



BETTERCOAL ASSESSMENT MANUAL

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General Enquiries

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Bettercoal is part of the Responsible Commodities Sourcing Initiative.

Disclaimer

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1. Introduction

1.1 About the Bettercoal Programme

The Bettercoal Programme is a global standards initiative established by major coal buyers striving to promote continuous improvement of sustainability performance in their coal supply chain¹. The Bettercoal Programme assesses, through independent Assessors, the performance of coal mining operations against the twelve principles of the Bettercoal Code (the Code).

The Bettercoal Programme aims to follow the ISEAL Codes of Good Practice and Credibility Principles in developing its standards and assurance systems. ISEAL is the global membership association for credible sustainability standards. For more information, please visit: www.isealalliance.org and <https://www.bettercoal.org/working-with-others>.

The Secretariat² is responsible for drafting and writing the principles and provisions that constitute the Code, and the supporting documentation and guidance, including this Manual. The multi-stakeholder Technical & Advisory Committee (TAC) supports the Board and Secretariat by providing expert judgment, analysis and peer review of the Code and supporting documentation and guidance, and stakeholder comments on these documents. The Bettercoal Programme Committee comprises Members and reviews all standards and related documents before they are submitted to the Board of Directors for approval. For more information on governance, please visit: <https://www.bettercoal.org/governance>.

1.2 Purpose of this Manual

The purpose of the Bettercoal Assessment Manual is to set out the principles, procedures and objectives of the Assessment Process. Specifically, this Manual gives instruction and guidance on:

- The overall Assessment Process and cycle.
- How Approved Assessors conduct a Desktop Review and Site Assessment against the Code and verify Continuous Improvement Plans.
- How coal Companies and Bettercoal Approved Assessors implement a risk-based approach throughout the Assessment Process.

¹ The Bettercoal Programme is part of the Responsible Commodities Sourcing Initiative (RECOSI). RECOSI works with its members to pave the way for environmentally and socially conscious supply chain management by cultivating a network of forward-thinking organisations dedicated to actively improving responsible commodity sourcing and supply chain management. Further information is available on: www.recosi.com

² The Responsible Commodities Sourcing Initiative Secretariat is also the Secretariat for the Bettercoal Programme.



The Manual should be used by coal Companies, Bettercoal Programme Members (who own or control mines themselves), and Assessors when carrying out activities and responsibilities associated with Bettercoal.

1.3 Overview of the Bettercoal Assessment Process

The Bettercoal Programme has one standard for coal mining Companies ('the Code'), associated Guidance ('Guidance'), and one reporting mechanism for Bettercoal Programme Members ('Members Implementation and Reporting Obligations (MIRO)').

1.4 Supporting Documents and References

The following documents provide additional supporting information:

- Bettercoal Code – Version 2.0 (2021)
- Bettercoal Code Guidance – Version 2.0 (2021)
- Bettercoal Claims and Logo Use Guide – Version 2 (2023)
- Bettercoal Policy of Association – Version 1 (2018)
- Bettercoal Complaints Mechanism – Version 1 (2021)

The following documents were used as references:

- Aluminium Stewardship Initiative (ASI), Assurance Manual 2.0, 2022
- International Standard on Assurance Engagements (ISAE) 3000, Assurance
- ISEAL Assurance Code of Good Practice 2.0, 2018
- ISEAL Impacts Code of Good Practice, 2014
- ISEAL Standard-Setting Code of Good Practice 6.0, 2014
- ISO 17021: 2015. Conformity assessment – Requirements for bodies providing audit and Certification of Management Systems
- ISO 19011: 2018. Guidelines for quality and/or environmental Management Systems auditing
- London Bullion Metals Association (LBMA), Third Party Assurance Guidance, 2022
- Responsible Jewellery Council, Assessment Manual 1.3, 2020.



2. Roles and Responsibilities

2.1 Overview

The Secretariat, Members, Coal Companies and Assessors all play distinct roles in the Assessment Process. The roles and responsibilities of each are described in more detail below.

2.2 Secretariat

The roles and responsibilities of the Secretariat in the Assessment Process include but are not limited to:

- Develop, manage and coordinate the Assessment Process.
- Build awareness of the Assessment Process through engagement with industry and Stakeholders.
- Develop and maintain cost-effective and user-friendly tools and guidance for the Assessment Process.
- Develop, review and update the Code and MIRO for accuracy, relevance and effectiveness, to address the needs of Members, Companies and Stakeholders.
- Oversee the quality, integrity and credibility of the Assessment Process.
- Approve third-party Assessors to conduct Bettercoal Assessments.
- Provide Coal Companies and Assessors with training and support.
- Maintain up-to-date information regarding coal Companies' status and performance on the Bettercoal online platform and website.
- Manage and maintain the Platform.
- Monitor progress and deadlines of Continuous Improvement Plans.
- Together with Bettercoal Programme Members, ensure that coal Companies meet the deadlines outlined in the Continuous Improvement Plans.
- Maintain internal records for all relevant aspects and outcomes of the Assessment Process.
- Administer and oversee rules around claims associated with coal Companies' status.
- Administer the Bettercoal Complaints Mechanism, including disciplinary proceedings where required.
- Provide guidance to Assessors on disputes regarding assessment findings.
- Monitor, evaluate and publicly report on the impacts of Bettercoal in the context of Bettercoal's Theory of Change.

2.3 Bettercoal Programme Members

The roles and responsibilities of the Bettercoal Programme Members in the Assessment Process include but are not limited to:



- Recognise and promote the Code.
- Provide information on Coal Companies to the Secretariat and Assessors.
- Establish connection(s) with Companies through the Platform.
- Participate in Bettercoal Site Assessments as Observer(s).
- Support Companies (sharing best practice, knowledge sharing etc.) once the continuous improvement processes have been agreed and discuss progress against Continuous Improvement Plans, where relevant.
- Work with the Secretariat and Assessors in engaging with Companies to monitor progress against their Continuous Improvement Plan.
- Support the Secretariat in their engagement with Companies when requested.

For Members who own or control coal mines themselves, roles and responsibilities include to:

- Implement the Code at the operations they own or control and commit their coal mining operations to the Assessment Process.

2.4 Bettercoal Candidate Producer

The roles and responsibilities of the Applicant Coal Company [“the Candidate Producer”] in the Assessment Process include but are not limited to:

- Register on the Bettercoal Platform.
- Dedicate internal/external resources to complete the Bettercoal Assessment Process.
- Collaborate with Assessor(s) throughout the entire Assessment Process.
- Pay Assessment costs related to the initial Assessment. Any costs related to necessary follow-up and/or CIP Site Verification Visits over the course of the next four years will be agreed independently from the initial Assessment.
- Provide local transportation for the Assessor(s) and Secretariat staff to the mine site(s) from the nearest airport, as well as transportation on site.
- Provide Assessor(s) access to facilities, personnel and relevant information and records, and ensure Assessor(s) are aware of any health and safety, security and other requirements.
- Provide Assessor(s), Secretariat staff and Member Observers with relevant personal protective equipment (PPE) and other required items, while on site.
- Recognise and promote the Code where relevant and appropriate.

A Candidate Producer becomes a Bettercoal Producer once the Site Assessment has been completed and the Continuous Improvement Plan has been agreed.

2.5 Bettercoal Producer

Once the Candidate Producer becomes a Bettercoal Producer, their roles and responsibilities in the Assessment Process include but are not limited to:



- Implement Continuous Improvement Plans according to the timelines agreed with Assessors using the Bettercoal Assurance Platform and report to the Secretariat on progress.
- Dedicate internal/external resources to close out Findings from the Bettercoal Assessment.
- Collaborate with Assessor(s) after the finalisation of the Assessment, throughout the entire CIP Process.
- Adhere to the timelines and milestones set by the Assessment Process and engage in follow-up calls.
- Pay costs related to translation of reporting documents (Assessment Report, Continuous Improvement Plans (CIP)) from English to local language if necessary.

2.6 Bettercoal Approved Lead Assessors

The credibility of the Bettercoal Assessment Process hinges on the quality and independence of the third-party Lead Assessors (herein “Assessors”). The Assessor Approval Process and Criteria are available from the [Bettercoal website](#), along with a list of Bettercoal Approved Assessors.

