- Implementation
- Monitoring & evaluation
- Understanding expectations & perceptions
- External reporting

The engagement requirements for any given initiative or management process will differ depending on the local context, the expectations of communities and the national regulatory framework.

A typical good practice engagement process that involves community stakeholders would include the following steps:

- Informing communities of company intentions, commitments and limitations.
- Consulting communities when assessing risks and gathering baseline contextual data.
- Involving and/or collaborating with communities to develop management plans, implement these plans and monitor and evaluate (M&E) their effectiveness. Working to obtain the consent of Indigenous Peoples where required.
- Consulting communities about their perceptions and expectations related to certain issues, such as social investment programmes.⁴
- Informing communities of the outcomes, often accompanied by public reporting or the local disclosure of performance outcomes.

4. For further guidance see: <https://www.icmm.com/en-gb/guidance/social-performance/understanding-company-community-relations-toolkit>

ENGAGEMENT REQUIREMENTS FOR NON-SOCIAL PERFORMANCE

Table 1

	Communicate commitments & limitations	Risk assessment	Data gathering & baseline	Mitigation design & planning	Implementation	Monitoring & evaluation	Understanding expectations & perceptions	External reporting
Risk management ⁵	Inform Publicly disclose commitment to manage E&S risks and impacts Inform Promote the Grievance Mechanism (GM) as a way for communities to raise concerns regarding impacts	Consult Understand community perceptions of environmental and social risks and impacts	Consult Gather information from communities to understand the environmental & social context	Involve/Collaborate Involve communities in the co-design of the GM and risk and impact management measures FPIC/Empower Ensure meaningful participation of Indigenous communities, work to obtain the consent where required	Involve/Collaborate Deepen community involvement in the risk assessment and grievance process	Involve/Collaborate Involvement of trained community members in monitoring and evaluation of impacts Involve/Collaborate Conduct participatory evaluation of the GM	Consult Understand community perceptions of environmental and social risks and impacts	Inform Be transparent with communities about outcomes of risk management and the GM Inform Apply international standards for public reporting on the GM
Health and safety ⁶	Inform Publicly disclose commitment to safe working conditions			Involve/Collaborate Co-develop community-focused emergency preparedness				Inform Publicly report on performance
Mine closure ⁷	Inform Publicly disclose commitment to closure planning Inform Initiate early engagement on closure Inform Ensure messaging around closure is integrated into the stakeholder engagement programme	Consult Ensure available information is used to assess the closure risks, including input from communities where applicable	Consult Understand the socioeconomic context, including community dependence on the mine and the desires of communities Consult Understand community needs, expectations, capacity and capability regarding closure and economic diversification	Collaborate/Empower Collaborate with communities to develop a social transition process and an integrated closure vision including options for post-closure land use Meaningful participation is critical to ensure community ownership of the results FPIC/Empower Ensure meaningful participation of Indigenous communities, work to obtain the consent where required	Involve/Collaborate Partner with community-based organisations and non-governmental organisations where appropriate on training, social transformation and social investment initiatives	Consult Seek community input into the development of closure success criteria	Consult Understand, expectations, capacity and capability regarding closure both during the operational phase and also post closure	Inform Share experiences regarding social transition with other mines and industry in the region recognising the value in learning from their collective experiences

5. ICMM Mining Principles: <https://www.icmm.com/en-gb/about-us/member-requirements/mining-principles>
6. Ibid
7. ICMM Integrated Mine Closure: Good practice guide (2nd edition, 2019): <https://www.icmm.com/en-gb/guidance/environmental-stewardship/integrated-mine-closure-2019>

ENGAGEMENT REQUIREMENTS FOR NON-SOCIAL PERFORMANCE

	Communicate commitments & limitations	Risk assessment	Data gathering & baseline	Mitigation design & planning	Implementation	Monitoring & evaluation	Understanding expectations & perceptions	External reporting
Tailings management ⁸⁹	Inform Publicly disclose commitment to tailings management Establish an effective operational-level, non-judicial GM in accordance with UNGP effectiveness criteria	Consult Understand societal concerns around tailings	Consult Allow communities to share their unique local knowledge and understanding of the area	Consult Consult regarding alternatives analysis Involve/Collaborate Co-develop community-focused emergency preparedness Collaborate Collaborate on developing a resettlement action plan if physical or economic displacement is unavoidable as a result of tailings location FPIC/Empower Ensure meaningful participation of Indigenous communities, work to obtain the consent where required	Involve/Collaborate Continue to provide input to community engagement activities related to tailings management and respond to requests for information. If such information cannot be provided, explain why Work with communities to maintain a shared state of readiness for emergencies	Involve/Collaborate Involvement of trained community members in surveillance and downstream water monitoring	Consult Consult to understand parameters of concern for communities which should be included in surveillance	Inform Develop a plan for sharing information with communities based on input from consultations Annually publish: tailings descriptions and design; consequence classifications; results from risk and impact assessments; summary of monitoring and reviews; emergency response plans; and commitment to fund closure
Water stewardship ¹⁰	Inform Publicly disclose commitment and conduct early engagement with communities regarding water	Consult Understand community concerns and priorities as part of risk assessment and response planning	Consult Understand community water needs, access requirements and hygiene awareness Consult Seek local or indigenous knowledge of water usage	Collaborate Work with the with community to plan shared benefits from water initiatives FPIC/Empower Ensure meaningful participation of Indigenous communities, work to obtain the consent where required	Involve/Collaborate Partner with community on water saving initiatives	Collaborate Partner with community to monitor water usage and quality data	Consult Understand community water expectations from the mine and perceptions of impacts	Inform Locally disclose water usage and quality data

