Social Performance in Mining

General Directorate of Sustainability

20 Feb 2025

Meeting Axes

1 Introduction to mining and sustainability

2 Sustainable mining

3 Social performance in mining

4 Annual social performance reports

5 Q&A and discussion space

فريق العمل
People

الشراكة
Partnership

القيمة المضافة
Value Addition

المرونة والفعالية
Agility

الاستدامة
Sustainability
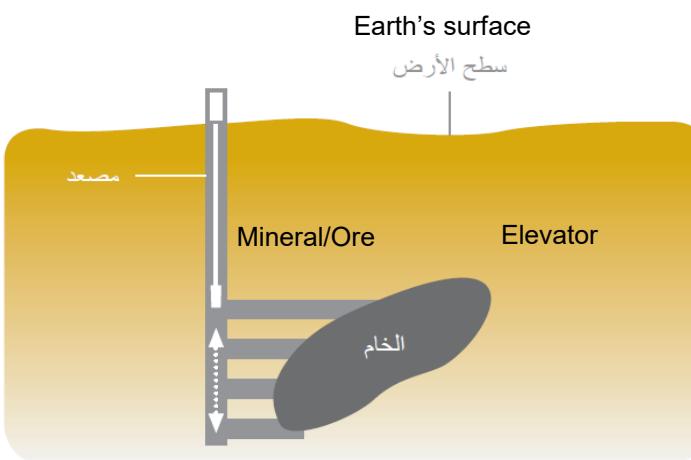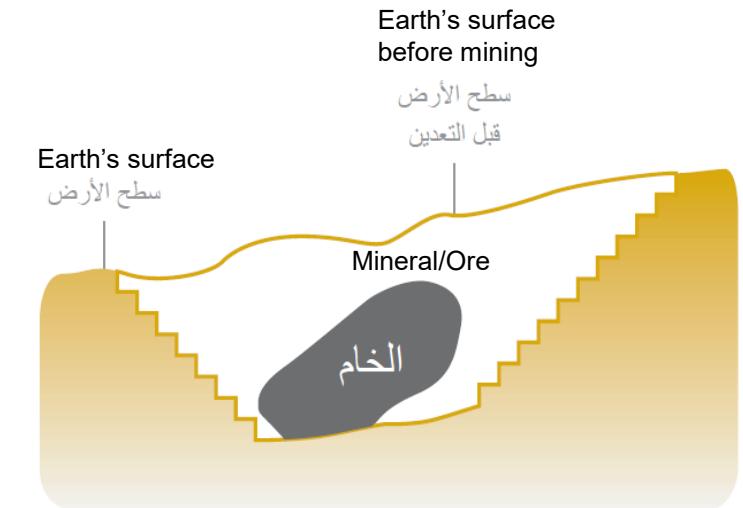
What is Mining?

Mining is the extraction of economically viable minerals and ores from beneath the Earth's surface.

Underground Mining
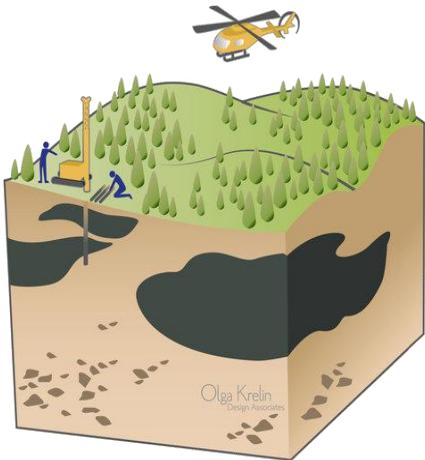

Earth's surface
سطح الأرض

Mineral/Ore

Elevator

مصعد

الخام

Open-pit Mining

Earth's surface before mining
سطح الأرض قبل التعدين

Earth's surface
سطح الأرض

Mineral/Ore

الخام

Stages of Mining

Mineral Exploration Stage
1–10 years

The probability of finding a site that can be developed into an economically viable mine ranges from 1 in 1,000 to 1 in 10,000.

This stage requires significant capital and a strong exploration team, and costs can reach millions of dollars.

Environmental and social risks are low, and the project follows the environmental and social impact management plan.
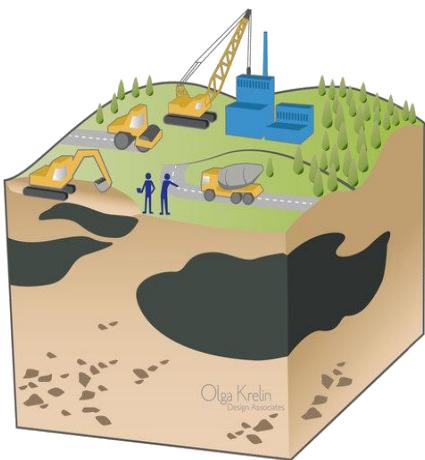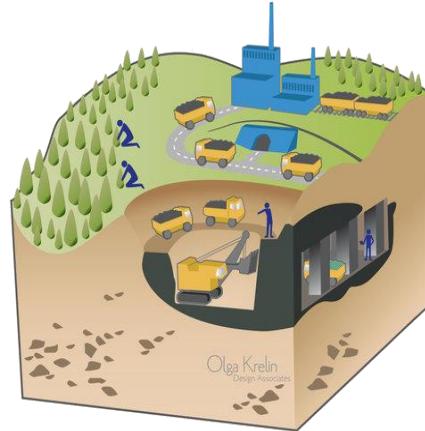
Mine Development Stage
1–3 years

This stage requires a large workforce compared to other stages.

It can cost from tens of millions to billions of dollars depending on the size and complexity of the mine.

Environmental and social risks are moderate, and the mine follows the environmental and social impact management plan.

Mine Operation Stage
10–100 years

Every job created in mining generates 5 to 27 additional jobs across the mining value chain (backward and forward linkages).

Only in this stage does a mining company begin making profits from selling the extracted, separated, and processed ore.

Environmental and social risks are high at this stage, and the mine follows the environmental and social impact management plan.
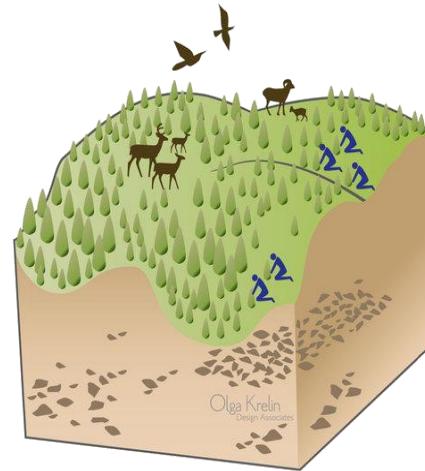
Mine Closure Stage
1–5 years

After completing this stage, the mine site is handed over once it has been rehabilitated.

The cost of rehabilitating and closing a mine site varies depending on its size, and its environmental and social impact, as well as its facilities.

Environmental and social risks are low at this stage, and the mine follows the rehabilitation and closure plan.

The Concept of Sustainable Development

1972 — Limits to Growth

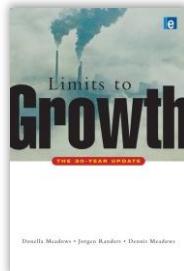The Limits to Growth report was issued by the Club of Rome, discussing the idea of limited natural resources and sparking intense debates between environmentalists and development advocates.

1972 — Environmentally Appropriate Development

The term was first mentioned at the 1972 United Nations Stockholm Conference on the Human Environment.

Stockholm Conference on the Human Environment

1980 — World Conservation Strategy Report

The term sustainable development appeared explicitly in the report title: "Living Resource Conservation for Sustainable Development", developed by **International Union for Conservation of Nature** (IUCN), **World Wide Fund for Nature** (WWF), and **United Nations Environment Programme** (UNEP).

1983 — Formation of the Brundtland Commission

The United Nations Secretary-General asked Norwegian Prime Minister Gro Harlem Brundtland to chair a United Nations commission to examine ideas developed in the Stockholm meeting.

1987 — Release of the Brundtland Report

The report Our Common Future, known as the Brundtland Commission Report, was issued by the World Commission on Environment and Development.
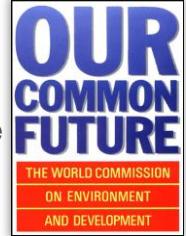
Global Evolution of Sustainable Development

The publication of Our Common Future in 1987 led to several additional initiatives and activities from the United Nations.

1992

Rio "Earth Summit"

The United Nations held a summit in Rio de Janeiro to discuss the outcomes of the Brundtland Commission's work and develop a global strategy for sustainable development.

2000

Millennium Development Goals (MDGs)

At a special conference marking the turn of the millennium, the United Nations committed to a set of eight development goals aligned with the broader themes of sustainable development.

2002

World Summit on Sustainable Development (WSSD)

The United Nations held a follow-up summit in Johannesburg to review progress made on the commitments established ten years earlier in Rio de Janeiro .

RIO+10

IGF

ICM M

2012

United Nations Conference on Sustainable Development (Rio+20)

The United Nations returned to Rio de Janeiro to review what had been achieved in the 20 years since the original Earth Summit. The final declaration, The Future We Want, aimed to go further than previous conferences by outlining concrete actions for the United Nations and its member states.