The roles and responsibilities of Bettercoal Approved Assessors include but are not limited to:

- Participate in mandatory training provided by Bettercoal.
- Engage with the assigned Candidate Producer throughout the Assessment Process.
- Assess Candidate Producers against the requirements of the Code.
- Prepare Assessment Plans, Assessment Reports and Continuous Improvement Plans for the Secretariat, Producers and Members in line with the timelines and milestones set by the Assessment Process.
- Recommend actions for improvement to Producers.
- Carry out follow-up reviews of progress against milestones and timelines as defined in the Continuous Improvement Plan and verify that the actions Producers have reported in the CIP have indeed been implemented.
- Adhere to confidentiality agreements, as per the confidentiality agreement.

Bettercoal approves Assessors who:

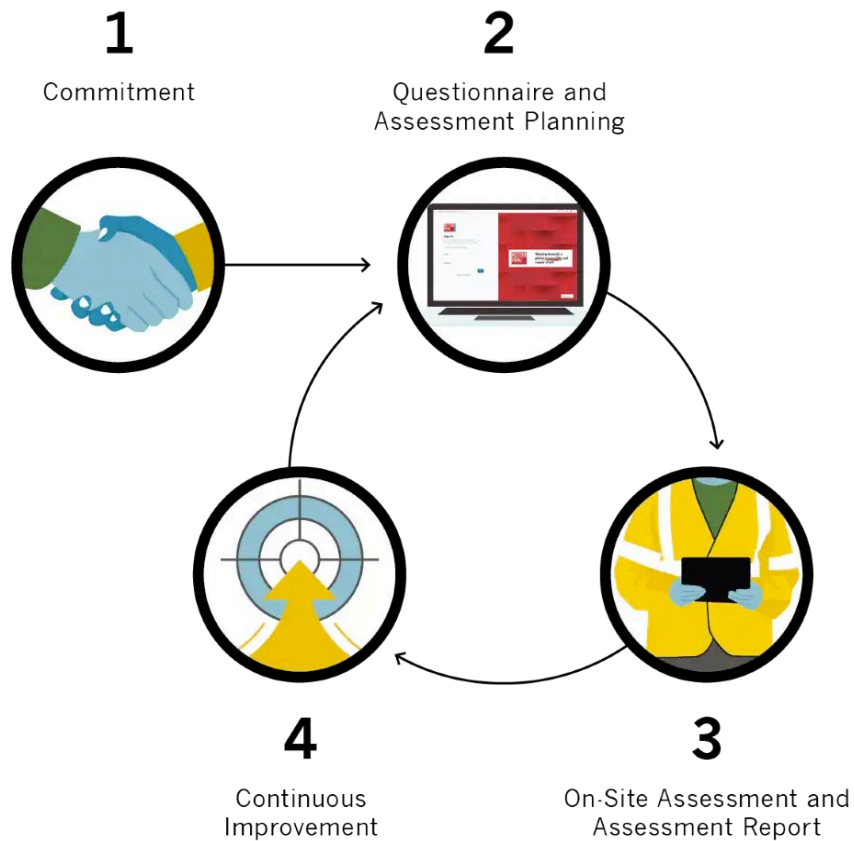
- Have internal systems for managing qualifications and quality.
- Have internal systems for verifying Findings.
- Have clear processes for dealing with clients with professionalism and integrity.

Assessors may be subject to impromptu witness assessments and reviews by independent peers assigned by the Bettercoal Programme as part of its quality control processes.

3. Bettercoal Assessment Process

3.1 Overview

The Assessment Process is constituted of the following four (4) steps. It is expected that the first three (3) steps of the Assessment Process should take between 180 business days (approximately nine months) and a year, depending on the size of the Coal Company (See Appendix 2 Assessment Process timelines for more details).



[1] COMMITMENT

The Candidate Producer signs a Letter of Commitment to work towards the expectations of the Bettercoal Standard - the Code. The Candidate Producer at this stage agrees to indicative costs of the Assessment. Bettercoal undertakes a due diligence process to ensure the Candidate Producer is viable for inclusion in the Bettercoal network. The objectives of the Screening are to ensure that basic environmental, social, labour and ethical standards due diligence have been carried out before they join the Assessment Process.



[2] QUESTIONNAIRE AND ASSESSMENT PLANNING

The Candidate Producer completes a detailed, information-gathering questionnaire on the Bettercoal Assurance Platform. Using the responses from this, a 'request for proposals' is sent out to Bettercoal's pool of Assessors. Proposals are assessed on technical and commercial requirements. A proposed Assessor is appointed and collects information necessary to plan for the on-site assessment.

[3] ON-SITE ASSESSMENT AND ASSESSMENT REPORT

An on-site assessment is conducted, assessing operations against all 144 provisions of the Code. Information gathered both prior to assessment and during the on-site assessment is combined into one single report and is used to create a tailored, 4-year Continuous Improvement Plan (CIP), supporting the Candidate Producer in meeting the expectations of all 144 provisions of the Code. Once the Continuous Improvement Plan has been agreed, the Company now becomes a Bettercoal Producer.

[4] CONTINUOUS IMPROVEMENT

Once the Continuous Improvement Plan is in place, the Bettercoal Producer regularly submits information to their Assessor, to evidence the changes being implemented to meet the requirements set out in the CIP. Follow-up meetings are held and on-site visits may be required to verify specific changes. After four years, the Producer is re-assessed and the CIP process starts again, with a new, tailored CIP created based on the new assessment findings.

3.2 Bettercoal Assurance Platform

The Bettercoal Assurance Platform is central to the management of the Assessment Process. It is a tool exclusively used by the Programme Secretariat, Members, Candidate Producers and Bettercoal Producers, and Assessors. The Assurance Platform must be used for all Assessments and provides access to all the information and data relating to Assessments.

The Bettercoal Assurance Platform provides the following:

- Centralised mechanism for Bettercoal Programme Members to view information (such as assessment results) of Producers that they source from as well as track and monitor their operational improvements.
- Centralised and automated process for Candidate Producers to complete the Bettercoal Producer Questionnaire to prepare for the Assessment, upload policies and documents, and communicate directly with Assessors.
- Centralised mechanism for Bettercoal Producers to submit evidence and address their outstanding CIP items, as well as for the Assessor to review these submissions.
- Centralised mechanism for the Assessors to produce and record the Assessment Report and Continuous Improvement Plan, as well as to set deadlines for the closure of each finding.
- Centralised point to access full Assessment Reports and Continuous Improvement Plans.
- Enhanced oversight of the Assessment Process by the Secretariat to monitor consistency and quality of the assessment process.



- Ability for the Secretariat to track and report progress, monitor potential bottleneck issues, and identify areas where additional guidance or support is needed.

A detailed description of the functionalities of the Bettercoal Assurance Platform is included in the User Guide, which should be made available to all Assessors and Candidate Producers before the start of their first Bettercoal assessment.

3.3 Allocation of Assessor(s)

Bettercoal Approved Assessors will be assigned to an Assessment by the Secretariat once a Candidate Producer has registered on the Bettercoal Platform and in “Operations Information” has provided basic information about their mining site(s). Bettercoal will then run the ‘Request for Proposal’ process based on this information and allocate a Bettercoal Assessor.

Assessors should refer to the [Assessor Allocation Procedures](#) for more details on the Bettercoal allocation process and proposal guidelines.

The Lead Assessor is responsible for creating and managing the Assessment Team, which may also include observers and topic experts, if agreed at proposal stage with the Secretariat. As a group, the Assessment Team is expected to:

- Support and follow the directions of the Lead Assessor.
- Plan and carry out the assigned tasks objectively, effectively and efficiently.
- Collect and assess objective evidence.
- Prepare working documents under the direction of the Lead Assessor.
- Document assessment findings; and
- Help prepare Assessment Reports.

The Candidate Producer may only reject the allocated Assessors in case of a conflict of interest provided they can give just cause. In case a conflict of interest is identified, Bettercoal will select the Assessor who has scored the second highest in the selection process.

Bettercoal provides training to all Bettercoal Approved Lead Assessors and Assessors that will be part of the assessment team to ensure correct understanding of the Code and the Assessment Process.

3.4 Assessment Fees

The Candidate Producer will be provided with the expected cost of the assessment once they have registered on the Bettercoal Platform and an Assessor has been selected. Once assessment costs have been paid, the Candidate Producer will be given access to the full Assurance Platform.