8. ICMM Tailings Management: Good practice guide (2021): <https://www.icmm.com/en-gb/guidance/environmental-stewardship/tailings-management-good-practice>
9. Global Industry Standard on Tailings Management (2020): https://globaltailingsreview.org/wp-content/uploads/2020/08/global-industry-standard_EN.pdf
10. ICMM Water Stewardship Framework (2014): <https://www.icmm.com/en-gb/guidance/environmental-stewardship/water-stewardship>

ENGAGEMENT REQUIREMENTS FOR NON-SOCIAL PERFORMANCE

	Communicate commitments & limitations	Risk assessment	Data gathering & baseline	Mitigation design & planning	Implementation	Monitoring & evaluation	Understanding expectations & perceptions	External reporting
Conservation of biodiversity ¹¹	Inform Publicly disclose commitment and conduct early engagement with communities regarding biodiversity	Consult Understand community interests, perspectives and priorities for biodiversity and its management	Consult Seek local or Indigenous knowledge of biodiversity Consult Understand where communities are directly dependent on biodiversity	Collaborate Seek community participation in mitigation measures, goals and target ensuring the social, economic and institutional development of communities Collaborate Collaborate on developing a resettlement action plan if physical or economic displacement is unavoidable as a result of biodiversity initiatives. FPIC/Empower Ensure meaningful participation of Indigenous communities, work to obtain the consent where required	Involve/Collaborate Support to community education programs on biodiversity management	Involve/Collaborate Involve community associations and institutions in biodiversity management, monitoring	Consult Understand community perceptions of biodiversity impacts	Inform Locally disclose water usage and quality data
Climate change ¹²	Inform Publicly disclose commitment to managing climate change, including the risks and opportunities	Consult Understand community perceptions of climate change risks and opportunities Inform Publicly disclosing governance and risks can strengthen community relations	Consult Understand community resilience to climate change and identify existing local initiatives	Involve/Collaborate Partner with communities to identify climate resilience actions that can bring shared benefit	Involve/Collaborate Partner with communities to implement climate resilience actions that can bring shared benefit	Involve/Collaborate Share scientific information about climate change to inform community preparation and emergency planning	Consult Understand community perceptions of how the mine manages climate change risks and opportunities	Inform Publicly report on performance

11. Good Practice Guidance for Mining and Biodiversity (2006): <https://www.icmm.com/en-gb/guidance/environmental-stewardship/good-practice-mining-biodiversity>
12. Adapting to a Changing Climate: Building resilience in the mining and metals industry (2019): <https://www.icmm.com/en-gb/guidance/environmental-stewardship/adapting-climate-change-2019>

COMMUNITY ENGAGEMENT RESPONSIBILITIES

Community engagement specialists are usually responsible for, or provide support to, planning and coordinating engagement activities on a day-to-day basis. An integrated approach to engagement requires internal alignment, and collaboration across the asset and company.

Understanding the approach to and objectives sought from community engagement by other functions is critical for positive outcomes, especially by the function leading the engagement. This is particularly the case for the asset level General Manager who is usually responsible for the decisions being made as a result of the engagements.

Table 2 below details the type of support non-social performance functions should provide in community engagement and the technical areas which intersect and, therefore, need to be integrated into engagement planning and implementation.

Table 2. Support to community engagement from different functions

Function/Department	Type of support	Areas of integration/intersection
General Asset Management	<ul style="list-style-type: none"> • Overseeing decision making • Attending community meetings • Ensuring engagement is adequately resourced and trained • Facilitating support from other departments where required • Review of engagement reports and outcomes • Input into resolution of grievances 	<ul style="list-style-type: none"> • Overall business objectives • Risk management • Annual plans and scheduling of activities • Company commitments to communities • Company limitations
Environment	<ul style="list-style-type: none"> • Partners in engagement where technical input is needed • Attending relevant community meetings to provide technical input • Input into engagement planning where relevant • Input into resolution of grievances when required • Review of engagement reports and outcomes 	<ul style="list-style-type: none"> • Environmental impacts, incidents and environmental management approaches • Environmental targets & performance • Livelihoods, land management, post mining rehabilitation.
Safety		<ul style="list-style-type: none"> • Community safety, incidents, or emergencies
Human Resources		<ul style="list-style-type: none"> • Local employment opportunities • Local employment targets & performance • Upskilling and employability programmes • Local and regional economic development strategies • Workforce development

COMMUNITY ENGAGEMENT RESPONSIBILITIES

Function/Department	Type of support	Areas of integration/intersection
Procurement		<ul style="list-style-type: none"> • Local procurement opportunities • Local procurement targets & performance • Local entrepreneur programmes • Local/regional economic development strategies
Security		<ul style="list-style-type: none"> • Incident response and management • Integrated approach to Voluntary Principles on Security and Human Rights implementation
Capital Projects	<ul style="list-style-type: none"> • Input into engagement messages and planning where necessary • Supporting the resolution of grievances where necessary. 	<ul style="list-style-type: none"> • Project design • Risk analysis • Execution planning
Production		<ul style="list-style-type: none"> • Local employment and procurement programmes • Site risk management protocols (eg ground disturbance)
Legal		<ul style="list-style-type: none"> • Identifying and documenting legal frameworks within which action and innovation where possible
Finance		<ul style="list-style-type: none"> • Local entrepreneur programmes • Donations • Compensation payments • Social investment programmes • Benefit delivery programmes

