

Action Plan: Eliminate major gaps in ESG (Environmental, Social and Governance) regarding the best practices

Already addressed/concluded
As of January 2020

INITIATIVE		CONCLUSION ESTIMATE
DAMS		
1	Greater disclosure on the <i>Plano de Ação de Emergência de Barragens de Mineração (PAEBMs)</i>	
2	Greater transparency in the external auditing process	
3	Quantitative evidence of compliance with the ICMM guidelines	1H21
COMMUNITY DEVELOPMENT		
4	Disclosure of the systematic involvement of local stakeholders in the community development planning	2H20
5	Structure social KPIs with short, medium and long term goals	1H21
6	Statement on the socioenvironmental impact of Onça Puma on indigenous communities	
HUMAN RIGHTS		
7	Establish a due diligence process	1H21
ETHICS AND CORRUPTION		
8	Have a supplier compliance verification program	
9	Disclosure of the sorts of problems reported to the Ombudsman	
10	Demonstrate that the Board of Directors is capable of providing significant oversight of the Executive Board	
WORKFORCE		
11	Have a program to address illness in the workforce	
12	Establish maximum working hours allowed in a week	
13	Goal to increase the percentage of women on the workforce	
ENVIRONMENTAL MANAGEMENT		
14	Have all operations with the ISO 14001 certification	2H22
15	Perform sensitivity analyses and/or stress test related to water and climate risk	2H20
16	Include waste management in the environmental management policy	2H20
17	Disclose environmental violations in a consolidated form	2H20
18	Establish goals for waste management	
19	Establish goals for greenhouse gas emissions	
20	Establish goals for SOX emissions	
21	Establish goals for NOX emissions	
22	Establish goals for dust emissions	
23	Better disclosure of sustainability KPIs	
24	Devise climate change scenarios in strategic planning	2H20
25	Inform annual monetary value for investments in reducing CO2 emissions	2H20
26	Define internal carbon pricing	
27	Implement water management policy for units operating in water-stressed areas	2H20
COMPENSATION		
28	Sustainability and/or health and safety targets in long term goals	
29	Increase disclosure of executive compensation	2H20
30	Disclosure of the results of long-term executive compensation metrics	
31	Have the variable remuneration component paid in company shares	
32	Present minimum ownership requirements for the CEO and members of the Executive Board	
33	Have part of the CEO short-term incentives granted in the form of company's shares	
34	Inclusion of <i>malus</i> clause	
35	Report information on compensation, segmented by men and women	
HEALTH AND SAFETY		
36	ISO 45001 certification or equivalent	2H22
37	Disclosure of major Health and Safety risks	
38	Disclosure of how the company manages Health and Safety risks	
39	Detail information on fatalities	
40	Detail the <i>TR/FR</i> rate between own and outsourced employees	
SUPPLY		
41	Have formal supplier monitoring programs	
GOVERNANCE		
42	Increase number of independent board members	Upon expiration of the Shareholders Agreement
43	Increase number of board members with experience in mining, especially in dams	Upon expiration of the Shareholders Agreement
44	Greater diversity on the Board of Directors	Upon expiration of the Shareholders Agreement
45	Independent Chair of the Board of Directors	Upon expiration of the Shareholders Agreement
46	Creation of the remuneration committee, majorly composed by independent members	Upon expiration of the Shareholders Agreement
47	Have an Audit Committee, with independent majority and composed by experts	2H20
48	Have a nominating committee	Upon expiration of the Shareholders Agreement
49	Elect a leading independent director	Upon expiration of the Shareholders Agreement
50	Increase disclosure of the frequency of board meetings	
51	Establish evaluation process for the executive board and disclose the evaluation	1H21
FINANCE		
52	Disclosure of Tax Transparency Report	2H21