4. Screening for the Assessment Process

To manage its reputation and relations with stakeholders, the Bettercoal Programme must ensure that a minimum of due diligence is conducted with regards to Coal Companies joining the Bettercoal Assessment Process.

4.1 Due diligence screening

The screening of the Coal Company will focus on the following areas, but may be expanded to others if needed:

- Corruption charges
- International sanctions list
- Persons of interest list
- Money laundering
- Financial crime
- Terrorist activities or financing of terrorism.

If no red flag is identified, the Company becomes a Candidate Producer. No claims can be made at this stage related to the assessment process or assessment outcome. If a red flag is identified at the screening stage, the Secretariat will determine whether Bettercoal can engage based on the evidence. The coal Company in question will not be able to engage in the Bettercoal Assessment Process until this red flag has been addressed to satisfaction.

A copy of the due diligence screening report is also provided to the appointed Assessor as part of the Assessment preparation.

Note: The screening takes place outside of the Bettercoal Assurance Platform.



5. Commitment and Questionnaire

5.1 Letter of Commitment

Once the due diligence screening is completed and the estimated assessment costs agreed, the Candidate Producer will then be invited to sign the Letter of Commitment and Confidentiality Agreement.

5.2 Producer Questionnaire

The Candidate Producer must complete the Producer Questionnaire on the Bettercoal Platform for each of the mine Sites within the Assessment Scope within 60 business days of signing the Letter of Commitment.

The Questionnaire serves several purposes:

- It introduces the Candidate Producer to the Code Principles and each of the Provisions.
- It prepares the Candidate Producer for the Site Assessment.
- It equips the Assessors with information for the desktop review.

If the Candidate Producer has multiple mine sites, a separate Questionnaire for each mine Site must be completed. To make the process less burdensome, if mine Sites are managed through the same management systems, one Questionnaire can be replicated and used for other mine Sites.

5.3 Reviewing the Producer Questionnaire

The assigned Assessor conducts:

- A review of the completed Producer Questionnaire and verifies the Candidate Producer's management systems, policies and controls in place to manage potential and actual risks.
- A desk-top background research on the practices of the Candidate Producer. Publicly available information such as reports published by reputable non-governmental organisations and governmental authorities, sustainability reports and media articles on the Candidate Producer and its environmental, social and business integrity practices.
- A review of the information provided by the Secretariat further to the due diligence screening.

The Assessor has up to 10 business days to submit the first draft review of the Producer Questionnaire.

The Assessor may wish to prepare for the assessment by contacting the Candidate Producer and requesting documentation for the purposes of verification prior to arriving on site. An indicative list of documents to be requested prior to or during the assessment is provided in the [Bettercoal Code Guidance 2.0](#).



6. Assessment Planning

6.1 Selecting the Assessment Team

The appointed Lead Assessor is responsible for putting together the Assessment team based on expertise, knowledge of the region and successful completion of the Bettercoal Assessor training. Members of the Assessment team must:

- be free of conflict of interest.
- be comparable to that of the Candidate Producer in terms of its gender composition and strive towards cultural diversity.
- include at least two Assessors including the Lead Assessor.
- have the required language skills.

Bettercoal reserves the right to request background information such as competencies and auditing experience of each member of the Assessment team.

6.2 Confirming the Assessment Scope

The Assessment Scope should be accurately documented, so that:

- Candidate Producers are clear on what falls within the scope of a Bettercoal Assessment.
- The Assessor can develop an appropriate Assessment Plan to determine alignment with the Code.
- The Assessment Scope is communicated clearly and accurately to Bettercoal Programme Members, stakeholders and business partners, and in line with the Bettercoal Claims & Logo Use Guide.

6.2.1 Activities & Facilities

The Assessment Scope must include all mine site(s), facility(ies) of operation(s) under control or ownership of the Candidate Producer and determined by the claim it wishes to make in line with the [Bettercoal Claims and Logo Use Guide](#). Coal-mining activities and facilities which might be included are:

- The principal activities and facilities associated with the mining and extraction of coal.
- All sites and facilities for the management of waste, storing and maintenance of equipment, offices and administration, and other auxiliary activities; and
- Activities and facilities critical to the viability of the mine site operation, such as the transport of coal to points of sale and storage facilities at ports and terminals.

The Candidate Producer's headquarters should additionally always be included in the assessment scope.

6.2.2 Control



The scope of an Assessment is determined by the consideration of the degree of control the Candidate Producer has over the mine site’s activity, facility or operation, as follows:

Table 1: Control and Assessment Approach

Level of Control	Assessment Approach
Candidate Producer has full management control at mine site.	Fully included in the Assessment Scope
Candidate Producer has partial or no management control at mine site	Included in the Assessment Scope under Code provision 1.2, Principle 2 and provision 7.1 when evaluating practices with regards to relations with business partners in charge of those operations.

A mine site, facility or entity to be included within the Assessment Scope must be within the control of the Candidate Producer. ‘Control’ means:

- Direct or indirect ownership, or control of 50% or more of the voting equities/rights (or equivalent) of the operations in question
- Direct or indirect authority to remove, nominate or appoint at least half of the members of the Board of the Directors or management (or equivalent) of the operations in question
- Day-to-day or executive management of the operations, such as by setting workplace standards and enforcing their application; and
- Any legally recognised concept of ‘Control’ analogous to those described above in a relevant jurisdiction.

It is the responsibility of the Candidate Producer to demonstrate ‘Control’ of mine sites and/or facilities nominated to be part of their Assessment Scope to the satisfaction of the Assessor.

The Assessment Scope can be modified based on any factors that come to light and deemed significant by Bettercoal based on the recommendation of an Assessor, such as if a Candidate Producer becomes an owner of transport operations or considerably expands its operations.

6.3 Mine Sites: Sampling Size and Selection

The Site Assessment Scope is defined by the Lead Assessor and includes a selection of mine sites from within the Assessment Scope following a sampling methodology. The following table provides guidance on the sampling size per number of mine sites:

Table 2: Sample Size

Number of Sites	Sample Size
For entities with 2-6 mine sites	Minimum of 2 mine sites



For entities with 7 and more mine sites	A square root of the number of mine sites as a minimum.
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In addition to coal mine sites, the Site Assessment Scope should always include the headquarters of the entity seeking the Bettercoal claim in order to review systems, policies and procedures on a corporate level.

In case of disagreement between the Candidate Producer and the Assessor over the choice of the sampled mine sites, the Secretariat will make the final decision on which mine sites to include in the sample.

The following indicators will be considered by the Assessor when choosing the specific sites to be sampled. This is an indicative list of risk-based factors.

Table 3: Key Indicators for Site Selection

Indicator	Factor
Coal export	Whether a site exports coal to Bettercoal Programme Members
Mine site location	Whether a site is located inside the boundaries of a protected area or its buffer zone Whether a site is located in or near Indigenous Peoples' territories Whether a site is located in a conflict-affected or high-risk area
Extraction profile	Commercial life remaining of the mine site Type of coal extracted Expansion plans Extraction method (open pit, underground) Complexity of coal mining operations Annual output Workable resources

Indicator	Factor
<p>Mine site performance</p>	<p>Performance results of the Producer Questionnaire or incidents associated with each site related to social, human rights, business integrity and environmental performance.</p> <p>Recent incidents (in the last three years):</p> <ul style="list-style-type: none"> ▪ Evidence of major or catastrophic recent or frequent inrush and outbursts ▪ Evidence of recent or frequent methane or coal dust explosion ▪ Evidence of recent or frequent spontaneous ignition ▪ Evidence of recent or frequent strata failure <p>Any recent accidents with fatalities or severe injuries of employees/contractors</p> <p>Past performance against the principles based on media review and other sources of information such as regulatory authorities.</p> <p>Performance results of internal audits, existing certifications or third-party audits.</p>
<p>Other</p>	<p>Any additional factors of significance for example, changes in operational control or activities such as start-up/closure.</p>

6.4 Mapping of Key Stakeholders

Using the information obtained during the Desktop Review and the Producer Questionnaire, the Assessor will map relevant key stakeholders. In determining the list of key stakeholders, the Assessor should consider the following criteria³:

Table 4: Stakeholder Selection Criteria

Description	Criteria
Groups or individuals who are directly or indirectly dependent on the organisation’s activities, products or services and associated performance, or on whom the organisation is dependent in order to operate.	Dependency
Groups or individuals to whom the organisation has, or in the future may have, legal, commercial, operational or ethical/moral responsibilities.	Responsibility
Groups or individuals who need immediate attention from the organisation with regard to financial, wider economic, social or environmental issues.	Tension

³ Criteria are drawn from Section 3.3.2 Stakeholder Identification of AA1000 Stakeholder Engagement Standard 2015, p.17

Description	Criteria
Groups and individuals who can have impact on the organisations or a stakeholder’s strategic or operational decision-making.	Influence
Groups and individuals whose different views can lead to a new understanding of the situation and the identification of opportunities for action that may not otherwise occur.	Diverse perspectives

The Assessor will prepare a list of key stakeholders for each mine site in the Site Assessment Scope and interview them either as part of the on-site assessment or separately. Sufficient time should be allocated for this activity in the Assessment plan.

