

- Media Backgrounder -

# Updated Tailings Management Guidance to Bring Enhanced Environmental Standards to Canada's Mining Sector

# History of the Mining Association of Canada's Leadership in Tailings Management

For over 20 years the Mining Association of Canada (MAC) has led the way in responsible <u>tailings management</u>, a significant focus of the association's work, starting with its publication of <u>A Guide to the Management of Tailings</u> <u>Facilities</u> in 1998. The <u>Towards Sustainable Mining</u> (TSM) program, launched in 2004, and specifically the <u>Tailings</u> <u>Management Protocol</u>, delivers world leading practice on responsible tailings management by providing a rigorous and well-established set of standards for credible performance measurement and reporting. Effective tailings management is rightly being prioritized more than ever to ensure that stakeholders, communities surrounding mine sites, investors and the general public can have confidence in how mining operations are being run.

## About TSM

TSM is a globally recognized sustainability program that supports mining companies in managing key environmental and social risks. TSM was the first mining sustainability standard in the world to require site-level assessments and is mandatory for all companies that are members of implementing associations. Through TSM, eight critical aspects of social and environmental performance are evaluated, independently validated, and publicly reported against 30 distinct performance indicators.

Participation in the TSM program is mandatory for MAC members' Canadian operations, with many voluntarily choosing to apply it to their international sites. This involves subscribing to *TSM's Guiding Principles*, which are backed by specific performance indicators that member companies publicly report on annually in <u>TSM Progress</u> <u>Reports</u>. TSM's performance protocols focus on three core areas: Communities and People, Environmental Stewardship and Energy Efficiency. Each protocol is made up of a set of indicators that help mining facilities build, measure and publicly report on the quality of their management systems and their performance in key areas of mining activity. A full list of TSM's protocols can be found <u>here</u>.

# **TSM Performance Rating**

Mining operations annually assess their performance against each of the TSM indicators. For each indicator, they assign a letter grade that reflects their performance ranging from Level C to Level AAA. These grades are made public in the annual TSM Progress Report for each facility. A comprehensive explanation of TSM's verification system, which involves several different layers of assurance including self-assessment, external verification, a CEO Letter of Assurance and post-verification review, can be found <u>here</u>.

One of the key strengths of TSM is that performance of mining companies is measured where the mining activity actually takes place – at the facility level. The results provide local communities with a meaningful view of how a nearby mine is faring.

## **External Oversight**

TSM is overseen by an independent <u>Community of Interest (COI) Advisory Panel</u>, which shapes the program for continual advancement. The COI Advisory Panel is an independent, multi-interest group that oversees the TSM initiative and serves as a consultative body for the Canadian mining industry. The Panel played a key role in TSM's design and implementation from the very beginning. The Panel conducts post-verification reviews each year, and it also meets regularly with senior mining representatives to provide support and advice for TSM, identifies emerging issues for the sector, and encourages the mining industry to raise the bar in corporate responsibility.

## How Does the TSM Tailings Management Protocol Work?

Adopting and implementing TSM has significant advantages for achieving the goal of responsible tailings management. The tailings management component of TSM provides detailed guidance and a comprehensive performance measurement tool to support implementation of the *Tailings Management Protocol*.

The *Tailings Management Protocol*, first released in 2004 and revised in 2011, 2017 and 2019, is used to measure tailings management performance, with five performance indicators focused on:

- Having a corporate tailings management policy and commitment
- Developing and implementing site-specific tailings management systems and emergency preparedness measures
- Assigning accountability and responsibility for tailings management
- Conducting annual tailings management reviews
- Developing and implementing site-specific OMS manuals

Implementation of the Tailings Management Protocol is supported by:

- <u>A Guide to the Management of Tailings Facilities</u> (the Tailings Guide) which provides detailed guidance on governance and a management systems approach to the tailings management, as well as setting performance objectives, managing risk, and implementing third-party oversight.
- <u>Developing an Operation, Maintenance, and Surveillance Manual for Tailings and Water Management</u> <u>Facilities</u> (the OMS Guide) which provides guidance on the development and implementation of sitespecific OMS activities which are essential to the day-to-day responsible management of tailings.
- <u>Table of Conformance</u> which identifies elements in the Tailings Guide and OMS Guide that <u>must</u> be implemented to meet the performance criteria described in the Protocol.

One of the many strengths of the tailings management component of TSM is that it reflects experience gained by MAC and MAC members over the more than 20 years since the release of the first edition of the Tailings Guide in 1998. Since that first edition, the tailings management component of TSM has continued to evolve and improve, reflecting experience gained, improved knowledge, and the global evolution of best practices for responsible tailings management.

## What is the Global Industry Standard on Tailings Management (the Standard)?

Published on August 5<sup>th</sup>, 2020, <u>the Standard</u> establishes the first global standard on tailings management that can be applied to new and existing tailings facilities, wherever they are and whoever operates them. The Standard was developed through an independent process – the Global Tailings Review – which was co-convened in March 2019 by the United Nations Environment Programme, Principles for Responsible Investment and the International Council on Mining and Metals following the tragic tailings facility collapse at Brumadinho, Brazil in 2019. MAC was pleased to play a role in the Standard's development given its longstanding expertise and work in tailings management.

What do the Updates to the MAC's Tailings Guidance Include and How Do They Align with the Standard? The requirements presented in the Standard have been assessed against the Level A requirements for tailings management, water stewardship and Indigenous and community relationships already established in TSM. The *TSM Tailings Management Protocol, <u>TSM Indigenous and Community Relationships Protocol</u> and <u>TSM Water</u> <u>Stewardship Protocol</u> are very closely aligned with the Standard in all aspects related to governance, community relationships and water stewardship, while there are aspects of the Standard relating to the design and construction of new tailings facilities that TSM does not fully address. For a detailed comparison of TSM's updates vis a vis the Standard, click <u>here</u>.* 

This assessment has led to some refinements to TSM that are now captured in the latest version of *A Guide to the Management of Tailings Facilities*. These refinements are focused on aspects related to corporate policy and accountability for tailings management, and documentation of critical information related to the planning, design and construction of tailings facilities. To further align with the Standard, MAC is also expanding the application of the *TSM Tailings Management Protocol* to closed and inactive sites.

With these changes, TSM meets or exceeds most of the requirements in the Standard and will continue to:

- Provide more detailed and rigorous performance measurement expectations. For example, the Standard
  has three high-level requirements related to developing and implementing an operation, maintenance
  and surveillance (OMS) manual for tailings facilities, whereas TSM identifies more than 120 items that
  must be addressed to be in conformance with the TSM requirement to develop and implement an OMS
  manual.
- Take a more comprehensive approach to identifying and addressing human and community rights and benefits.
- Have an established an independent verification process with almost two decades of experience measuring, assuring and publicly reporting site level performance.

Good governance, including a management systems approach, plays an essential role in responsible tailings management and preventing catastrophic failures. TSM addresses tailings management governance in a much more detailed and comprehensive manner than the Standard, providing a more thorough foundation to help ensure good governance and informed decision-making throughout the life cycle.

# **Global Adoption of TSM**

Other jurisdictions are taking note of TSM's effectiveness, particularly given its strong standards in tailings management and the way it is enhancing business and consumer confidence in the way companies mine. Since its inception, nine national mining associations on six continents have adopted TSM to improve performance in their domestic mining sectors and it is encouraging to see interest in sustainable mining standards growing at an increasingly rapid pace. TSM is currently being implemented in Finland, Norway, Spain, Argentina, Brazil, Botswana, the Philippines, and most recently, Australia, with more mining associations expected to sign on this year.

## For more information, please contact:

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