2015

Sustainable Development Goals (SDGs)

In 2015, the United Nations launched the Sustainable Development Goals, a new set of 17 goals with specific targets to be achieved by 2030.

Mining Industry Response

As global discussions on sustainable development intensified, the mining industry increasingly found itself under scrutiny for its activities across various locations worldwide.

1999
GMI
Nine of the largest mining and metals companies launched the Global Mining Initiative (GMI) to prepare the sector for the 2002 World Summit on Sustainable Development (WSSD).

2000
MMSD
The World Business Council for Sustainable Development commissioned the International Institute for Environment and Development to conduct an independent project on how the sector could contribute to the transition toward sustainable development. It was Mining, Minerals and Sustainable Development (MMSD).

2001
ICMM
The International Council on Metals and the Environment (ICME) was transformed into the International Council on Mining and Metals (ICMM), with its secretariat based in London.

ICMM
International Council
on Mining & Metals

2002
RIO+10
The mining industry, represented by the International Council on Mining and Metals, actively participated in the summit to demonstrate that mining can be an important driver of development and to change the perception of mining as a threat to development.

Paragraph 46 of the Johannesburg Plan of Implementation

Paragraph 46 of the Johannesburg Plan of Implementation

IMPACTS AND BENEFITS

Support efforts to address the environmental, economic, health, and social impacts and benefits of mining, minerals, and metals throughout their life cycle.

STAKEHOLDER PARTICIPATION

Enhance the participation of stakeholders, including local and Indigenous communities and women.

SUSTAINABLE MINING PRACTICES

Promote sustainable mining practices and develop scientific and technological information.

IGF Forum and Rio +10

IGF INTERGOVERNMENTAL FORUM
on Mining, Minerals, Metals and
Sustainable Development

The Intergovernmental Forum on Mining, Minerals, Metals and Sustainable Development (IGF) is a voluntary forum that provides opportunities for national governments interested in mining to work collectively to advance the priorities set out in the Johannesburg Plan of Implementation—and more recently, the United Nations' Sustainable Development Goals and the 2030 Agenda.

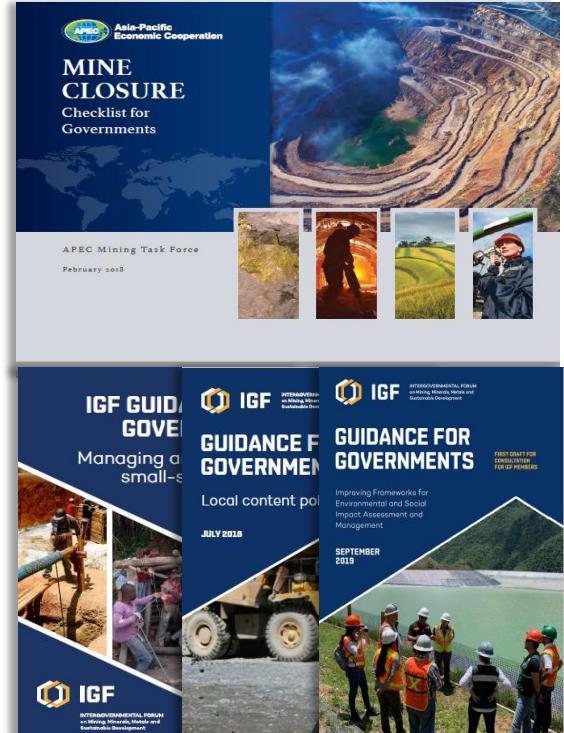Its membership includes more than 80 countries.
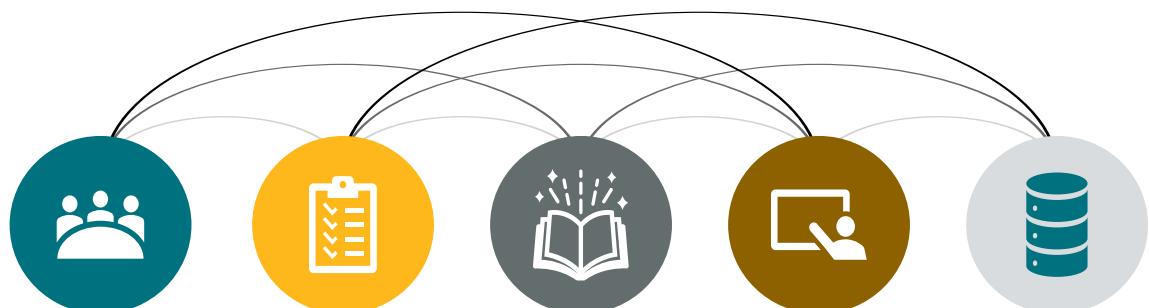
Exchange of ideas and exploration of best practices

Country-level assessments

Guidelines and tools

Training and capacity building

Technical assistance for developing-country governments

International Council on Mining and Metals Principles

The International Council on Mining and Metals (ICMM) adopted a set of 10 sustainable development principles in 2003 to reinforce the industry's commitment to sustainability within a strategic framework.

ICMM
International Council on Mining & Metals

Mining with Principles

Membership includes 25 mining companies an 37 associations.

1 ETHICAL BUSINESS

Apply ethical business practices, strong corporate governance, and transparency to support sustainable development.

2 DECISION-MAKING

Integrate sustainable development considerations into company strategy and decision-making processes.

3 HUMAN RIGHTS

Respect human rights and the interests, cultures, customs, and values of employees and all those affected by our activities.

4 RISK MANAGEMENT

Implement effective risk-management strategies and systems based on sound science and stakeholder perceptions of risk.

5 HEALTH AND SAFETY

Cause no harm and continuously improve health and safety performance.

6 ENVIRONMENTAL PERFORMANCE

Continuously improve environmental performance in areas such as water and energy management and climate change.

7 CONSERVATION OF BIODIVERSITY

Contribute to biodiversity conservation and integrated land-use planning approaches.

8 RESPONSIBLE PRODUCTION

Facilitate and support knowledge, systems, and practices for the design, use, reuse, recycling, and disposal of products containing metals and minerals.

9 SOCIAL PERFORMANCE

Continuously improve social performance and contribute to the social, economic, and institutional development of host countries and communities.

10 STAKEHOLDER ENGAGEMENT

Proactively engage key stakeholders on sustainable development challenges and opportunities in an open and transparent manner, and ensure effective reporting and independent verification of progress and performance.

The Launch of Sustainable Development in the Mining Sector in Saudi Arabia

Esnad Company

Monitoring licensees' compliance with sustainability requirements under the Mining Investment Law and its implementing regulations.

Mining Investment Law

The new law included 11 articles focused on sustainability in the mining sector.

Operational Aspect

Legislative Aspect

Implementing Regulations

The Sustainability Chapter included 37 articles on sustainability.

Mining Strategy

Issued with the approval of the Council of Ministers in 1439 AH/2017, including several regulatory and enabling initiatives.

Sustainability Initiative

Formulating updated regulations for environment, health & safety, and local community development.

1

2

3

4

5

Definition

Sustainable Development

Meeting the needs of the present without compromising the ability of future generations to meet their own needs.
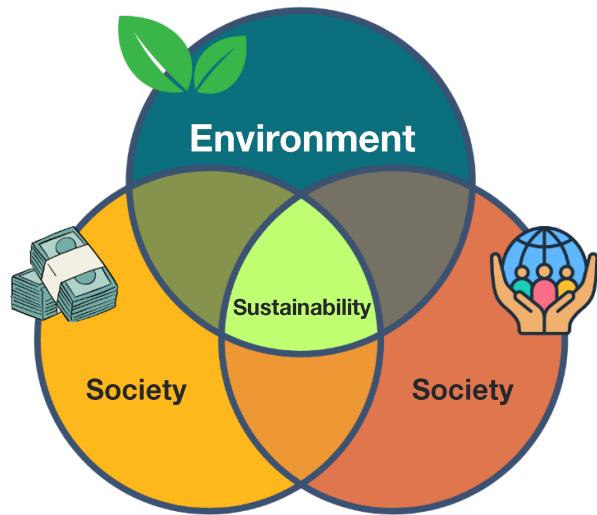
Brundtland Commission, 1987

Something remaining and enduring

Continuity

Balance

Triple bottom line
خط الأساس الثلاثي

Environment
Society
Society
Sustainability

A FRAMEWORK OR THEORY RECOMMENDING THAT COMPANIES FOCUS ON SOCIAL AND ENVIRONMENTAL CONCERNS JUST AS THEY DO ON PROFITS.
JOHN ELKINGTON, 1994