CONSIDERATIONS FOR UNDERTAKING COMMUNITY ENGAGEMENT

When a function needs to instigate a community engagement process, it should collaborate with the asset's community engagement experts to plan and execute the process. It may look something like this:

1. Connect with the community engagement expert, explain what you need to do and why.
2. Identify who needs to be engaged and how (the main considerations will likely be how many people, the best way to communicate and the language). A good place to start is the asset's stakeholder mapping or stakeholder database.
3. Understand the current relationship the asset has with community stakeholders. This consists of their current concerns or sensitivities and existing level of knowledge on the topic. A good place to start is the asset's socio-economic baseline and grievance database.
4. Consider whether an education programme is required prior to engagement to ensure meaningful engagement (understanding on both sides)
5. Work with the community engagement expert to set up the meeting – they will help to ensure that the right people are there (particularly the legitimate representatives) and may schedule additional meetings for vulnerable groups or other community cohorts.
6. Prepare, prepare, prepare and ensure that appropriate communication materials (like pictures, videos and models) are ready to aid the engagement.
7. Prepare colleagues for the meeting – have them consider how they will behave, how they will demonstrate that they are listening, how they will speak clearly (ensure that they avoid using technical language and jargon). Plan strategies to de-escalate the situation if things become heated.
8. Ensure that there are minutes of the meeting that are saved to the system. Follow up on any questions or concerns that could not be answered at the time.
9. Update the stakeholder database with new information learned during the engagement and update the commitments register if necessary.

KEY ENGAGEMENT TOOLS THAT REQUIRE INPUT FROM OTHER FUNCTIONS

Like many activities, community engagement can require several tools developed with input from across the business. Table 3 below lists these engagement tools and describes how functions need to input into them.

Table 3. Input into different engagement tools from other functions

Tool	Inputs required from functions
Socio-economic baseline	Each function should review the socio-economic baseline to understand local communities and the social context they are operating in. This should include understanding the location of communities, social sensitivities, vulnerable and marginalised groups, and the presence of Indigenous Peoples.
Social performance plan	The asset social performance plan should outline the objectives, accountabilities and deliverables that non-social performance functions will deliver.
Stakeholder database	Each function should identify their own list of external stakeholders for their relevant discipline and include this in a stakeholder database.
Stakeholder engagement plan	<p>Each function should work with the engagement specialist to plan future engagements. This includes:</p> <ul style="list-style-type: none"> • Creating a schedule for engaging regularly with their identified stakeholders • Creating engagement messages regarding issues related to their function • Identify any events, milestones or changes that will need to be communicated with the local stakeholders • Identify issues where local stakeholders should be consulted • Identify any decisions that should be made in collaboration with communities or will need FPIC from indigenous peoples.
Commitment log	Any commitments made publicly or locally by any function need to be logged and tracked on a commitment database. This includes verbal commitments, commitments contained within publicly disclosed documents, such as ESIA's, or regulatory requirements.
Grievance database	<p>All functions should be fully aware of the grievance mechanism and have the details available to pass on to community members when conducting work in communities.</p> <p>Any community grievances raised directly to other functions (for example, during fieldwork) should be logged in the grievance database.</p> <p>All functions should contribute to resolving grievances relevant to their area.</p> <p>Asset senior leaders should also support grievance resolution by facilitating co-ordination where necessary.</p>
Engagement records	Engagement records (like minutes of meetings or summaries) should be shared with each function when issues have been raised that are relevant to their area
Engagement monitoring & evaluation reports	Monitoring and evaluation reports about consultation should be shared with relevant functions to ensure continuous improvement of engagement activities while maintaining integration throughout the business.

This is one of a set of practical tools aimed at enhancing the understanding of what social performance is, why it is important and how it can be integrated into business decision making. The tools have been developed for non-social performance specialists working in mining companies and to support social performance specialists in influencing decision makers in their companies. The full set of tools can be accessed on [ICMM's website](#)



INTEGRATING SOCIAL PERFORMANCE ACROSS THE BUSINESS

Tools for Social Performance

INTRODUCTION

Social performance is the outcome of a company's engagement, activities and commitments that can directly and indirectly impact stakeholders or affect the quality of its relationships with them. Achieving effective social performance requires strong leadership, integrated management systems, and the capability and culture to identify, address and report social risks and impacts. The social performance function leads, organises, facilitates, and influences these outcomes, and consequently its role within and contribution to the company go beyond the activities and outputs of the social performance function.

Across the mining industry there is an emerging consensus about how social performance can best be organised, the work social performance teams need to do, and the organisational elements that enable success. This resource

describes how to organise social performance and how to achieve a business-wide approach to securing desired social performance outcomes.



HOW IS THE ORGANISATIONAL CONTEXT IMPORTANT TO SOCIAL PERFORMANCE?