6.5 Remote and on-site assessment activities

Some assessment activities may be conducted remotely, whilst others must be completed on-site. This should be clearly indicated in the Assessment Plan and agreed with the Secretariat in advance.

Table 5: On-site vs remote assessment activities

Assessment Activity	Remote eligibility check
Kick-off meeting The purpose of the kick-off meeting is to provide an introduction to and overview of the assessment process and to discuss logistics.	Can be conducted remotely
Opening and closing meetings The purpose of the opening meeting is to personally introduce the assessment team, to provide an overview of the assessment activities before the start of the assessment and confirm the assessment agenda. The purpose of the closing meeting is to present the initial assessment findings to management and give space for comments and clarifications.	Should not be conducted remotely if this can be avoided.
Site tour The purpose of the Site tour is to observe the physical conditions and current practices in all areas of the Site.	Not eligible
Document review Review of documents, such as policies, procedures, reports.	Can be conducted remotely: <ul style="list-style-type: none"> - Use remote tools (e.g., screen sharing) - Digital platforms

Management interviews Interviews with senior management, management.	Should not be conducted remotely if this can be avoided.
Worker interviews Confidential interviews with a representative sample of the workforce, both individually and in groups.	Not eligible
Community Stakeholders Feedback from individuals or Groups that are directly impacted by the activity of the Site.	Not eligible
Other stakeholders Feedback from individual(s) or Groups that have an interest in any activity of the Site.	Can be conducted remotely only if not possible due to travel or time restrictions.

6.6 Worker interviews: Sampling Size and Selection

Aside from interviewing relevant management on topical issues, the Assessor must also include interviews with direct employees and contractors whilst on-site and should allow sufficient time in the Assessment Plan to carry these out. Guidelines for individual and Group interviews are provided below. These can be adjusted based on the context and circumstances but should the sample size for interviews be lower than the guidelines provided below, an explanation/rationale must be given in the Assessment report.

Assessors will choose interviewees based on who is best suited to answer their questions about specific provisions of the Code. Some interviewees may be identified before the Assessment starts and some may be identified during the Site tour. In all cases, participation is to be encouraged but must be both voluntary and free from interference and should take place during working hours, and not during workers' breaks.

Interview groups should be chosen based on risks, vulnerabilities and to reflect a good cross-section of the workforce. Vulnerable groups to be interviewed would normally include women, local workers, and young workers. Risk-based groups could include workers of certain high-risk or "invisible" jobs, e.g., cleaners, security personnel, etc. Contractors should be chosen along the same lines.

A room not in hearing distance to management should be requested in advance from the Site. Workers need to be ensured of full anonymity in advance of the interviews. The Assessor should not put together in one group people of different seniorities and pair supervisors with workers reporting to them. In addition to scheduled worker interview sessions, workers can also be interviewed ad hoc as part of a Site walk-through, if anonymity and a comfortable interview setting can be ensured that does not cause difficulties to the employees regarding performance or potential retribution.

The Assessor should include in the assessment report an overview of the interviews held, number of workers interviewed, distribution of gender and contract type, etc. but interviewees should not



be named in the Assessment report unless permission has been granted. Findings based on objective evidence gathered during interviews should similarly ensure the interviewee’s identity remains anonymous unless permission has been given by the interviewee.

Table 6: Interview Sample Size

No. of workers excl. senior management	Number of Workers to be interviewed*
1-100	10 or total number of workers if < 10
101-500	10% and maximum 40 workers
501-1000	40 workers
1001-2000	50 workers
2000+	60 workers

*An equal distribution between group and individual worker interviews should be sought. Based on workforce distribution and positions held, this decision is down to the Assessor’s discretion.

6.7 Equivalence of Existing Certifications

The Bettercoal Programme recognises that Candidate Producers may have undergone third-party audits or assessments covering operating areas and practices similar or equivalent to those covered by the Code. The Assessor may choose to allocate less time to areas or management systems where there is evidence that a credible third-party assessment has found and documented a level of performance that is equivalent to the expectations of a Provision or Provisions of the Code. If this is the case, the Bettercoal Assessor will take these into account during the Site-Assessment.

6.7.1 Equivalent standards

Bettercoal recognises third-party standards that meet the requirements of the Code. Currently, no third-party standard meets all the requirements of the Code. The standards which have been assessed for equivalency will be listed on the Bettercoal website and will be regularly reviewed and updated by Bettercoal.

6.7.2 Other standards

Candidate Producers may have an internal assessment function that evaluates the procedures, processes and controls the operations have in place in accordance with the Bettercoal principles. In such cases, the Assessor(s) should seek to validate the findings of the internal assessments and prioritise areas for the Site assessment.

6.8 Estimated Site Assessment Duration

The guidelines below are intended to provide a framework to determine appropriate assessment duration, considering the specific context of the location and the Site to be assessed. Site assessment durations will vary significantly based on several factors including:

- Number of mine sites and ports to be assessed.
- The number of employees and contractors.
- Complexity of the operations.
- Number of relevant stakeholders identified, and their locations and availabilities.
- Location of files and other documents.
- Work location of relevant management.
- Preparedness of the Candidate Producer based on the Producer Questionnaire outcomes.
- Recognition of existing certifications and/or initiatives.

Table 7: Estimate Site Assessment Duration

Baseline (on-site audit person days)	Number of Personnel working at the Site *	Additional Factors			
		Storage, ports & terminals	Travel Time (dispersed/ large geographical area)	Stakeholder meetings	Security issues **
6	1-100: +1	Between +1 and +2 (depending on no. of facilities and additional assets included)	Between +1 and +6 (depending on additional travel time)	Between +1 and +3 (depending on the outcome of stakeholder mapping)	+1
	101-500: +2				
	501-1000: +3				
	1001-2000: +4				
	2000: +4				

* For 1 mine site & headquarters

** Security issues: this could limit the mobility of the Assessment team and reduce the number of persons travelling to the designated areas.

The estimated site assessment durations exclude assessment preparation, desktop reviews prior to arriving on-site, travel time to the Site and back, and assessment report writing time.



Should the assessment duration fall below the guidance, an explanation/rationale must be given for the deviation by the Assessor.

6.9 Drafting the Assessment Plan

Once the Assessor has established the Site Assessment Scope, time requirements and has selected the assessment team, the assessment activities need to be documented in an Assessment Plan in the Bettercoal Platform or following Appendix 3: Assessment Plan Template. The Assessment Plan will be reviewed by the Secretariat first, who have 5 business days to ask for clarifications to the Assessor and approve it.

The Assessment Plan is used to outline what activities will be conducted, by whom and when, in which organisational areas and involving which personnel and should include:

- Site-Assessment objectives and Scope.
- Dates, places and times of the Site Assessment.
- Name(s) of the Lead Assessor and assessment team, and possible Observers (see Appendix 4 for more details on the role of observers).
- Identification of the Company's mine site(s) and operations to be assessed.
- Expected time and duration for each major activity.
- Personnel (or functional roles) to be interviewed as provided in the above Guidelines.
- Meetings scheduled to be held with business management, other employees and/or contractors and key stakeholders.
- Time to revisit and review information.
- Likely documentation to be reviewed.
- Indication that mine site(s) should be fully operational during the Assessment.

The Assessment should be planned in such a way to create minimum disruption to the normal business processes and yet build a sequence of Objective Evidence necessary to verify the degree of alignment with the Code.