Three pillars
الركائز الثلاثة

Sustainability
Social
Enviromental
Economical
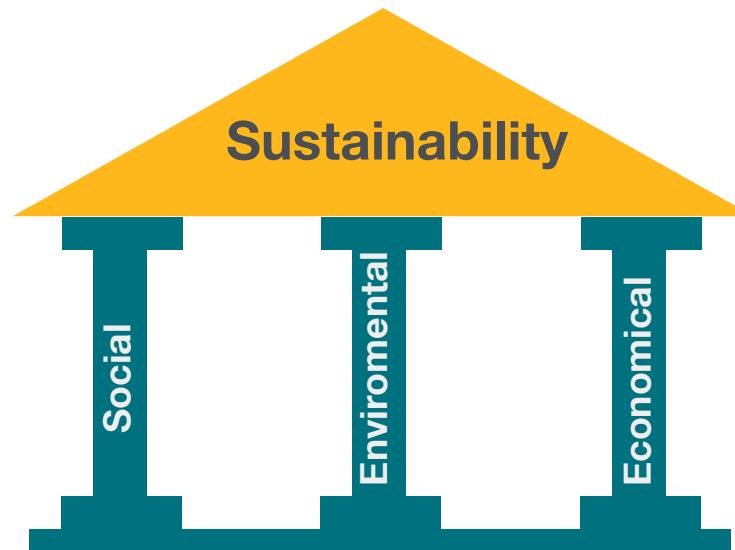
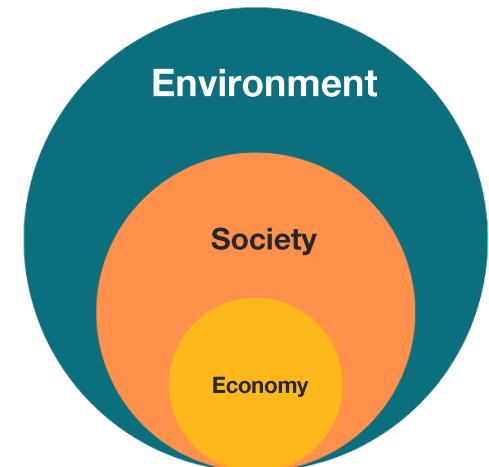THIS MODEL SUGGESTS THAT SUSTAINABILITY RESTS ON THREE PILLARS: ECONOMIC VIABILITY, ENVIRONMENTAL PROTECTION, AND SOCIAL EQUITY

Nested Dependencies Model
نموذج الاعتماد المتداخل

Environment
Society
Economy

THE ENVIRONMENT IS THE FOUNDATION THAT PROVIDES RESOURCES FOR SOCIETY AND THE ECONOMY, AND SOCIETY SUPPORTS THE ECONOMY. WITHOUT A HEALTHY ENVIRONMENT, NEITHER SOCIETY NOR THE ECONOMY CAN CONTINUE.

Sustainable Development in Mining

"

Ensuring mining investments are economically viable, environmentally sound, and socially responsible.

"

Environment
Environmental Impact Identification
Environmental Management

Society
Community Development (local employment and local procurement)

Sustainability

Environment
Profit, Cost Savings, Economic Growth, and Research & Development

Sustainable Development in Mining

Occupational Health and Safety

Risks

- Accidents
- Activity shutdowns
- Reputation damage
- Compensation claims
- Reduced productivity

Commitment to risk management

Strengthening safety culture and behavior

Health safety systems and reporting

Focus on education and training

Focus on processes and equipment

Resource Efficiency

Balancing mining between high-grade and lower-grade ore prolongs the life of the mine, ensuring continuous benefits for stakeholders.

Using trained labor and modern techniques and tools to extract ore helps prevent resource waste and reduces mining waste.

Efficient mine-site management is crucial, as poor management decisions can lead to production difficulties or other factors that hinder optimal resource extraction.

Environmental Aspect

EIA

Environmental Impact Assessment

Defines the environmental baseline surrounding the project

Identifies potential environmental impacts

Develops the environmental management plan

RCP

Rehabilitation and Closure Plan

Identifies project operations and facilities

Establishes procedures for site rehabilitation and closure

Environmental Management

Water management

Energy

Emission reduction

Biodiversity

Waste management

Social Performance
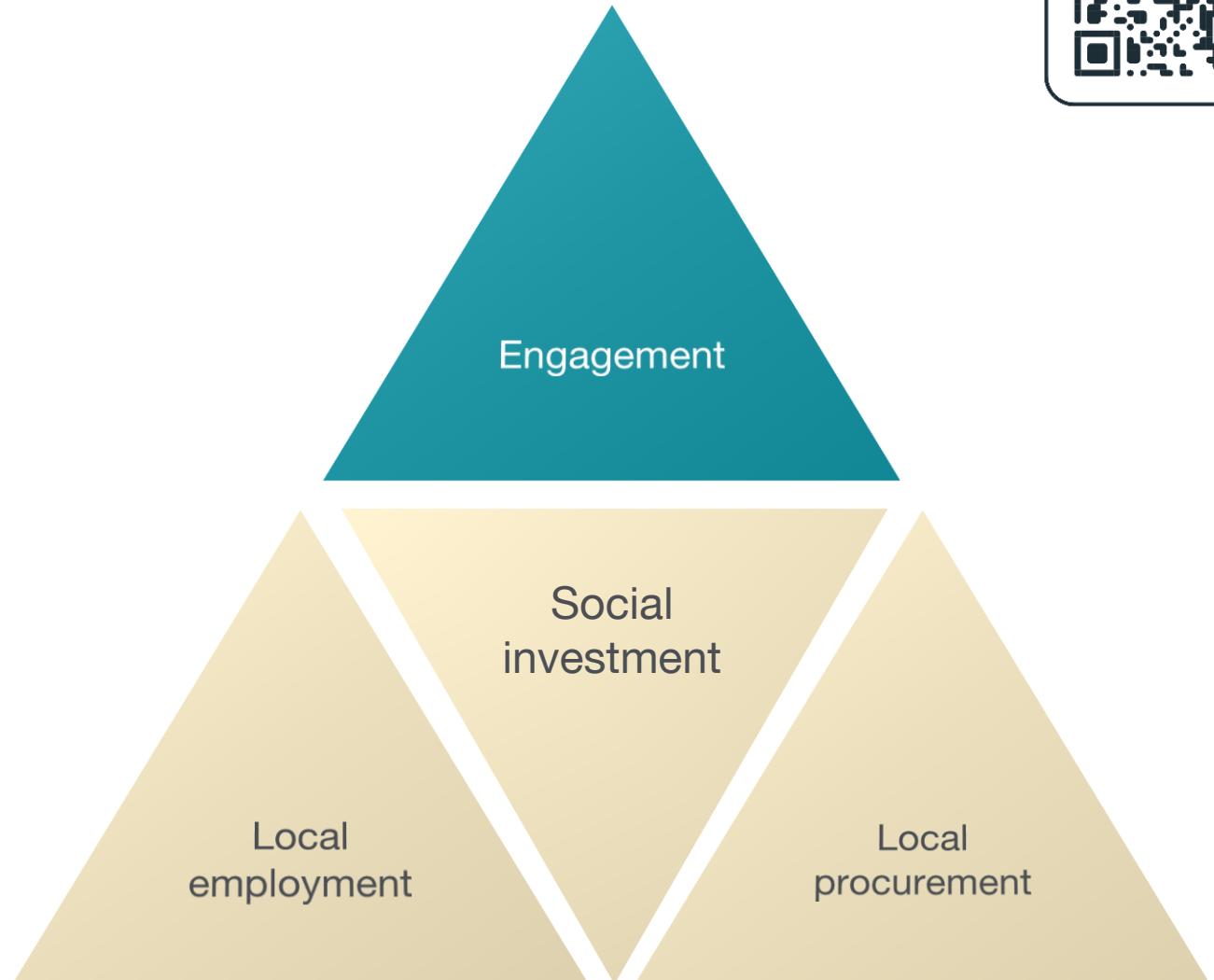
Obtaining the Social License to Operate

SIA

Social Impact Assessment

Defines the baseline for communities surrounding the project

Identifies potential social impacts

Develops the social management plan

Engagement

Social investment

Local employment

Local procurement

Why Do We Care About Social Performance in Mining?

Cost of Mine Shutdown or Closure

"

For mining companies, nothing kills profits like a shutdown.

"

Global shutdown costs in extractive activities

(According to a study by the Centre for Social Responsibility in Mining in Australia)