Similar to all business functions, the following organisational elements enable success in social performance:

Leadership – The site General Manager (or most senior asset-level decision-maker) and their senior management team have significant influence over social performance outcomes, both positive and negative. The General Manager is often the sole enabler or blocker of social performance at an asset level, as they usually have final decision-making authority for social performance and operational activities. Therefore, much of the success in integrating social performance across the company at asset level hinges on the relationship between the General Manager and the social performance manager (or most senior person responsible for social performance) – this is discussed further below.

At a corporate level, the Board, Executive Committee and CEO create the context – company structure, strategy, policies, systems and culture – within which senior leaders throughout the organisation situate their decision-making. In short, an ‘all-of-asset’ approach to social performance requires that decision-makers at all levels of the organisation understand the purpose of social performance and understand the social performance implications of their decisions.

Culture – Company culture is important to social performance because many of the business decisions and behaviours that will have the most impact on stakeholders (and thus on the asset’s or company’s social performance) may not be explicitly prescribed courses of action in company policies, standards, or procedures.

Strategy – A good strategy is one which describes a coherent set of actions and programs aimed at fulfilling the organisation’s overarching goals. A strategy describes how all the parts fit together, and the outcome that will result from this coordinated and collective effort. At corporate level, this means clearly outlining the social performance policy and associated implementation framework and articulating how it links to other strategic pillars and overall company purpose. At the asset level, the strategy describes the key

social performance focus areas and how all functions and line management integrate to contribute to the asset’s overall social performance. The strategy should also describe what success looks like, which could be to set a life-of-asset aspiration around leaving communities better off, or similar.

People – Central to the success of social performance are the experience, skills, knowledge and behaviours of practitioners. Many mining companies have social performance competency frameworks to support the enhancement of social performance capability and capacity in their organisations. There are an increasing number of training and professional development programmes available too.

Many other non-social performance roles, particularly at asset level, have a role to play in securing the strategic social performance outcomes companies seek. Whoever has direct social performance responsibilities (including contractors) or has interactions with or impacts on stakeholders should have the necessary understanding and skills to deliver on the social performance objectives. The attitude, approach and awareness of social performance of those in non-social performance roles, especially the asset General Manager, can be decisive.

Structure – Ultimately, if a company recognises that social performance risks and issues are critical to its business, the social performance function may need to be a standalone function, the same as human resources or procurement. However, as companies evolve their approach to social performance, it is common to integrate social performance with other functions, such as health and safety, or corporate affairs. In addition, some companies’ organisational structures have the asset-based social performance team reporting into asset level management, others into a central function. The advantages and disadvantages of these approaches are described below.

HOW IS THE ORGANISATIONAL CONTEXT IMPORTANT TO SOCIAL PERFORMANCE?

Table 1. Different approaches to integrating social performance across functions

Approach	Opportunities	Constraints
Standalone social performance function	<ul style="list-style-type: none"> • Recognition that social performance is a discrete and valuable function • Support specialist expertise • Equity with other disciplines 	<ul style="list-style-type: none"> • May not be integrated into business decision-making • May not enable specialists to gain commercial or other expertise to support high value contributions
Integrated with Health, Safety & Environment	<ul style="list-style-type: none"> • Possibility for strong alignment on systems, especially risk management, incidents and assurance • Strong link with environment on incident and impact management • Collaboration with environment on biodiversity, livelihood, land management, cultural heritage, rehabilitation and closure; and, with health and safety on community health impact and social investments 	<ul style="list-style-type: none"> • Expertise may be biased towards health and safety, or environment • System may be more rigid than may be required for engagement and to be responsive to community dynamics
Integrated with Corporate Affairs	<ul style="list-style-type: none"> • Consistency and alignment of all stakeholder-facing work • Influential in business decision-making 	<ul style="list-style-type: none"> • Risk of weaker link to core business • 'Public affairs' approaches and philosophy different to social performance • Less likely to understand management system and proactive approaches to risk management
Reporting at asset level to function	<ul style="list-style-type: none"> • Greater consistency of approach company-wide • Broader perspective on social and business risks • Support company-wide transfer of good practice 	<ul style="list-style-type: none"> • Potential to mis-align from operational risks • Less understanding of operational and community context • Less influence on operation-level leaders
Reporting at asset level to operations	<ul style="list-style-type: none"> • Closer to the action and can influence and advise operational management • Gain strong understanding of business operations • Strong connection to host communities and stakeholders • Local accountability for decision-making 	<ul style="list-style-type: none"> • Increased possibility of variability across the company • Harder to transfer good practice across business

HOW IS THE ORGANISATIONAL CONTEXT IMPORTANT TO SOCIAL PERFORMANCE?

Systems – Most mining companies now have internal standards that set out social performance requirements and procedures at asset level. The social performance management system should include identification, assessment, mitigation and control of social performance risks and impacts. The management system should be commensurate with the identified risks, it should avoid and minimise adverse impacts, have processes for engagement with stakeholders including during impact assessment and for reporting performance, and have effective grievance mechanisms. Importantly, social performance systems should be integrated with company-wide systems and management processes, with information outputs – such as stakeholder grievances, social risk assessment and socio-economic impact assessments – being fed into decision-making. Social risk analysis should be integrated into a broader company risk management process, ensuring appropriate social performance indicators, aspects, and content.