Once the Assessment Plan has been approved by the Secretariat, the Assessor will discuss it with the Candidate Producer no later than 1 month prior to the commencement date of the on-Site assessment. However, the Site Assessment Scope and objectives set by the Assessor cannot be changed.



7. Site Assessment

During the Site Assessment, the Assessor(s) conducts a detailed on-site review of the Candidate Producer's operating practices against the Code and determines whether it 'Misses', 'Partially Meets', 'Substantially Meets' or 'Meets' each Provision of the Bettercoal Code.

[The Bettercoal Code Guidance 2.0](#) provides a list of examples and types of evidence to request for each of the Code Principles prior to or during the Site assessment. The Assessor may request additional documentation beyond this list.

7.1 Opening Meeting

The purpose of the opening meeting is to:

- Introduce the assessment team.
- Explain the purpose and scope of the Assessment.
- Review the timetable and agenda.
- Provide a short summary of the methods and procedures to be used to conduct the Assessment including the definition of what constitutes a Finding.
- Explain the confidential nature of the Assessment Process.
- Raise awareness of the focus on continuous improvement goals in future.
- Confirm safety arrangements.
- Finalise logistical arrangements.
- Answer questions from the Company's personnel present at the meeting.

It is recommended that all heads of relevant departments participate in the meeting. Attendance by senior management is a visible way of demonstrating engagement with the process. The names of those present and their positions should be recorded.

Observers at the Site must have been agreed in advance and must follow the guidelines outlined in Appendix 4.

7.2 Applying a Risk-Based Approach

A risk-based approach is applied during the Site Assessment. The Assessor will rely on information related to:

- The context in which the mining operation operates to determine external risks.
- The internal controls in place at the mining operation(s) to manage risks, and
- The systems, processes, procedures and practices of the mining operation(s) to determine the level of conformance with the Code.

The identification and assessment of risks, together with the assessment of the Candidate Producer's ability to manage those risks, is a key component of the Bettercoal Assessment. Applying a risk-based approach allows the Assessor to prioritise areas to be reviewed in more



detail during the Site Assessment. The Assessor will take into account the following criteria to determine a focus area during the Site Assessment:

- Lack of / insufficient response by the mining operation(s) in the Producer Questionnaire.
- Lack of information or clarity about the management system or controls regarding the area of the Code.
- External factors regarding the background or context of the mining area (e.g. operations in a known conflict-affected area or areas of high biodiversity values), and
- Credible reports from external stakeholders indicating a potential risk related to the area of the Code.

The Assessor should allocate more time to evaluate those priority areas during the Site Assessment, while conducting interviews, reviewing documentation, and conducting stakeholder meetings.

7.3 Objective Evidence

Evidence is gathered during the Desktop Review and Site Assessment. Evidence can be qualitative or quantitative and may be in the form of one or more of the following:

- Documentations, such as policies and procedures
- Observations
- Testimonials or information gathered from interviews with personnel and other external stakeholders (such as affected communities, including Indigenous Peoples).

Testimonial evidence can be verified by reviewing records, through on-site observations or by interviewing other personnel to triangulate information. If interviews are the main source of information, Assessors should provide the details of all the information gathered during the interviews and used to support the Findings in the Assessment Report, ensuring that it does not put the interviewees at risk of repercussions or pose a threat to personal security.

All conclusions of the Assessors should be based on the principle and practice of triangulation and cross-checking different sources of evidence. As all evidence is used to support ratings of alignment with the Code, it is vital that it is clearly and unambiguously recorded during the Assessment Process.

The following table provides guidance on the period of records and documentary evidence that should be reviewed as objective evidence. In some cases, such as with employment contacts, earlier records may also be relevant.

Table 8: Objective Evidence Time Period

Assessment Type	Evidence
Producer Questionnaire and Site-Assessment	A minimum of 12 months records should be available for the Assessment. However, Assessor(s) may backdate the time frame to a period more than 12 months, up to 36 months where necessary. For example, as a rule an

	Assessor will request to review payroll records for the last 12 months, while the accidents or grievance records could be requested for the last three years.
Continuous Improvement Plan	Period since previous Site-Assessment / Re-Assessment depending on timing of Continuous Improvement Plan
Re-Assessment	Same as for the Site-Assessment.

7.4 Sampling Techniques for Collecting Objective Evidence

The process of collecting Objective Evidence involves sampling documentation and records, interviewing a representative selection of personnel and other stakeholders, and observing the key functions of the Company’s business⁴.

Sampling should be carried out to access enough evidence to verify that systems and processes are in place and are effective. Sampling methods should be selected that can identify representative samples which are not biased in some way. Sample sizes need to be sufficient to provide a reasonable level of confidence that it is representative of the larger population.

Effective sampling should result in the same findings, or findings that are not materially different, to those if a different sampling set had been selected. Ultimately, the sample must be enough to objectively support a finding with the Code’s requirement. In principle, enough information has been gathered if:

- The performance and management system are well understood.
- Personnel performing key functions and tasks have been interviewed.
- There is sufficient evidence to identify the probable root cause of a finding.

The Assessors can increase the sample if there are suspicions, which require further verification or, if needed, to protect the sources of evidence such as employees.

7.5 Red Flag Issues

It is possible that the Site Assessment reveals the presence of a practice, behaviour or change in the physical environment attributed to the activities of the Candidate Producer at the mine site that presents a high reputational risk to Bettercoal and its Members. Issues might include⁵:

⁴ This section is taken from the Responsible Jewellery Council’s Assessment Manual (2020) and the Aluminium Stewardship Initiative’s Assurance Manual (V1, December 2017) and adapted to the Bettercoal Assessment Process and requirements.

⁵ Some further guidance and examples will be provided during Bettercoal (Lead) Assessor training.



- Evidence of engagement in or benefit from child labour or any form of forced labour.
- Evidence of complicity in grave human rights abuses, such as corporal punishment or harassment.
- Unaddressed destruction of high conservation value areas from mining activities (outside of the legally approved / permitted areas).
- Unaddressed significant harm to environment caused by mining operations (outside of the legally approved / permitted areas).

The Assessors should notify the Secretariat without delay of the red flag issue discovered to discuss further steps. It should be noted that the Assessment should only be cancelled based on instruction from the Secretariat.

Assessors should ensure that the well-being of the person who reported, or who is affected by the issue is prioritised. Any action taken by the Assessors should not put the person in question in any further danger including potential retribution from the Site personnel.

Where a Candidate Producer has attempted to compromise the integrity of the Assessment by means of bribery, Assessors shall notify the Secretariat without delay of such an attempt.

7.6 Closing Meeting

A closing meeting to verbally present preliminary Findings and recommendations to the Candidate Producer shall be conducted before the Assessor and assessment team depart the Site. It is recommended that all heads of departments affected by the Bettercoal Assessment participate in the meeting. The meeting should be used as a final opportunity to:

- Seek acknowledgement and understanding regarding the Findings, and Assessment Ratings.
- Highlight any good practices that were identified.
- Answer any questions.
- Discuss misunderstandings and/or clarify points of difference.
- Provide an overview of the follow-up steps.
- Communicate that the Assessor shall issue a detailed Assessment Report which documents the overall Findings, and a Continuous Improvement Plan.

The names and positions of those present should be recorded.

Immediately after the closing meeting, the Assessor should schedule follow-up calls aligned with the nearest CIP deadlines, but latest 3 months after the submission of the Continuous Improvement Plan. This is to ensure communication remains ongoing between the Assessment team and the Producer's staff member(s) (see section 9.2). Dependent on agreement with the Secretariat, the Assessor may also choose to schedule further and/or more frequent calls.

For Re-Assessments, the Assessor should describe the corrective action(s) implemented by the Producer as part of the Continuous Improvement Plan.



8. Assessment Ratings and Assessment Report

8.1 Assessment Ratings

The Bettercoal Assessment Rating scale has four levels to measure alignment against each Provision of the Bettercoal Code.