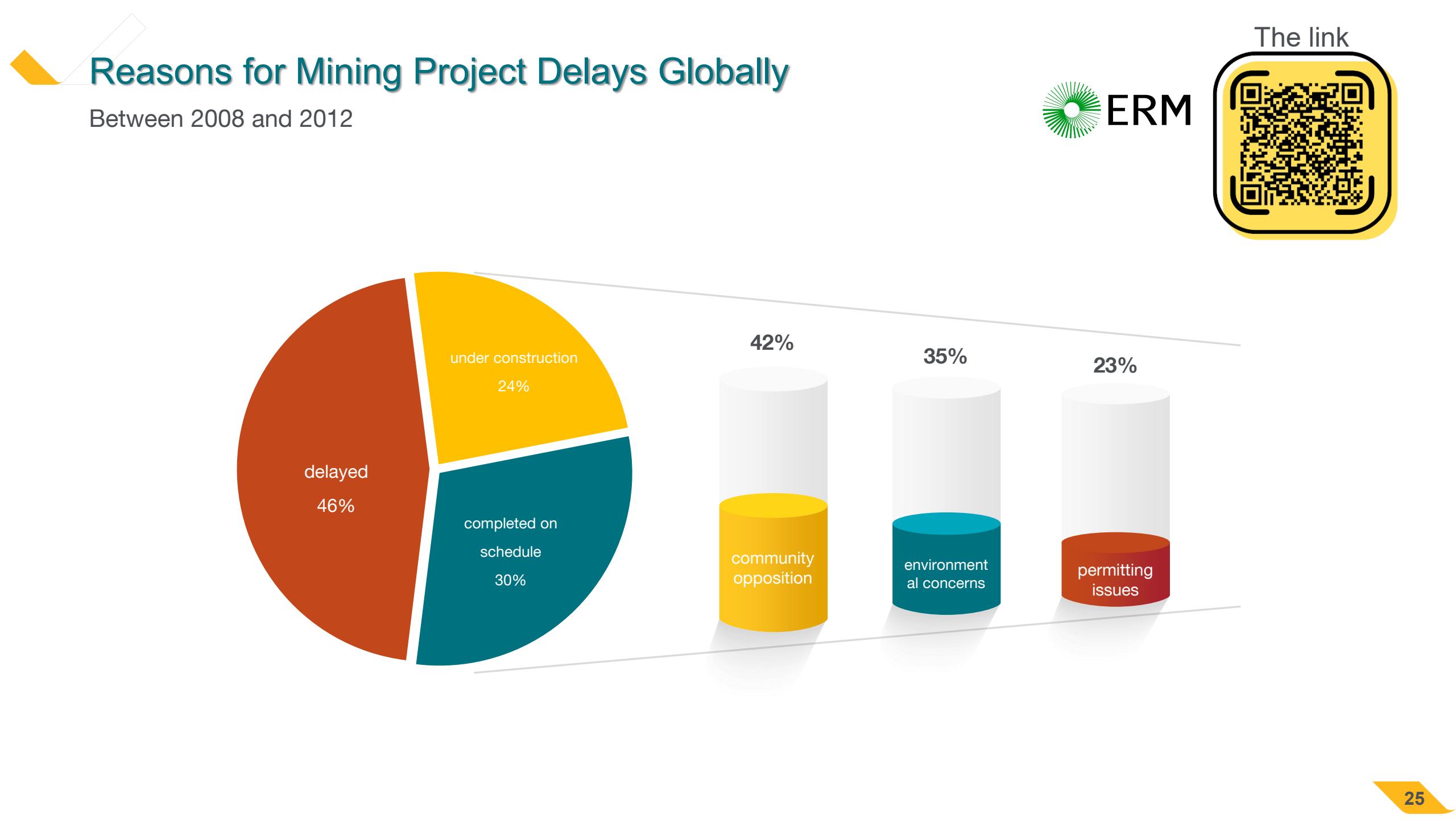**$10,000 per day during early exploration**

$50,000 per day during advanced exploration

$20 million per week during the operation phase

Reasons for Mining Project Delays Globally

Between 2008 and 2012

ERM

delayed
46%

under construction
24%

completed on
schedule
30%

42%
community opposition

35%
environmental concerns

23%
permitting issues

The Social License to Operate

Top 10 Business Risks for the Global Mining Sector in 2025

Rank	Risk
1	Capital
2	Environmental management
3	Geopolitical factors
4	Resource and reserve depletion
5	Social license to operate
6	Rising costs & productivity
7	Climate change
8	New projects
9	Changing business models
10	Innovation

2024 — 2025

During the past five years, the social license to operate has been among the top five risks in the mining sector.
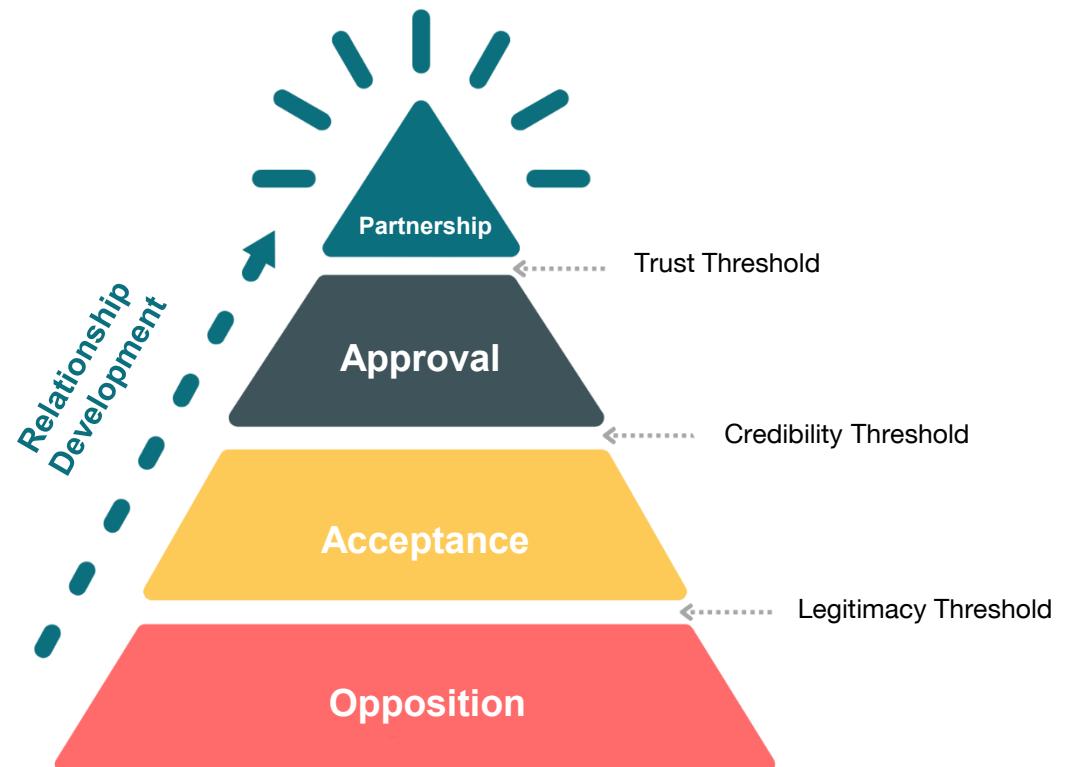
- ⬆ Decreased compared to 2024
- ⬇ Decreased compared to 2024
- — No change compared to 2024
- ★ New in 2025

26

The Social License to Operate

According to Thomson & Boutilier, the social license to operate refers to the community's perception of a company and its local operations, and consists of four levels:

1 Lowest level: Withholding or withdrawing the social license

2 Level 2: Initial acceptance of the project

3 Level 3: Approval of the project

4 Highest level: Community sense of shared ownership

Relationship Development

Partnership
— Trust Threshold

Approval
— Credibility Threshold

Acceptance
— Legitimacy Threshold

Opposition

Social Performance Components

Social investment

Community Engagement

Local procurement

Local employment

Social Impact Assessment

Social Impact Assessment

01 – Social Baseline

- The social and economic context of the local community, including infrastructure, health, education, and living patterns.

02 – Stakeholder Identification and Analysis

- Identifying groups directly or indirectly affected by the project.
- Analyzing stakeholder needs and expectations, with a focus on vulnerable and marginalized groups.

03 – Social Impact Analysis

- Assessing potential positive and negative impacts on the local community.
- Analyzing direct and indirect effects such as:
  - Employment opportunities and economic development
  - Changes in lifestyle and social structure
  - Health and environmental impacts on residents

SIA

01
02
03
04
05
06

06 – Monitoring and Evaluation Indicators

- Identifying performance indicators to measure the project's impact on the community over time.
- Continuous monitoring mechanisms to ensure social objectives are achieved and negative impacts minimized.

05 – Community Engagement Plan

- Identifying groups directly or indirectly affected by the project.
- Engagement mechanisms for each group.

04 – Mitigation and Management Plans

- Plan for managing and mitigating social impacts
- Local employment, procurement, and social investment plans.
- Grievance reception and handling plan.
- Community engagement plan.

Community Engagement

01 – Importance

- Ensures the success and sustainability of mining projects.
- Reduces potential risks and strengthens mutual trust.

02 – Objectives

- Understand the needs and expectations of the local community through continuous dialogue.
- Enhance trust and transparency between the company and the community.
- Reduce conflicts and increase community support for mining operations.