Metrics – Companies typically have social performance metrics that serve a range of purposes. The more basic approaches can include the tracking of activities and inputs, such as expenditures, against specific projects or

programmes. More sophisticated approaches include the tracking of the outcome and impact of such programmes. These are sometimes used for internal and external reporting. As companies implement social performance management systems, there are also possibilities to develop metrics and KPIs using data generated from the management system. Many companies have management dashboards that include social performance metrics that reflect the priorities and risks in the location. At a corporate level, social performance metrics tend to include KPIs on the uptake and effective implementation of the company-wide management system, occurrences of significant incidents and the management of significant risks. Metrics on capability and capacity, mirroring diversity targets, are also possible. The leading practice on metrics is to co-monitor outcomes with relevant stakeholders, such as environmental co-monitoring. There is also scope for considerable innovation and development of social performance metrics, for example systemic, repeated co-design, co-monitoring, and co-reporting of social performance metrics with affected local stakeholders and establishing a single metric to reflect overall social performance, similar to all injury frequency rate in safety.

WHAT IS THE WORK OF THE SOCIAL PERFORMANCE TEAM?

Given the organisational enablers of effective performance, as set out above, what is the work, the organisation and functions within the social performance team that are required for success? There are five main areas of work for social performance teams. These are:

1. **Socio-economic Baseline Characterisation and Impact Management** – processes to characterise the socio-economic context in which the asset or company operates, and to identify, avoid, prevent, mitigate and remediate adverse social impacts. Baseline characterisation and impact management must be an ongoing process, as contexts evolve and stakeholders are unlikely to accept long term negative impacts, regardless of whether or not these impacts are permitted by the regulator.
2. **Social and Economic Development** – activities to develop a lasting positive contribution to the communities where the company works, such as through local employment and skills development, local procurement and business development, shared infrastructure, regional natural resource management, and social investment.
3. **Stakeholder Engagement** – activities to engage with potentially affected and interested stakeholders in a transparent manner to ensure that they are able to express their views on risks and opportunities and partner for positive development.
4. **Performance Management and Reporting** – processes to lead, manage or support the development of a reporting policy, strategy and standard processes and to manage systems to facilitate the delivery of the sustainability strategy.
5. **Risk, Assurance and Systems** – processes to lead, develop or manage systems to assess and profile social performance risks and opportunities across the business, and to verify the implementation of systems and performance reported, in line with strategic business objectives.

It is important to note that the above areas refer to types of work, not necessarily numbers of individuals or divisions of responsibilities. At smaller mines operating in contexts of lower socio-economic risk and complexity it might be that one individual will carry out a number of these work areas. In larger operations, or those mines in complex operational contexts, several individuals within a team might carry out each area of work or they may be an integral part of other functions (eg local procurement within the procurement department). The resources applied must be commensurate with the operating context.

WHY SHOULD SOCIAL PERFORMANCE BE INTEGRATED ACROSS THE BUSINESS?

One of the most important lessons emerging from the social performance discipline over the last decade is that, very often, the cause of conflict between the company and asset level stakeholders is rooted in the actions of core business (operations) or other functions (such as security, human resources or procurement).

Examples of issues linked to other functions that might require the support of social performance competencies to address them include: complaints about lack of opportunities in local employment; complaints about the behaviour of construction workers in the village on weekends; disputes about the terms and conditions of local procurement contracts; damage to a cultural heritage site caused by a sub-contractor earthworks operator; and, unmet commitments made to communities by company representatives. The worst examples of this dysfunction may arise where business functions make decisions or take actions without applying a social performance perspective, which results in significant negative social impacts, and subsequent stakeholder outrage, protests, or roadblocks. In some cases, companies may perceive that these issues were solely a result of external factors, thereby ignoring the extent to which they may be 'self-inflicted injuries'. In other cases it may lead to social performance practitioners being called in to resolve a problem that could have been avoided. Often in these cases the social performance practitioners may not have the ability to fully remedy or prevent similar incidents from recurring in the future.

By integrating social performance in an 'all-of-asset' approach, companies would be taking a very similar to social performance as to safety management; namely, that all employees and business functions have some accountabilities for their own safety and the safety performance of the company overall.

An 'all-of-asset' understanding of social performance describes an approach whereby all the employees, functions and line management of the asset contribute to a single cohesive, coordinated and integrated approach to securing and maintaining its social licence. Whilst this approach may seem simple, an 'all-of-asset' approach to social performance can be challenging to achieve, not least because the KPIs and incentive structures often promote business decisions and actions that at best do not prioritise social performance outcomes, or at worse, contribute to sub-optimal social performance outcomes. The 'all-of-asset' approach means that social performance is the sum total of all the actions, activities, outputs and impacts of the asset, not only the outputs of the social performance practitioners.

A challenge that usually arises from other support functions is some form of 'why should I do social performance?' The answer is that it depends on the risk context and values of the company. If securing and maintaining the asset-level social licence to operate is a critical risk to the business, accountabilities with supporting KPIs to track implementation, ought to be established. If securing and maintaining the social licence of the asset is an asset level KPI, then all the functions and divisions of that asset ought to be contributing to securing the desired outcomes. As social performance is linked to so many business functions, and so often has the potential to affect business performance, it is rare that the response to this question is 'you don't need to do anything'.

WHAT DOES INTEGRATING SOCIAL PERFORMANCE LOOK LIKE IN PRACTICE?