Table 9: The Bettercoal Assessment Rating Scale

Rating	Explanation
Meets	<p>Operating practices are fully aligned with the Code.</p> <p>There is strong evidence of implementation of the Candidate Producer’s policies, systems, procedures and processes that enable alignment with the Code, and of a thorough understanding of the requirements of the Code Provisions.</p>
Substantially Meets	<p>Practices are aligned mostly, but not fully, with the Code.</p> <p>The Candidate Producer has policies, systems, procedures, and processes in place to enable alignment with the Code, but there are isolated incidents of gaps in implementation.</p>
Partially Meets	<p>The Candidate Producer is demonstrating efforts to put in place the policies and practices to align with the Code, but implementation is at its early stages and is incomplete.</p> <p>For example, the Candidate Producer has published a policy that aligns with a requirement of the Code, but the Assessment concludes that the policy is not being implemented fully or that the scope of the policy falls short of the coverage required by the Code.</p>
Misses	<p>The Candidate Producer has not begun to put in place practices to align with Code, or there is systemic failure of the practices resulting in total misalignment with the Code.</p>

Where the conclusion is that the Candidate Producer does not ‘Meet’ the requirements of a Provision of the Code - meaning that the Company ‘Partially Meets’, ‘Substantially Meets’ or ‘Misses’ a requirement of the Code - the Bettercoal Assessor is obligated to include clear details in the Bettercoal Platform which is used to generate the Assessment Report.

For each Provision, the Assessor must fill in the ‘Objective Evidence’ section, ‘Analysis’ section and add ‘Finding’ where relevant, which includes a Summary & Recommended Actions. The Producer will be able to comment on each Finding and associated CIP.



Some Provisions in the Code may be rated as “Not Applicable”. Credible and verifiable reasons must be provided for all Provisions rated as “Not Applicable” by the Assessor.

8.2 Documenting Findings

It is the responsibility of the Assessor to draft the Findings and work with the Producer to draft the Continuous Improvement Plan (see next section).

It is good practice to adopt the following principles when documenting a Finding:

- Communicate the extent of the gap fully.
- Use familiar terminology.
- Describe the Finding using evidence observed.
- Do not focus on individuals or their mistakes or use criticism.
- Review the Assessment Ratings with the Producer to ensure the facts are correct and fair.

For each Finding the Assessor should describe the Finding in the Platform, stating the nature of the Finding clearly and unambiguously, supported by Objective Evidence gathered during the Assessment stating how the Code provision is currently not fully met.

8.3 Drafting the Assessment Report

The Assessment Report summarises the Assessment team’s Findings and conclusions as to the status and effectiveness of the Company’s systems and practices in meeting the relevant Provisions of the Code. It must be written in clear, concise, unambiguous language in the Platform.

A draft of the Assessment Report must be completed and provided to the Producer using the Platform within 20 business days from the date of the closing meeting. The translation of the draft Assessment Report must be done within 15 business days. The Producer then has 10 business days in which to provide comments from the day it is shared with them.

If there is significant disagreement between the Producer and the Assessor, the Secretariat will mediate to resolve the disagreement. If the mediation fails to resolve the disagreement, the Producer will be given the opportunity to provide formal justification for the disagreement. The Assessor is required to respond to the reasons put forward. This will be included in the Assessment Report; however, the original Assessment Report Findings and conclusions do not change.

Once agreement is reached on the Findings, the Assessor finalises the Assessment Report (in English) on the Platform. The Secretariat is notified that the final Assessment Report has been uploaded on the Platform and that they have 15 business days to review and approve it. During this time, the Secretariat will check the Assessment Report for quality, consistency and completeness.



Producers should inform the Secretariat when sharing a Bettercoal Assessment Report and/or Continuous Improvement Plan with third parties.

8.4 Public Summary Reports

The Secretariat will publish the following extracts from the Bettercoal Assessment Report on the Bettercoal website as a Public Summary Report which is drafted by the Assessor, once the Continuous Improvement Plan has been approved:

- Producer Claim
- Country/Contextual Information
- Assessment Information
- Producer Performance
- Additional Producer Information.

The full Public Summary Reporting template for each Producer can be found in Appendix 5. Any updates on the Assessment Rating following monitoring of the Continuous Improvement Plan will be included in the Public Summary Report.

A new Public Summary Report will be compiled and uploaded on the Bettercoal website after the Re-Assessment of a Producer.



9. Continuous Improvement Plans (CIPs)

9.1 Drafting the CIP

Once the Assessment Report is approved, the Assessor should draft the CIP on the Platform within 10 business days and submit it to the Producer for review.

All issues, which are rated as ‘Misses’, ‘Partially Meets’ and ‘Substantially Meets’ are included in the Continuous Improvement Plan (CIP) on the Bettercoal Assurance Platform. The timelines assigned for addressing the Findings depends on the type of issue, and not the rating assigned to it.

The Continuous Improvement Plan must include:

- Recommended action to be taken for each Finding identified.
- The timeframe for completion of recommended actions for each Finding identified.
- The status and verification method for completion of recommended actions for each Finding identified.

The Candidate Producer should submit their comments on the draft CIP, and the Assessor and Producer should work together to discuss and finalise it within 10 days. The Secretariat is notified that the final CIP is available on the Platform and that they have 15 business days to approve it. The Producer, Members and the Assessor are then notified that the final CIP is available on the Platform.

The Secretariat may organise a webinar for relevant Programme Members so that the Assessor can present the Findings of the Assessment. Questions on the Assessment Report and CIP can also be asked during this time which the Producer is also invited to join.

9.2 CIPs implementation and addressing findings

Each Finding will be assigned a deadline of between 1 month and maximum 18 months, with 3 months intervals to choose from on the Platform. The timeframe for implementation of CIPs must be realistic and cannot exceed 18 months.

The steps to address Findings shall be specific, measurable, achievable, timely, appropriate, and effective.

Table 10 - Addressing Findings

Specific	Measurable	Achievable	Timely	Appropriate	Effective
What is the desired result? (who, what,	How is completion quantified (numerically	Can steps to address the findings be carried out? How?	What is the deadline? Is the deadline realistic?	Is the step suitable or acceptable for the business environment,	Will the step produce intended result?



when, why, how)	or descriptively)	What skills are needed? What resources are necessary?	Timelines given to close findings are on a case-by-case basis. The prioritisation of closing the finding is based on the type of issue. For example, issues that can be closed in a short space of time vs findings that require more time to be closed.	and for the stakeholders involved?	
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On the Bettercoal Assurance Platform, the Producer and Assessor will exchange and agree on the timeframes assigned, and schedule calls to ensure ongoing communication between the assessment team and the Producer’s responsible staff member(s).

9.3 Verifying Continuous Improvement Plan

The verification should assess actions implemented by the Producer. The verification method can be through desktop review or a Site visit. The verification method chosen will depend on the nature of the Finding. Desktop review is used to verify evidence remotely, e.g. policies or certificates. A Site visit is required when corrective actions cannot be verified based on evidence supplied through desktop-review.

Once the Assessor has verified the actions taken and determined that these are sufficient and likely effective in addressing the Finding, the specific Finding will be marked as closed. The Producer’s progress on addressing the Findings will be captured in the Public Summary Report.

Should a Producer breach their commitments during and after the Assessment Process, Bettercoal will trigger a disassociation procedure. For more information, please refer to the [Bettercoal Policy of Association](#).



10. Re-Assessment

A Re-Assessment against the full Assessment Scope of every Producer is required after maximum four (4) years of the date of the initial assessment.

11. Changes and Variations

Changes that must be reported to the Secretariat after the initial on-site assessment include any changes to a Producer's Assessment Scope. The Assessment Scope may change if there is a change to the Producer's business, such as:

- Senior Management
- Organisational structure
- Divestments or acquisitions or change to the equity share of businesses
- Changes to activities, products and processes
- Changes to the locations and distribution of the Producer's operations
- External influences such as changes in the statutory environment, regulations and/or other stakeholder expectations and commitments that affect the organisation.

Bettercoal must be notified of changes that differ from the agreed and published Assessment Scope, in case of Member and stakeholder enquiries. The Bettercoal Platform can be used for this purpose.

In case any of the above changes occur, the Secretariat will discuss with Bettercoal Programme Members and the Board of Directors⁶ if a full Re-Assessment of the Producer is required sooner than the scheduled date of re-assessment.

12. Confidentiality

The confidentiality of Bettercoal Producer Members and Producers' commercially sensitive information is paramount and a core commitment for Bettercoal. The Bettercoal Programme has Confidentiality and non-disclosure Agreements in place with all Candidate Producers/Producers and Approved Assessors.