03 – Mechanisms

- Public hearings to allow the community to express their opinions and concerns
- Community committees.
- Open channels for receiving grievances and addressing them seriously and transparently.
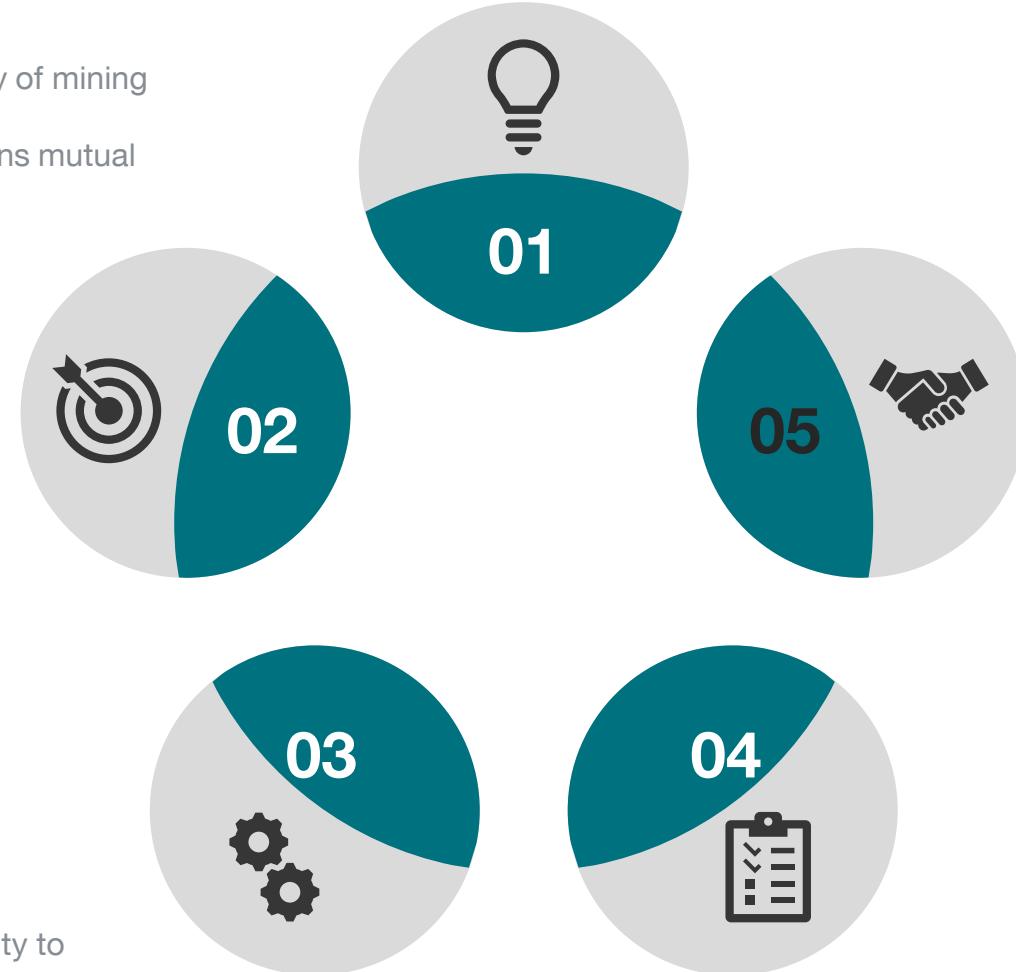
05 – Outcomes

- Reduced conflict and sustainable cooperation between the company and the community.
- Building long-term strategic partnerships that contribute to overall development

04 – Principles

- Respecting the cultural values and traditions of the local community
- Fulfilling promises and implementing announced initiatives to ensure company credibility.

Stakeholder Identification and Analysis

What Is It?

Stakeholder identification is the process of recognizing individuals or groups who have an interest in the project, may be affected by it, or can influence it. This helps in understanding their concerns and their impact on the project's success, enabling the design of programs that meet the expectations and needs of the local community.

Why?

- Improve understanding of stakeholders and how to engage with them effectively.
- Identify potential conflicts and manage them.
- Prioritize engagement based on stakeholders' influence and level of impact.
- Ensure inclusion of vulnerable and marginalized groups in development programs.

How?

- Classify stakeholders based on their stance, influence, and degree of impact.
- Assess their perspectives and place them in a matrix for prioritization.
- Develop engagement strategies suitable for each group.
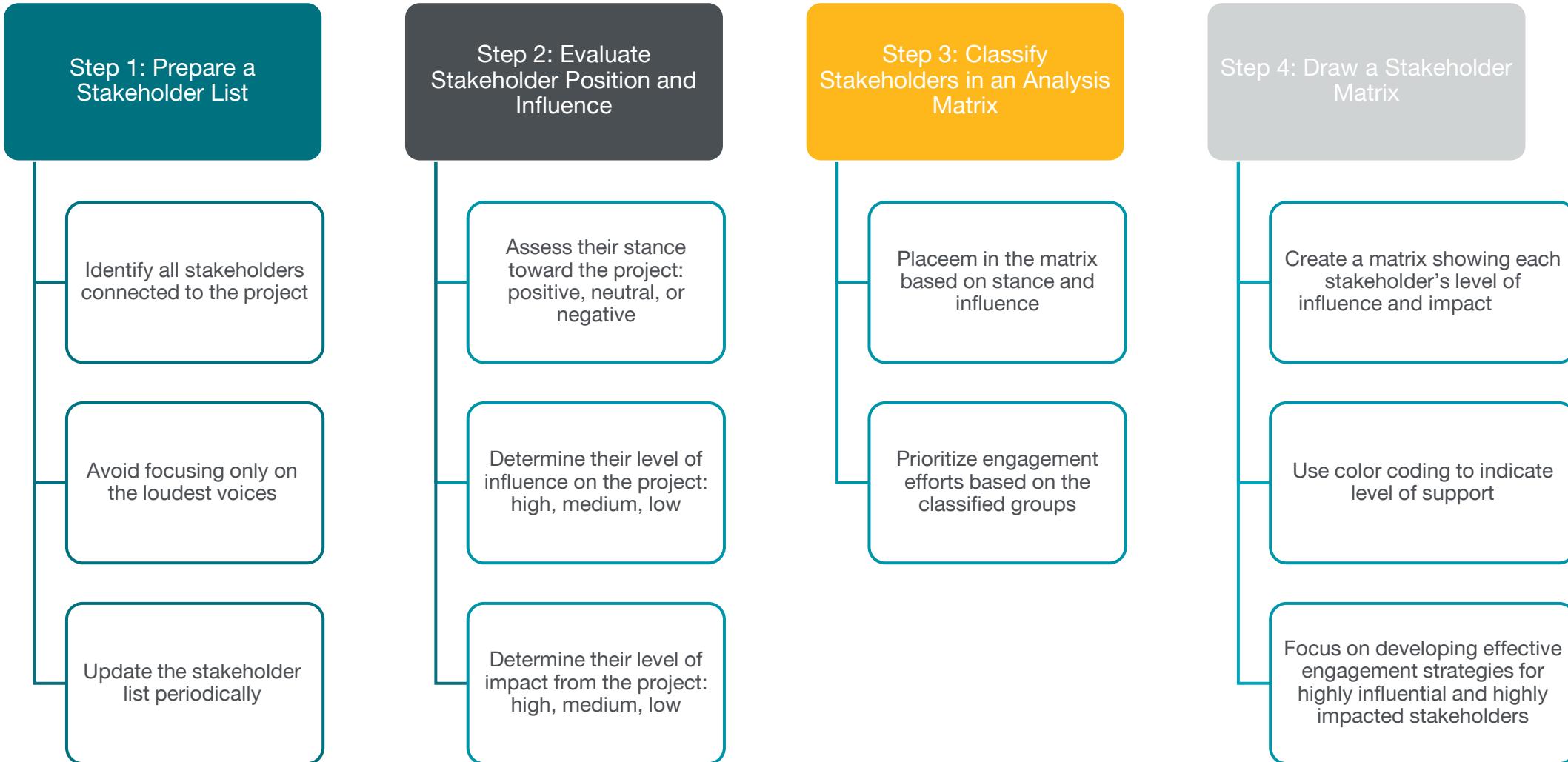
Who Are the Stakeholders?

**Examples include,
but are not limited to:**

**Questions to
Help Identify Stakeholders**

- Individuals: Local community members in affected areas

- Interest Groups: Such as civil society organizations

- Government Agencies: Supervising or licensing authorities

- Organizations & Companies: Those affected by or influencing the project

1. Who may be negatively affected by the project?
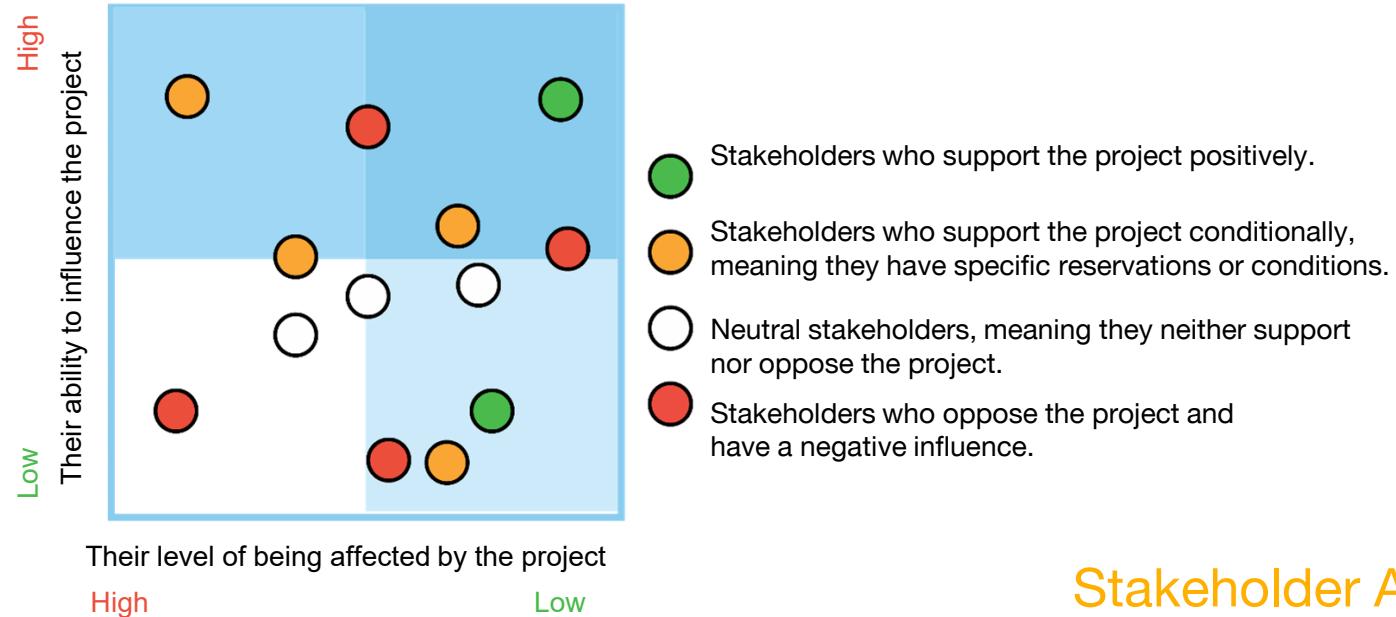2. Who will benefit from the project?
3. Who is responsible for implementing mitigation measures?
4. Who has knowledge or influence that could support the project's success?
5. Who are the vulnerable groups needing special inclusion?
6. Who supports or opposes the project?
7. Whose opposition could negatively affect the project?
8. Who can provide valuable contributions?