Given the business case for an integrated approach, what does this look like in practice? There are two principles to consider in undertaking the integration of social performance across an asset or company.

First, integration is a negotiated, two-way process. Company standards and policies will set out what is required and this will provide an overarching framework to guide the integration process. Social performance practitioners, engaging with operations and other functions will have to engage with and influence these other functions to secure desired outcomes. As with all engagement and relationship management, an ongoing process of 'give and get' will usually be needed. Some ICMM members explicitly set out in their internal standards how social performance integration will occur.

One of the starting points for success is ensuring that the social performance team is seen as credible within the business, particularly in the perception of management and operations. Credibility will be key for social performance to be able to engage for the purpose of securing jointly agreed

objectives. Equally, the tone and approach of operations and other functions is important. Table 2 describes the positive and negative perceptions operations and other functions can have of social performance, as well as the ways in which operations and other functions can contribute to or undermine a consistent 'all-of-asset' approach to social performance.

Second, as mentioned earlier, the relationship between the senior asset leaders is critical. A strong relationship of trust and mutual respect, based on leadership understanding and appreciating the role of social performance, will lead to higher performance throughout the workforce. A lack of trust and confidence amongst senior leaders will make much of the wider integration across the asset more difficult.

Table 2. Perceptions of social performance

Function/ division	Functions' perspective of social performance		The function's approach to social performance	
	Potential positive perception	Potential negative perception	Contributing	Challenging
Legal	Competent managers of social risk and impact; insightful/strategic advisers to company on social risk and impact; protects company from human rights allegations and other exposures.	Potential source of non-compliance with internal compliance procedures and therefore, social performance practitioners maybe perceived as a risk to the company.	Provides advice on legal issues as a framework within which action and innovation is possible.	Enforces legal position as the only way forward; unwilling to consider alternative, and compliant strategies or approaches.
Environment	Active and supportive partner function in managing risks, impacts and incidents; seeking to understand interconnection between social and environmental risks.	Siloed in approach to risks, impacts and incidents; unable to follow systematic processes; insists on single channel of engagement through social performance.	Partnership on impacts, risk and incident management; aligned on livelihoods, biodiversity and natural resource management.	Narrow, siloed approach with no working acknowledgement of social and environmental intersection points; environment programmes that create social impacts, for eg offsets causing livelihood displacement.

WHAT DOES INTEGRATING SOCIAL PERFORMANCE LOOK LIKE IN PRACTICE?

Function/ division	Functions' perspective of social performance		The function's approach to social performance	
	Potential positive perception	Potential negative perception	Contributing	Challenging
Safety	Competent support function; able to assist with investigations; incident and crisis management; visible supporter of safety function within asset and adjacent communities.	Source of risk – not following safety procedures when off site.	A holistic approach to safety and wellbeing is taken, including for example, safety in community, schools, pedestrian safety, etc.	Limited involvement in off-site safety programmes, such as community-based safety initiatives.
Human Resources	Competent, consistent, organised support function; advice and support on local employment and employability programmes.	Source of confusing demands and changing priorities; gatekeeper; potential to be perceived as organisational 'outlier'.	Delivers significant local employment, skills uplift and employability programmes; aligns with local and regional economic development strategies; takes strategic view of workforce development.	Focussed on transactional HR only; fails to implement routine career development and HR processes with social performance professionals.
Procurement	Competent, consistent, organised support function; partner in developing local support enterprises; active support with external engagement.	Source of confusing demands and changing priorities; gate keeper; potential to be perceived as organisational 'outlier'.	Support local entrepreneur programmes; supports securing discretionary spend locally; engages and integrates programmes with local/regional economic development strategies.	Prioritises cost reductions; does not engage with social performance to overcome barriers to entry for new entrepreneurs/start-up companies.
Capital Projects	Source of expert advice; able to advise and support in resolving complex issues; gives credible, expert advice; provides practical solutions.	Seen as delaying completing the job or as gatekeepers.	Social performance involved in project design, risk analysis, execution planning.	Narrow focus on costs and schedule, at exclusion of prudent medium-term and long-term risk management.
(Asset) production/line management	Competent, consistent, organised support function; social performance manager a respected, credible contributor to the management team.	Rarely seen; unclear what social performance do or what their priorities are; see social performance as only sponsorships, donations or public relations.	With Human Resources and Procurement, drive local employment and procurement programmes; support social performance with implementation of relevant site risk management protocols (eg ground disturbance).	Narrow focus on costs and production.

WHAT DOES INTEGRATING SOCIAL PERFORMANCE LOOK LIKE IN PRACTICE?

Function/ division	Functions' perspective of social performance		The function's approach to social performance	
	Potential positive perception	Potential negative perception	Contributing	Challenging
Security	Competent, consistent, organised support function; partner in developing holistic security solutions; reliable and credible, especially in crisis response.	'Soft-touch' with communities, sometimes exacerbating conflict through unfulfilled commitments, and making company 'the enemy'.	Fully engaged with social performance as required, especially on incident response and management; integrated approach to Voluntary Principles on Security and Human Rights implementation.	Focus on physical security of asset only; not willing to engage on wider issues possibly contributing to conflict
Finance	Competent, consistent, compliant, organised support function.	Source of risk, potential for non-compliance; overhead.	Supportive of local entrepreneur programmes; understands and supports social performance perspective on donations, compensation payments, social investment programmes, and wider benefit delivery programmes.	May fail to make payments on time – compensation, invoices with local suppliers, etc.