⁶ The Responsible Commodities Sourcing Initiative (RECOSI) Board of Directors



13. Complaints and Dispute Resolution

13.1 Bettercoal Complaints Mechanism

Any individual or organisation can comment on all aspects of the Bettercoal Programme's work. Bettercoal has put in place a [Complaints Mechanism](#) which can be found on the Bettercoal website.

13.2 Triggers for Disciplinary Proceedings

The Bettercoal Programme is committed to ensuring the proper implementation of the Bettercoal Assessment Process amongst Producers and maintaining the integrity of the assessment activities carried out by Assessors. Disciplinary proceedings for Producers or Assessors may arise from a lack of performance against requirements, the result of a complaint, or other material issues drawn to the attention of the Secretariat. Triggers for disciplinary proceedings may include:

- Outcomes of complaints investigated via the Bettercoal Complaints Mechanism.
- Agreed and reasonable timeframes for the Producer Questionnaire, Site-Assessment and Continuous Improvement Plan not met.
- Deceptive or otherwise improper assessment.
- Knowingly providing false, incomplete or misleading information to Bettercoal or an Assessor.
- Otherwise bringing the Bettercoal Programme into serious disrepute.

13.3 Disciplinary Procedures

Procedures for disciplinary proceedings against Producers are laid out in [Bettercoal's Policy of Association](#). If a Candidate Producer becomes unresponsive during the Assessment Process, the Bettercoal Programme will trigger the Policy of Association.



Appendix 1: Glossary

The terms below are used in this Manual and are defined as follows:

Assessment	The process of assessing the Candidate Producer’s level of alignment with the expectations of the Bettercoal Code. The Assessment results in a conclusion on the Candidate Producer’s level of alignment in the Assessment Report.
Assessment Plan	A description of the activities and arrangements for an Assessment.
Assessment Report	A standardised reporting tool on the Bettercoal Platform used by the Assessors to capture findings of the Assessment, and to communicate to the Secretariat and Members the level of alignment of Producers with the expectations of the Code.
Assessment Scope	Each Company’s Assessment Scope must include those mine site(s) under the Company’s Control and determined by the claim it wishes to make in line with the Bettercoal Claims and Logo Use Guide .
Assessment Team	Consists of a Lead Assessor and selected Assessors who are managed and under the supervision of a Lead Assessor.
Assessor	An independent, third-party person meeting the Bettercoal Programme’s objective selection criteria and approved to carry out the Bettercoal Assessment.
Bettercoal Assurance Platform	Web-based platform used by Members, Producers and the Secretariat to manage the various steps in the Assessment process. The Bettercoal Platform is used for all Assessments.
Bettercoal Producer	A coal Company becomes a Bettercoal Producer once the Site Assessment has been completed and a Continuous Improvement Plan has been agreed.
Candidate Producer	An entity with a coal mining site, or multiple coal mining sites, that has completed the due diligence screening and has signed the Letter of Commitment and is engaged in the Assessment process but does not yet have an agreed CIP in place.
Company(ies)	In the context of the Bettercoal Assurance Manual, a coal mining company with all of its activities and facilities, which might include but is not limited to: <ul style="list-style-type: none"> › the principal activities and facilities associated with the mining and extraction of coal; › all sites and facilities for the management of waste, storage and maintenance of equipment, offices and administration, and other auxiliary activities; and

	› activities and facilities critical to the viability of the Company’s mine site operation, such as the transport of coal to points of sale and storage facilities at ports and terminals.
Continuous Improvement Plan (CIP)	All issues rated as ‘Misses’, ‘Partially Meets’ and ‘Substantially Meets’ further to the Assessment are described as a Finding and included in the Continuous Improvement Plan (CIP) in the Bettercoal Platform. The timelines assigned for addressing the Finding depends on the type of issue and cannot exceed 18 months.
Control	<p>‘Control’ by a Company means:</p> <ul style="list-style-type: none"> ▪ Direct or indirect ownership, or control of 50% or more of the voting equities/rights (or equivalent) of the operations in question; ▪ Direct or indirect authority to remove, nominate or appoint at least half of the members of the Board of the Directors or management (or equivalent) of the operations in question; ▪ Day-to-day or executive management of the operations, such as by setting workplace standards and enforcing their application; and ▪ Any legally recognised concept of ‘Control’ analogous to those described above in a relevant jurisdiction.
Desktop Review	<p>Part of the Assessment Process, includes:</p> <ul style="list-style-type: none"> ▪ A review of the completed Producer Questionnaire. ▪ A desk-top background research on the practices of the Candidate Producer.
Due diligence Screening	Desktop review on a coal mining company against a set of criteria, such as sanctions list, legal cases, financial crimes, corruptions charges etc. If no red flag is identified, the Company becomes a Bettercoal Candidate Producer.
Equivalence	The recognition that existing practices that have been independently benchmarked are in conformance with the expectations of the Bettercoal Code.
Facility	<p>Used interchangeably with ‘Site’.</p> <p>Premises that are owned by or under the control of a coal mining Company for the purposes of extracting coal.</p>
Finding	A Finding is where the conclusion of the Bettercoal Assessor is that the Candidate Producer does not ‘Meet’ the requirements of a Provision of the Code - meaning that the Company ‘Partially Meets’, ‘Substantially Meets’ or ‘Misses’ a requirement of the Code.



Lead Assessor	<p>An independent, third-party person that meets Bettercoal’s selection criteria and is approved to carry out the Bettercoal Assessment.</p> <p>A Lead Assessor is responsible for the efficient and effective conduct and completion of a Bettercoal Assessment of a Candidate Producer and more than likely coordinate a team of Assessors.</p>
Objective Evidence	Verifiable information, records, observations and/or statements of fact and can be qualitative or quantitative.
Observer	A representative from one of the Bettercoal Programme’s Members, TAC member or Secretariat who joins the Site-Visit.
Site	<p>Used interchangeably with ‘Facility’.</p> <p>Premises that are owned by or under the control of a coal mining Company for the purposes of extracting coal.</p>
Site Assessment	The Site-specific, methodical, observational and documented process for obtaining assessment evidence and evaluating it objectively to determine the extent to which the Code is fulfilled. Part of the Assessment Process.
Site-Assessment Scope	The Site-Assessment Scope is defined by the Lead Assessor and includes a selection of mine-sites from within the Assessment Scope following the sampling methodology.
Stakeholder	An individual, a group of individuals, a company, an organisation or institution that can be reasonably expected to be affected by the company’s activities, products and/or services, or whose actions can reasonably be expected to affect the ability of the company to implement its strategies and achieve its objectives. These include, and are not limited to employees, other workers such as contractors, suppliers, local communities, governments, and civil society organisations.
Workers	Employees or contracted workers engaged at the mine to perform a particular task or activity.



Appendix 2: Assessment Process Timelines

Activities	Secretariat	Candidate Producer/ Producer	Lead Assessor	Timeline
Screening for the Assessment Process				20 business days
Producer Questionnaire completed and submitted				60 business days from signing the Letter of Commitment
Review of the Producer Questionnaire				Up to 10 business days
Draft Assessment Plan				At least 15 business days prior to Site Visit.
Assessment Plan reviewed and approved				5 business days
Pre-assessment documentation uploaded onto the Bettercoal Platform				At least 10 business days prior to the Site Visit.
Draft Assessment Report provided using the Platform				Within 20 business days from the final date of the Site-Visit.
(Optional) translation of the draft Assessment Report				Within 15 business days from submission
Comments on the draft Assessment Report				10 business days
Comments reviewed and Final Assessment Report prepared				10 business days
Final Assessment Report review and approval				5 business days
CIP drafted in the Platform and submitted for review.				Within 10 business days of Assessment Report approval
Final CIP available on the Platform for approval				15 business days



Producer- Assessor calls to review CIP progress				As per CIP deadlines
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Appendix 3: Assessment Plan template

[Name of Company]

Company Name	
Company Headquarters Location	
Regional Office Location	
Contact Person	
Type of Assessment	
Dates of Assessment	
Assessment Team	Lead Assessor: Team Assessor(s):
Observer(s)	
Language of Assessment	
Assessment Scope	
Site-Assessment Scope:	
Mine-Site 1	
Mine-Site 2	
Port/Storage Facility 1	

Site-Assessment Objectives

Site-Assessment Scope

The Site Assessment will include visits to:

- Company Headquarters
- Mine Site A
- Mine Site B
- Etc.