Steps for Identifying and Analyzing Stakeholders

Step 1: Prepare a Stakeholder List

- Identify all stakeholders connected to the project
- Avoid focusing only on the loudest voices
- Update the stakeholder list periodically

Step 2: Evaluate Stakeholder Position and Influence

- Assess their stance toward the project: positive, neutral, or negative
- Determine their level of influence on the project: high, medium, low
- Determine their level of impact from the project: high, medium, low

Step 3: Classify Stakeholders in an Analysis Matrix

- Placeem in the matrix based on stance and influence
- Prioritize engagement efforts based on the classified groups

Step 4: Draw a Stakeholder Matrix

- Create a matrix showing each stakeholder's level of influence and impact
- Use color coding to indicate level of support
- Focus on developing effective engagement strategies for highly influential and highly impacted stakeholders

Examples of Analysis and Representation of Results

Visual Representation of Results

High

Low

Their ability to influence the project

Their level of being affected by the project

High   Low

- 🟢 Stakeholders who support the project positively.

- 🟠 Stakeholders who support the project conditionally, meaning they have specific reservations or conditions.

- ⚪ Neutral stakeholders, meaning they neither support nor oppose the project.

- 🔴 Stakeholders who oppose the project and have a negative influence.

Stakeholder Analysis Table

Stakeholder Name/Group	Position (Positive – Negative – Neutral)	Influence	Impact
X	🔴	✗	✗
Y	🟠	✓	✗
Z	⚪	✓	✓

Grievance Reception and Handling Mechanism

Receiving and Recording the Complaint

01

Handled by the staff responsible for social performance.

02

Preliminary Assessment of the Complaint

Engagement with the Complainant

03

04

Inestigation of the Complaint

Finding a Solution and Implementing It

05

06

Informing the Complainant of the Results

Follow-up and Evaluation

07

Key Success Factors
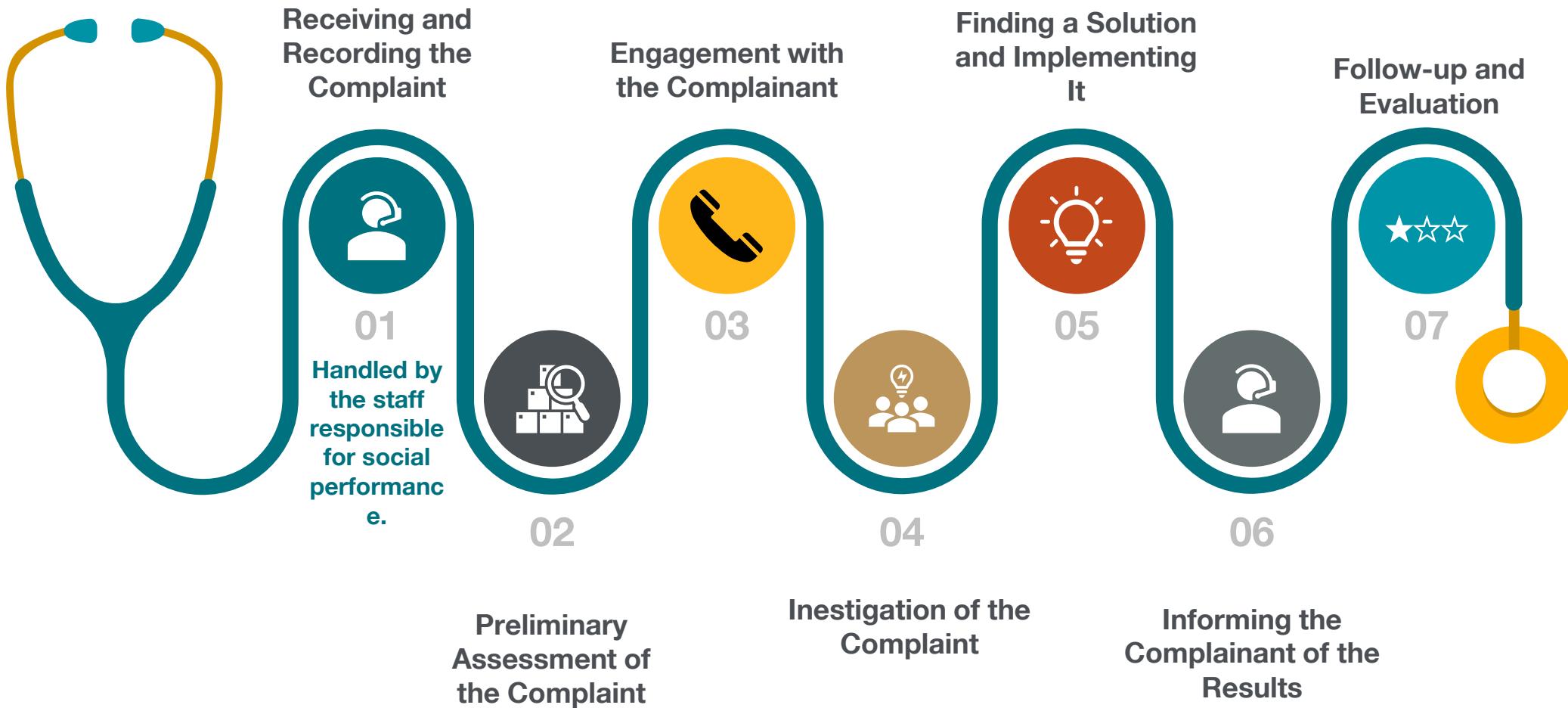
Providing multiple channels for submitting complaints to ensure accessibility.

01

Training staff to handle complaints professionally and sensitively

02

03

Periodically reviewing and updatinthe mechanism to ensure ongoing effectiveness.

Local Community Employment

Developing a Local Employment Plan
Prioritize communities closest to **the** license site.