This is one of a set of practical tools aimed at enhancing the understanding of what social performance is, why it is important and how it can be integrated into business decision making. The tools have been developed for non-social performance specialists working in mining companies and to support social performance specialists in influencing decision makers in their companies. The full set of tools can be accessed on [ICMM's website](#)



GUIDANCE TO SUPPORT LEADERS

Tools for Social Performance

INTRODUCTION

This tool is intended for leaders at both asset and company levels to support the assessment of social performance within their organisation, and help embed the systems, competencies and culture required to consistently manage social risks and impacts.

Achieving good social performance is heavily influenced by the awareness, commitment and proactive leadership of individuals that comprise and/or lead management teams, make decisions about the operation of the asset or company and/or have influence on the workforce and other stakeholders. The effective and sustained management of social risks and impacts requires social performance to be integrated into business decision making processes, and the development of the requisite capabilities, capacity and culture across the organisation.

Leaders can drive this integration through demonstrating a belief in its business value, identifying and addressing social performance implications in their own decision-making and that of others, and championing excellence in delivery. Unless leaders actively create the necessary enabling environment for social performance, it can be seen as an 'add-on' - peripheral rather than central in contributing to successful operations.

At asset level, typically the General Manager of operations has the unique ability and authority to drive social performance outcomes. This may extend to the inclusion of social performance capabilities in their senior leadership team, in making it a mandatory item on management team and toolbox agendas, and in setting asset-wide indicators for social performance.

At corporate level, company leadership has the capability to drive the value of social performance to the broader business. The personal engagement and interest of a company CEO is vital in driving positive change in social performance through their corporate leadership team. Similarly, the company Board has a role in setting expectations and providing active scrutiny over social performance outcomes.

This tool consists of guiding questions that are intended to support leaders to 1) better understand social performance within their company, and 2) identify areas for improvement.

The guiding questions are organised around several thematic areas:

- Leadership roles and responsibilities
- Skills and competencies
- Decision-making
- Risk and opportunity assessment
- Integrated management
- Incentives
- Engagement and reporting
- General principles for effective social performance leadership

These guiding questions are predicated on important principles for effective social performance leadership, including: putting people at the centre of consideration; taking an 'all-of-asset' approach to social performance; having the capabilities to operate in complex environments; and, understanding how power, rights and responsibilities affect social performance.

Learnings generated from these questions can support leadership teams and their entire organisations in meeting social performance objectives.

LEADERSHIP ROLES AND RESPONSIBILITIES

Leaders are accountable for the performance of the company and assets. Effective management of social performance is critical to achieving company performance.

Despite the complexity and uncertainty involved in many aspects of social performance, senior leaders are accountable for identifying reasonably foreseeable potential risks and opportunities and using the best available information to make informed decisions that will ensure effective performance of the business.

Guiding questions

- Have **roles and responsibilities** for social performance been explicitly defined for different levels of leadership?
- To what extent do leaders consider social performance **risks and opportunities** to be an integral part of their management accountabilities?
- Is accountability for social performance risks and opportunities considered as part of **internal performance evaluations** of senior leaders?
- Are there clear and effective **reporting lines** in place to communicate between corporate and asset levels on social performance risks and opportunities?

SKILLS AND COMPETENCIES

Leaders should have adequate awareness and understanding of how social performance can impact their business – both broadly and in relation to specific operations. They should understand where their roles and responsibilities require the technical skills to lead on the issue. The level of competency of senior leaders will also set the tone for the wider company.

Guiding questions

- Have specific **competencies** related to social performance been defined for leaders?
- How are social performance competencies considered in **recruitment and professional development** of leaders?
- What processes and training are in place to ensure leaders remain **competent and up-to-date** on social performance issues?
- Are leaders able to **access advice and support** from internal and external experts on social performance, on both a regular formal basis and on an ad hoc, case-specific basis?

DECISION-MAKING

To mitigate social risks and advance opportunities, leaders should ensure that social performance issues are an integral part of decision-making at all levels of the organisation and throughout all parts of the business.

Guiding questions

- To what extent are social performance issues regularly **considered in leadership team meetings** and decision-making?
- To what extent are social performance issues systematically **considered in business models and strategy**?
- To what extent is social performance systematically **considered in project stage gate thresholds** for capital allocation and significant life cycle decision points, such as new country entry, closure, and significant changes?
- How are **critical trade-offs** that may positively or negatively impact social performance outcomes understood and acknowledged when decisions are being finalised?
- To what extent are decisions **informed by the best available information** on social performance risks and opportunities?

RISK AND OPPORTUNITY ASSESSMENT

Social performance business risks and opportunities can be significant, as well as creating both positive and negative impacts on stakeholders. However, these will vary from company to company, from asset to asset, and from stakeholder to stakeholder, as well as all of these changing over time. Social performance risks can often be complex and uncertain. Management of social performance needs to be commensurate with the nature of these different business risks and impacts on stakeholders. Senior leaders, therefore, need to ensure effective processes are in place to assess and respond to these different and changing aspects.