Site-Assessment Activities

The Site-Assessment will include the following activities:

- Opening meeting
- Management interviews



- Walkthrough of mining sites and facilities
- Documentation review
- Employee interviews
- Contractor interviews
- Meetings with stakeholders
- Closing meeting

Site-Assessment Plan

The following breakdown of activities and interviews is proposed by the Assessment Team⁷:

Date			
Time	Activity	Assessor Name	Responsible Person (to be completed by the Company)

Additional Requirements

- Location and altitude of mine site(s).
- Medical authorisations of Assessment Team needed.
- PPE sizes of Assessment Team.

⁷ Variations in timing can be discussed with the company to accommodate staff availability and other commitments, account for travel time associated with the site visits and minimise the operational impacts of the Assessment.



Appendix 4: Observers on Site Visits

Bettercoal Programme Members, Secretariat staff or Members of the Technical & Advisory Committee⁸ can participate as Observers in the Site Visit.

1. Member Observers:

Purpose of the observation:

The Observer role is aimed at:

- Explaining the purpose of the Bettercoal Programme and the importance the overall Assessment Process plays in Members' due diligence;
- Gaining a better understanding of the implementation of the Code in situ; and
- Sharing previous experience or assessments of Producers with the Assessors.

These observations are *not*:

- A separate Assessment conducted by the Member's company;
- An evaluation of the Assessor's performance; or
- An opportunity to challenge Findings or ratings. If an issue is identified by the Observer or if the interpretation of evidence is different, this shall be transmitted to the Assessor during the debriefing phase, so that it may be rectified by the Assessor where appropriate.

Process for allocation of Observer positions:

- The Secretariat will communicate as far in advance as possible on upcoming Assessments.
- Bettercoal Programme Members will have the opportunity to express interest in attending one or more Site-Visits as Observers. If a Member is interested in more than one Site Assessment, they will have to rank them in order of preference.
- The Secretariat will then seek agreement with the Candidate Producer on the presence of a Member Observer and confirm with the Member.
- Should the selected Member have to cancel their participation in a Site Assessment, the spot will be offered to the next Member on the waiting list.

Basic rules:

- No Bettercoal Programme Member company will be allowed to participate as Observers in more than two Site Assessments per annum unless no other Member has expressed interest in participating.
- There will be no more than one Observer unless the Secretariat wish to join and will do so only with the permission of the Company.
- Bettercoal Programme Members will pay for their own costs in participating in the Site Assessment.
- Site Assessments will not be rescheduled to fit with Bettercoal Programme Member's own schedules.
- Should visas be required, the Secretariat will do its best to assist, but Members will have to obtain the necessary paperwork if the Company cannot help.

⁸ The RECOSI Technical and Advisory Committee



- Observers will not get access to draft Assessment Reports or Continuous Improvement Plans before they are finalised and agreed between the Assessor and Producer.

Site-Assessment Guidelines:

- Preparation

Observers are required to review the Assessment Plan which will be provided and familiarise themselves with the results of the Desktop Review. They should also be fully versed in the Code as well as the Assessment Manual.

The Observer should contact the Assessor prior to the Site Assessment to go through the assessment plan, confirm logistical arrangements and confirm the Observer rules. The Observer should:

- Be introduced at the opening meeting by the Assessor and their role made clear.
- Not interfere in the Assessment process in any way.
- Be respectful, punctual and not behave in a way which may impede, disrupt or delay the Site Assessment.

Observers will, as all Members, have the opportunity to provide information to the Assessors based on previous assessments/audits they may have done in the past 12-18 months, their own (auditor) experience, useful documentation they may have found during their own due diligence, etc. This will be shared with the Assessor as early as possible in the Desktop Review stage through the Platform to allow those documents to be considered.

Candidate Producers will be notified of the presence of a Member Observer at their Site Assessment during the Desktop Review if possible and at least 1 month before the site-assessment.

- On Site

Members should explain their presence at the opening meeting and confirm that they are participating as Observers and not as Assessors. They should not organise any side activities or meetings which could be perceived as a parallel Assessment to avoid any confusion.

Some interviews will be of a particularly sensitive nature, such as employee interviews, and the Bettercoal Programme recommends that Observers refrain from participating in those as additional people in the room can intimidate employees. The Assessor will determine if Observer presence is possible and if it is not, they will inform the Observer of the points of discussion after the meeting.

Assessors are conducting a live Assessment, therefore questions to the Assessors during the Assessment Process or in front of the Candidate Producers must be strictly avoided. Questions should only be asked for clarification and at convenient times (e.g. during breaks or at the end of the session), so as not to interfere with the process. Except where it is necessary to confirm understanding, questions must not be asked of the Candidate Producer during the Assessment.



Clarification about the Findings must not be asked, particularly in front of the Candidate Producer's management. This is to preserve the integrity of the third-party Assessment. If the Observer has any comments or any different understanding of the results, these should be discussed with the Assessor in private.

Some of the documents shared with the Assessors may be of a particularly sensitive nature (such as financial or commercial documents). Companies do not have to share these with the Observers if they do not wish to do.

Language:

Many of the Bettercoal Site Assessments are conducted in the local language. Some Bettercoal Assessors have translators with them, but not always. If the Member attending the Site Assessment does not speak the local language they should:

- Shadow the Assessor who has a translator; or
- Bring their own translator (this may lead to some interviews being overcrowded and the Bettercoal Programme recommends that the possibility of having too many people in the room will be discussed with the Assessor ahead of time. Some interviewees will be sensitive to being outnumbered).

Health, Safety, Security and Environment (HSSE):

Each Company and each mine site will have its own HSSE protocols, including medical requirements for mine sites situated in high altitude locations. The Bettercoal Programme expects Observers to comply with their guidelines.

Complaints:

Complaints should be brought to the attention of the Secretariat as soon as possible and in writing.

- If Observers have any concerns at any point during the Site Assessment, these should be raised with the Assessor at the end of the day and never in front of Company staff.
- If Assessors feel that the Observer is hindering the Assessment Process, they must first discuss this with the Observer basing their comments on evidence and on the description of the Observer role in this document and should share their concerns with the Secretariat.
- If Members observing have concerns about the Assessment or Assessor, these should be brought to the Secretariat.
- Complaints regarding Assessors should be brought in writing with supporting evidence to the Secretariat, who will then review the Assessor's overall performance.

2. Secretariat Observers

Purpose of the observation

The Observer role is aimed at:

- Quality control of Assessors, especially of new Assessors.
- Gaining insights into the Bettercoal Assessment process and potential areas for improvement
- Gaining an understanding of Code Provisions and their application on the ground



- Capacity building with senior executives and demonstrating Bettercoal's commitment to the Assessment process.
- Promote the importance of the Bettercoal Assessment Process to Companies.

The Secretariat Observers will follow the same basic guidance as Member Observers, as described in Section 1 above.

3. Technical & Advisory Committee Observers

Purpose of the observation

- Gain a better understanding of the implementation of the Code in situ and assess if changes should be made to the Code and the Assessment Process.

TAC Observers will follow the same basic guidance as Member Observers as described in Section 1 above.



Appendix 5: Public Report

A. Claim

Producer Logo

B. Country/Contextual Information

C. Assessment Information

- i. Assessment Scope & Country
- ii. Step 1: Commitment completed on [date]
- iii. Step 2: Desktop Review completed on [date]
- iv. Step 3: Site Assessment completed on [date]
- v. Step 4: Continuous Improvement Plan agreed on [date]
- vi. Step 5: Re-Assessment planned for [date]
- vii. Assessment was conducted by [Approved Bettercoal Assessor name]
- viii. List of stakeholders (organisations) interviewed by the Assessor during the Site-Assessment

D. Producer Performance

- i. Producer Performance (per Code Provision) – visual as per the Assessment Report results
- ii. Producer Performance closing the Findings as per the Continuous Improvement Plan
 - a. Number of Findings identified per Principle and assigned timelines as per the CIP
 - b. Producer progress on bi-annual basis – visual (number of Findings: in progress (the producer provided documentation, it requires verification by Lead Assessor), closed (by required verification method: desktop review or site-visit) and overdue

E. Additional Producer Information

- i. Summary of good practice
- ii. [Name of Producer] is a Member of:
- iii. [Name of Producer] is certified against