Hiring a sufficient number from the local community
Commitment to hiring an adequate number of Saudi nationals from the local community in accordance with the project's needs.
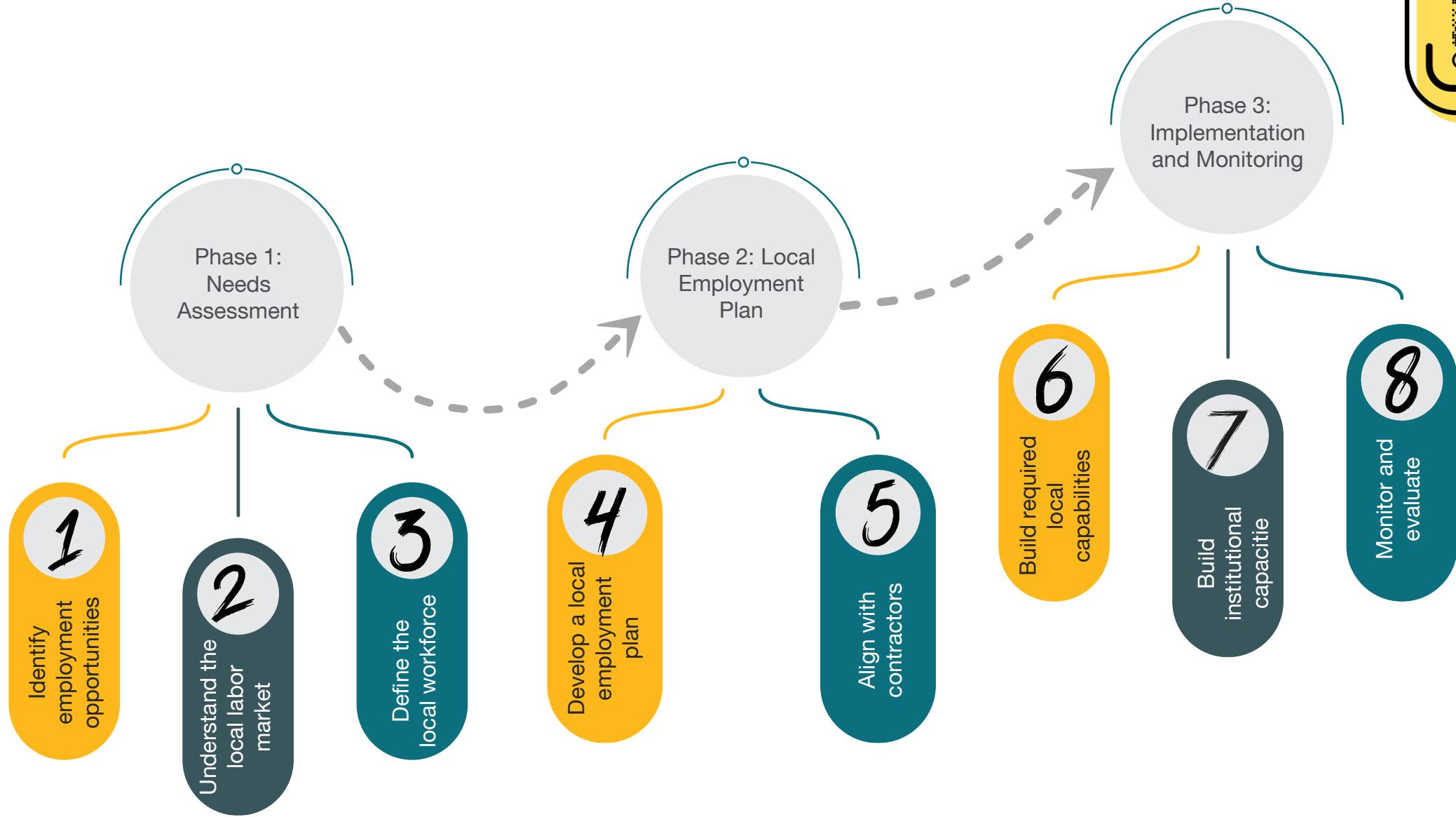
Training local Saudis as an alternative
If a sufficient number of qualified individuals is not available, specialized training programs should be prepared and funded by the company to qualify them.
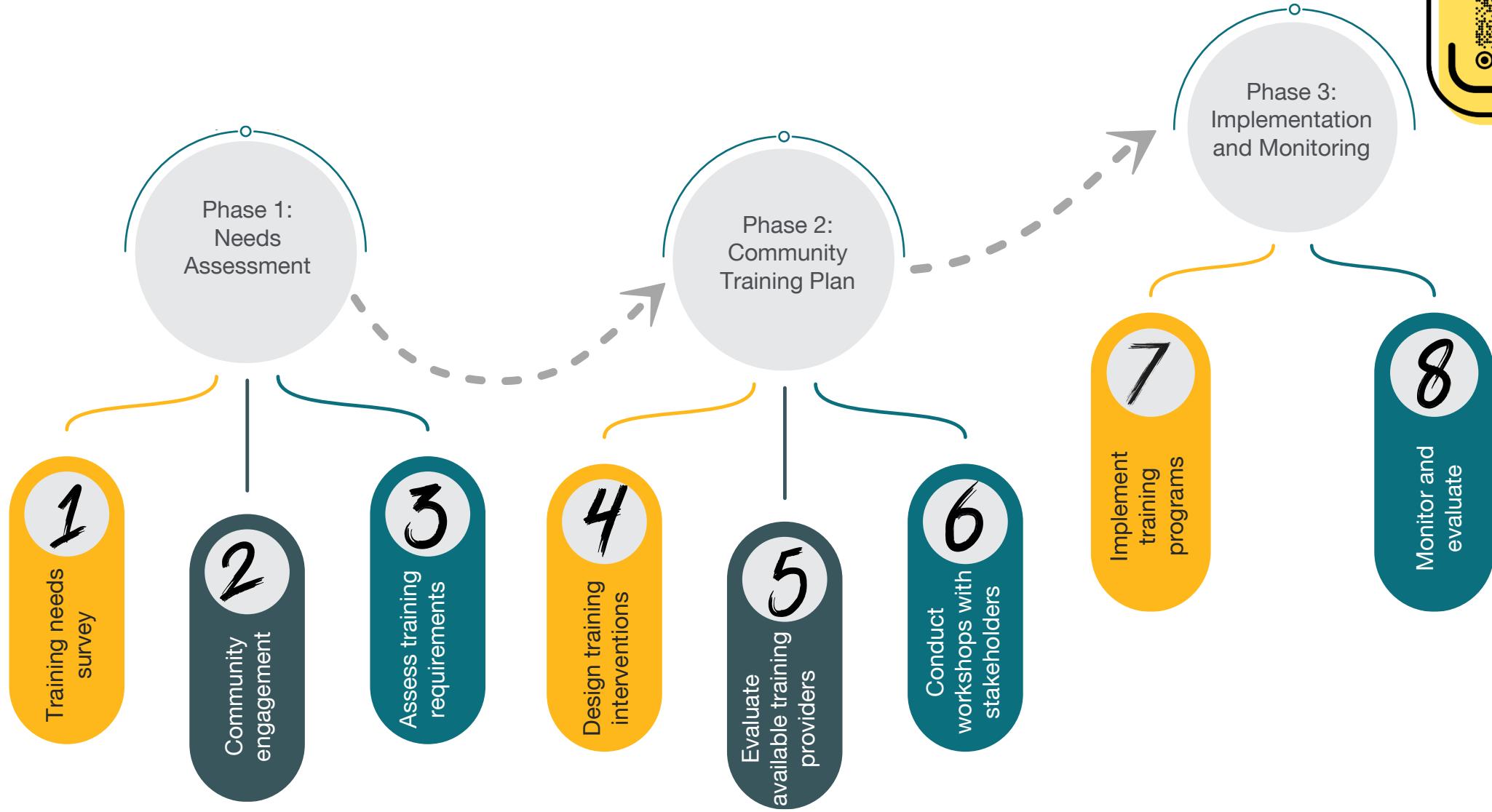
Social Investment

Community Engagement

Local Procurement

Local Employment

Study of Social Impact

Example: Anglo American Local Employment Framework

Phase 1: Needs Assessment

Phase 2: Local Employment Plan

Phase 3: Implementation and Monitoring

1 Identify employment opportunities

2 Understand the local labor market

3 Define the local workforce

4 Develop a local employment plan

5 Align with contractors

6 Build required local capabilities

7 Build institutional capacitie

8 Monitor and evaluate

Example: Anglo American Local Training Framework

Phase 1: Needs Assessment

Phase 2: Community Training Plan

Phase 3: Implementation and Monitoring

1 Training needs survey

2 Community engagement

3 Assess training requirements

4 Design training interventions

5 Evaluate available training providers

6 Conduct workshops with stakeholders

7 Implement training programs

8 Monitor and evaluate

Local Procurement

Developing a Local Procurement Plan

The social impact plan should create opportunities for local companies, institutions, and individuals to secure contracts for goods and services.

Allocate a Fixed Percentage of Spending

Licensees should allocate a portion of annual expenditure to local suppliers, excluding labor wages.

Implement Social Development Programs as an Alternative

If local procurement is not feasible due to low quality or lack of availability, implement social development programs equivalent in value to the allocated local procurement percentage.

Social Investment

Community Engagement

Local Procurement

Local Employment

Study of Social Impact

Example: Anglo American Local Procurement Framework

1. Build a strong business case

2. Identify local procurement opportunities (demand side)

3. Understand the local market (supply side)

4. Develop a local procurement strategy

5. Build required capacities

6. Ensure opportunities for local businesses

7. Align first-tier contractors and suppliers

8. Strengthen supplier capacities and competitiveness

9. Strengthen the local economic base through entrepreneurship support

10 .Demonstrate positive impact

Local Community Development (Social Investment)

Investing in Relationships
Aim to build sustainable links with the local community and enhance trust.

⬇

Targeting Community Priorities
Identify priorities in collaboration with affected communities to ensure alignment with their aspirations.

⬇

Measuring and Evaluating Impact
Document and measure project impacts to ensure optimal results.