Guiding questions

- Are social performance issues consistently and explicitly considered by leaders in regular **company-wide and asset-level risk and impact assessments**?
- Does the company **consider impacts from the business on communities and/or stakeholders** (ie the risks to those affected by the business)? Is this informed by the perspectives and concerns expressed by those impacted?
- How are **material issues** that may directly or indirectly impact social performance (eg resettlement, cultural heritage, Indigenous Peoples, Free, Prior and Informed Consent (FPIC), conflict affected areas, serious human rights abuses including child labour and forced labour, etc) or indirectly related (eg, tailings, water, emergency preparedness, critical ecosystems, biodiversity, mine closure, climate change, etc) specifically flagged and considered by leadership?
- How do leaders ensure that management **measures are effective** at responding to identified risks and impacts?

INTEGRATED MANAGEMENT

An 'all-of-asset' approach to social performance - when decision-makers at all levels of the organisation understand the social performance implications of their decisions - is most effective and is most likely to be successful when internal processes and practices support an integrated approach to the management of performance.

Guiding questions

- To what extent are social performance aspects **integrated in company- and asset-level business strategy and plans**?
- Are these strategies/plans as well as company policies and standards regularly **reviewed and updated** to ensure alignment with community and stakeholder expectations, emerging global trends, and outcomes from incident investigations, audits, and assurance?
- Are **adequate resources committed** to ensure effective and consistent implementation of the social performance aspects of these strategies, plans, policies and standards?
- Are formal **training and community of practice programmes** in place for social performance - for specialist and non-specialist positions?
- Are there all-of-company and all-of-asset social performance **metrics, data collection, and reporting** of social performance activities?
- Are asset-level **grievance mechanisms and processes for investigation of serious social performance incidents** in place, and how are senior leaders engaged in these processes?
- To what extent do senior leaders participate in oversight of social performance outcomes, including and support **audit and assurance** programmes, **review of the effectiveness** of social performance management, and the setting and tracking **improvement programmes** in response to these reviews?

INCENTIVES

Incentives for senior leaders and personnel across the workforce should help drive behaviours which support effective social performance management, management of social performance risks and impacts, and ideally promote long-term positive social outcomes. Care should be taken to ensure that other incentives do not unintentionally contradict social performance-specific incentives, and that leaders are reasonably able to balance differing priorities should they emerge.

Guiding questions

- To what extent do senior leaders' **incentives relate to social performance and align with wider KPIs and targets**?
- To what extent do other performance **incentives have the potential to undermine or be inconsistent** with social performance-related incentives (eg production targets vs stakeholder engagement processes)?
- To what extent are social performance issues **incorporated within broader workforce performance incentives**, including for specialist and non-specialist social performance personnel?
- What **incentives and disincentives for assets** are in place to ensure they meet company policies and standards related to social performance?

ENGAGEMENT AND REPORTING

Leaders should engage on social performance issues. They should do this both internally and externally, to promote and embed a positive social performance culture – cultivating it within the company and being transparent about performance, but also helping to grow it within the industry more broadly.

Guiding questions

- Are leaders encouraged to **directly engage** with communities or local groups on issues of concern, regularly host or attend **community events** or **hold roles in the community** where they can actively engage with residents?
- Do leaders actively engage with **credible third parties** to better evaluate and inform the company or asset's social performance?
- Are teams within the company encouraged to **internally dialogue** on issues of social performance, raising questions or concerns about the company's social performance? T
- To what extent does **public reporting** sufficiently articulate engagement activities throughout the organisation, and discuss **where progress or performance has been insufficient or where things have gone wrong**, and the measures taken to address these?
- Are decisions and actions that advance social performance commitments **celebrated**, and those that run counter to these commitments **reviewed**?
- Do leaders publicly demonstrate and **promote leading practices** that will encourage better industry wide social performance?
- Do leaders help **foster collaboration and facilitate partnerships** to solve collective challenges faced in society?

GENERAL PRINCIPLES FOR EFFECTIVE SOCIAL PERFORMANCE LEADERSHIP

Experience has shown that effective leadership in social performance is under-pinned by senior leaders demonstrating that they understand and follow certain principles such as: putting people at the centre of consideration; taking an 'all-of-asset' approach to social performance; having the capabilities to operate in complex environments; and, understanding how power, rights and responsibilities affect social performance.

Guiding questions

Putting people at the centre:

- To what extent do senior leaders express the company's/ asset's **purpose** in relation to impact on people and society?
- To what extent do senior leaders demonstrate that they **put people at the centre** of decision-making in relation to business activities?
- To what extent do senior leaders treat social performance as a **professional discipline**, in the same way they do other disciplines?
- To what extent do senior leaders take **long-term views** in decision making and consider long-term value creation and societal outcomes?

Whole-of-asset approach:

- To what extent is social performance **integrated in wider business** management?
- To what extent does the company **leverage core business activities** to manage social performance and achieve positive social outcomes?

Operating in complex environments:

- To what extent are senior leaders capable of **managing the business in contexts of uncertainty**, unpredictability and unanticipated outcomes?
- To what extent do senior leaders recognise and behave in ways which demonstrate that the **company and assets are an integral part of society**?
- To what extent are senior leaders effective at **collaborative decision-making**, both with internal and external parties?

Understanding power, rights and responsibilities:

- To what extent do senior leaders understand the **power, rights and responsibilities of different parties** in the social performance ecosystem, and the role of the company and assets in understanding, identifying and proactively **addressing discrimination vulnerability and exclusion**?

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