Social Investment

Community Engagement

Local Procurement

Local Employment

Study of Social Impact

Social Investment vs. Government Relations and Public Relations

Area	Public Relations	Government Relations	Social Investment
Concept	Strategic communication to build mutually beneficial relationships between organizations and the public	All forms of communication (oral or written) with relevant goverment officials	Support provided by the licensee to community initiatives and projects outside its core business
Includes	• Conference sponsorship • media campaigns • brand awareness • media coverage	• Meetings with regulators • hosting officials or dignitaries	• Health, wellbeing, water & sanitation projects • capacity building, skills development • community development
Does Not Include	Formal communication with government or support of community development projects	Marketing, branding, or direct community development programs	Charitable donations, sponsorships, marketing, public relations, or government relations

Examples of Social Investment Project Classifications

Classification	What It Includes	What It Does Not Include
Development or improvement of community infrastructure	Funding infrastructure projects that serve the local community, such as building schools, health centers, and improving road, water, and sanitation networks.	Maintnance or repair of roads damaged by company trucks
Skills development and capacity building	Providing training programs and workshops for local community members to develop skills and increase emplyability.	Training company employees
Support for small businesses and entrepreneurship	Providing funding and mentoring to local entrepreneurs and small business owners to help grow their businesses.	Investment in large commercial projects unrelated to the local community or not directly benefiting it
Improvement of health and education services	Supporting initiatives aimed at enhancing the quality of health and education services, such as supplying medical equipment or developing curricula.	Funding health or education services for company employees
Environmental protection and sustainability	Implementing projects that protect the local environment, such as tree planting campaigns, waste management, and natural resource conservation.	Environmental projects aimed solely at complying with internal company standards or legal requirements

Expanded Classifications for Social Investment in Local Community Development

Classification	What It Includes	What It Does Not Include
Education and Training	Teacher training, school facilities, CV-writing workshops, and unconditional scholarships	• Internal employee training • Financial support for students tied to employment
Health & Wellbeing; Water and Sanitation	Mobile clinics, vaccination programs, medical equipment, water and sanitation provision	• Employee health programs • Providing healthy housing for employees • Addressing water withdrawal from company operations
Infrastructure	Building roads, bridges, and community centers	Company-specific infrastructure, even if socially beneficial
Capacity Building	Supporting NGOs and local organizations through training and technical assistance	Training internal employees.
Community Development	Supporting small projects, agricultural training, and community housing construction	• Commercial loans. • Training current employees. • Providing employee housing.
Environment, Energy, and Climate Change	Environmental improvement projects, biodiversity management, and energy consumption reduction programs	Mandatory environmental compliance linked to operations
Sports, Arts, Culture, and Heritage	Youth sports programs and preservation of traditional crafts	Large sponsorships for exhibitions or national teams to promote branding
Emergency Relief	Providing emergency supplies to affected communities	Damages from operational accidents

Annual Social Performance Report

Submitting an annual report on the extent of compliance with the Social Impact Management Plan.

Compliance with the plans outlined in Articles 105 and 106.

Community inquiries and complaints and how they were addressed.

Contributions provided for local community development in accordance with Articles 108 and 109.

Social Investment

Community Engagement

Local Procurement

Local Employment

Study of Social Impact

Annual Social Performance Report

- According to Article (111) of the Regulation, the holder of an exploration or exploitation license must include in their annual reports the extent of compliance wit the requirements of the Social Impact Management Plan.

- Article 159 addresses mining violations such as providing misleading or incorrect information to the Ministry, or delays or shortcomings in providing information or reports requested by the Ministry.

Assigning a Saudi Employee to Manage Community Performance

Name of the employee responsible for social performance according to Article (107) of the Regulation.

Please note:

- This employee must be one of the Saudi employees working at the license site.

- The same employee must not be assigned to other licenses that are far from the designated site or outside the region.

Sustainability Indicators: Social Impact Management Data		
Indicators of contribution to local community development		
Was a Saudi employee assigned to manage community performance?	Yes	No

If the answer is yes, please complete the following information about the responsible employee:				
Name	Academic qualifications	Experience	Job description	Contact number

Meetings and Engagements with Local Communities

- According to Article (106) of the Executive Regulation of the Mining Investment Law, a plan for continuous and regular engagement with local communities must be submitted.

- This section documents meetings with local communities only, not meetings with government or nonprofit entities unless community members were present.

Meetings with Local Communities				
Purpose of the meeting	Date	Location	Attendees (community members and stakeholders)	Duration
Attached: meeting minutes and records				

Complaints from the Local Community

According to Article (107) of the Executive Regulation:

- The responsible executive must respond to complaints submitted to the social performance officer within 30 days of receiving the complaint.

- All complaints and responses must be included in the license holder's compliance report.

Local Community Complaints					
Total number of complaints	Total number of complaints received during 2023				
Number of complaints successfully closed					
Source	Q1	Q2	Q3		Q4
Complaint box					
Personal communication					
Phone					
Other					

Summary of Complaints and Responses				
Complaint	Response	Date of response to Complaint	Date of complaint filing	Date of complaint closure
Attached: copies of complaint records				

Employees from the Local Community

According to Article (108) of the Executive Regulation:

- The total number of employees should reflect only the employees at this license site (including contractor employees), not all employees across the company's other sites.

- According to Article (108.3): If the license holder cannot hire a sufficient number of Saudi nationals from the local communities, they must prepare specialized programs to develop skills of local community members near the license site according to their social and living conditions.

Number and Percentage of Employees from the Local Community			
Total number of employees (Saudi – Non-Saudi – Contractor)			
Total number of Saudi employees			
	Technician	Administrative	Laborer
Total Saudi employees from local communities within a 100 km radius of the license			
Salaries of Saudi employees from local communities (SAR)			
Technician		Administrative	Laborer
Specialized programs for developing local community skills for employment (if any)			

Procurement from the Local Community

According to Article (109) of the Executive Regulation:

- Totals apply only to this license site (including contractors), not to all company licenses or sites.

- According to Article (109.3): If the license holder cannot meet local procurement requirements due to low quality, insufficient quantity, or non competitive pricing of goods or services, the license holder must implement social development programs equivalent in value to the required percentage of local procurement.

Amounts Spent on Procurement from the Local Community				
	Capital goods	Consumable goods	Services	Services
Total Procurement	For example: equipment, machinery, and devices in 2023 only	For example: food supplies and spare parts in 2023 only	For example: equipment rental or water supply services in 2023 only	Total procurement
Total Procurement from Saudi Suppliers	Suppliers located beyond 50 km			Total procurement from Saudi suppliers
Total Procurement from Local Community (within 100 km)	Suppliers within 50 km			Total procurement from local community suppliers

Specialized programs for building local community capacity in local procurement (if any)

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Social Development Programs

According to Article (110) of the Executive Regulation:

- This section includes programs aimed at developing local communities near this specific license site only, not across all company licenses.

- Only include programs that contribute to local community development—not initiatives related to government entities or sponsorships unrelated to the local community (for 2023 only).

Social Development Programs (Social Investment), if any						
Program name	Initiative/project description	Number of beneficiaries	Details of partnership with a nonprofit organization (if applicable)—include partner name and role	Cost	Start date	End date
	Description of the project or initiative	Number of beneficiaries from this initiative	If the initiative is implemented in partnership with any nonprofit organization, mention its name and its role in the initiative			

**Mining Investment Law and its Executive Regulations
issued by the Ministry of Industry and Mineral Resources**

نظام الاستثمار التعديني
ولائحته التنفيذية

The Mining Investment Law and its Executive Regulations are among the most important references for sustainability-related legislation in the mining sector. They were developed to align with international best practices adapted to the local context of the Kingdom of Saudi Arabia. The regulations include a full chapter on sustainability with 37 articles that strengthen principles of governance, responsibility, transparency, efficiency, effectiveness, and responsiveness. They aim to ensure positive economic, social, and environmental impacts of industrial and mining activities and to support sustainable development.

Understanding Company-Community Relations Toolkit

Understanding Company-Community Relations Toolkit, issued by the International Council on Mining and Metals (ICMM)

This toolkit is a comprehensive resource for understanding and assessing community support for companies and for strengthening company–community relations. It focuses on key factors that shape these relationships, such as legitimacy, trust, respect, and alignment of interests, as well as contextual factors like the social and political environment. The toolkit provides a practical framework for analyzing existing relationships, identifying reasons for weak community support, and proposing targeted strategies to improve relations and build sustainable partnerships between companies and communities.

Community Development Toolkit

Community Development Toolkit, jointly issued by the International Council on Mining and Metals (ICMM) and the World Bank

This reference provides practical and accessible tools to support community development in areas surounding mining projects across all stages of the project lifecycle, from exploration to closure and beyond. It focuses on building sustainable relationships with communities, creating development plans, reducing conflict, and empowering local communities through mechanisms such as institutional analysis and development-opportunity assessments. It helps companies achieve lasting positive impact and strengthen community trust.

Tools for Social Performance

Tools for Social Performance, issued by the International Council on Mining and Metals (ICMM) in March 2022

This resource offers practical tools to enhance the social performance of mining companies. It focuses on integrating social performance into company systems, assessing risks, and building sustainable relationships with local communities. It includes a social performance maturity matrix and a competency framework to support integration and continuous improvement.

A Strategic Approach to Early Stakeholder Engagement

A Strategic Approach to Early Stakeholder Engagement, issued by the International Finance Corporation (IFC) in 2014

نهج استراتيجي للتواصل المبكر
مع أصحاب المصلحة

A practical guide for small companies in the extractive industries to develop early stakeholder engagement strategies. It emphasizes building trust, gaining a "social license to operate," and managing environmental and social risks to ensure the sustainability of mining activities and deliver shared benefits

Handling and Resolving Local-Level Concerns and Grievances

Handling and Resolving Local-Level Concerns and Grievances, issued by the International Council on Mining and Metals (ICMM) in December 2019

إدارة وحل الشكاوى والمخاوف
على المستوى المحلي،

This reference provides practical guidance for managing and resolving local-level concerns and grievances in the mining and metals sector. It focuses on promoting human rights, building trust with local communities, and ensuring sustainable operations through effective mechanisms for addressing issues and complaints.

THANK YOU

إسـناد
ESNAD

الشركة السعودية لخدمات التعدين
SAUDI MINING SERVICES CO.

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