



Responsible
Mining Foundation

ANNUAL REPORT 2020



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MESSAGE FROM THE BOARD

Although the year 2020 was overshadowed by the disruptions, discontinuities and despair felt by many as a result of the Covid-19 crisis, we are pleased to report that the Responsible Mining Foundation (RMF) nevertheless managed to have a very productive and influential year.

In February the RMI Report 2020 was published, the second independent global assessment of large mining companies on economic, environmental, social and governance (EESG) issues.¹ The results were well received with excellent media coverage and RMF continued to extract relevant data to support more detailed thematic insights and public discourse over the following months.

The year 2020 marked the final ‘decade of action’ for the Sustainable Development Goals (SDGs) to 2030. One of the findings in the RMI Report 2020 was that the SDG reporting by mining companies runs the risk of SDG-washing, effectively avoiding mention of the inadvertent or careless way in which some mining activities may impede the achievement of the SDGs.² Using data from the RMI Report 2020, RMF collaborated with the Columbia Center on Sustainable Investment (CCSI) to produce *Mining and the SDGs: a 2020 status update*.³ This status update provided a useful means for RMF to raise awareness, via webinars and online meetings, about the need for more meaningful reporting and action on the SDGs by mining companies.

Similarly, 2021 marks the second decade of implementation of the UN Guiding Principles on Business and Human Rights (UNGPs) and the launch of the ‘decade of global implementation’. RMF collaborated on a number of submissions and webinars with the UN Working Group on Business and Human Rights, the members of which have repeatedly expressed their appreciation of RMF as a key partner in advancing the human rights agenda within the extractives sector.

The context and concerns related to our support for responsible mining remain and indeed loom larger than ever. Although companies assessed in the RMI Report 2020 show an overall improvement of around 17% on the EESG results of the RMI Report 2018, and each iteration of the RMI Report leads to around 20% more evidence of measures being voluntarily submitted by companies into the public domain, there are still vast numbers of small to medium sized formal mining companies that show little or no evidence of ESG awareness or consideration in their operations. And this means that environmental and social concerns remain inadequately addressed, particularly at the mine-site level.

Evidence of the negative impacts of extraction is still overwhelming. Despite legislation, regulations and international principles and standards, the human rights violations, environmental damage, illicit financial flows and other negative impacts in the extractives value chains persist. And the costs of mitigating these impacts, for example through the proper care and maintenance of closed mine sites and tailings facilities, are too often externalised to be borne by society as companies move on or abandon responsibilities, with costs and risks even passed on to future generations.⁴

¹ <https://2020.responsibleminingindex.org/en>

² <https://2020.responsibleminingindex.org/en/key-findings>

³ <https://www.responsibleminingfoundation.org/mining-and-the-sdgs/>

⁴ Costs externalised and borne by society and the environment may include for example health impacts, morbidity and mortalities, air and water pollution, and climate change. The devastation caused by major tailings dam failures, such as the major disaster in China in March 2020, is one such example (see <https://www.mining.com/chinas-recent-tailings-leak-the-biggest-in-20-years/>).

Yet mining remains a significant contributor to the GDP and exports of many low-income and lower-middle-income countries.⁵ In many of these countries, mining accounts for as much as 60–90% of total foreign direct investment, and over recent years many of the most mineral-dependent countries, which are often aid-dependent countries, have become even more reliant on the economic contribution of mining.⁶ This has only been aggravated by the socio-economic disruptions caused by the Covid-19 pandemic.

Understandably, the pandemic has led to more attention being paid to the potentially positive role of large mining companies in developing economies. Despite the logistical and financial challenges for companies, the circumstances of the pandemic do provide companies with an opportunity to act as a good neighbour, practically supporting societies where they operate, and also to act as a financial stabiliser, ensuring that they continue to pay taxes and support local suppliers as far as possible.

Encouragingly the global industry Standard on Tailings Management was released during 2020, though RMF has urged investors and other supporters of this initiative to take steps to expand the standard to take into account issues such as: accountability and responsibility at the CEO or the Board level; making Free, Prior, and Informed Consent (FPIC) a fundamental right, not a formality to be ineluctably obtained; protection of World Heritage Sites and other recognised protected areas; protection of riverine, lake, and marine environments; and more public disclosure of the effectiveness of measures taken to limit risk.

The ongoing energy transition, somewhat misleadingly referred to as ‘green’, ‘clean’ and ‘renewable’ energy, is expected to result in *increased* demand for metals.⁷ Although this may create economic opportunities for mineral-rich emerging economies, it is imperative that we clearly articulate and consider the collateral consequences of this shift towards low-carbon energy that will drive increased demand for commodities such as copper, iron ore, silver, cobalt, lithium, aluminium, nickel, manganese and zinc, with the resultant impacts on the people and environments where the mining occurs. Encouragingly one sees more and more consideration given to scope 3 emissions along value chains.

While effective recycling processes remain underdeveloped, and industrialisation and consumer expectations rise across the world, minerals and metals mining is set to continue and even increase for the foreseeable future – and with it, the risk of increased severe impacts on peoples, economies and environments.

In the meantime, it is essential that the justified concerns and overwhelming media coverage on climate change should not distract from other pressing issues in the mining sector such as human rights, Indigenous Peoples’ heritage, gender, and deep sea mining among others – some of which are in fact aggravated during this time of pandemic disruption.

⁵ Ericsson, M. and Löf, O.(2020). Extractive dependency in lower-income countries. United Nations University WIDER Working Paper 2020/120.

⁶ ICMM (2018). Role of mining in national economies. <https://www.icmm.com/en-gb/research/social-performance/mci-4-2018>

⁷ Hund, K., La Porta, D., Fabregas, T.P., Laing, T., and Drexhage, J. (2020). Minerals for Climate Action. The Mineral Intensity of the Clean Energy Transition. World Bank Group Climate-Smart Mining Facility.

Encouraging and tracking improvements in responsible practices will help to ensure that mining and the related trading is done in a responsible manner, and the one-off extraction of these resources brings equitable and inter-generational benefits to producing countries and society at large.

Society is right to expect responsible extractive value chains and to look for improvements in this direction.

Original signed by:

Kofi Samuel Woods II
Chair

ABOUT THE RESPONSIBLE MINING FOUNDATION

Vision

The Responsible Mining Foundation (RMF) supports the belief, in line with the UN Sustainable Development Goals (SDG), that responsible extractive value chains should benefit the economies, improve the lives of peoples, and respect the environments of producing countries, while ensuring that companies benefit in a fair and viable way.

Mission

The goal of the Foundation is to encourage continuous improvement in responsible extractive value chains across a range of Economic, Environmental, Social and Governance (EESG) issues. In support of this goal, the Foundation focuses on research, stakeholder engagement, and the transparent publication of methodologies, results and related data, based on open data principles.

The Foundation approaches its work and research from the perspective of what society at large can reasonably expect from companies that mine or trade in extractives, on EESG matters.

RMF seeks to help address these needs by developing unique tools, sharing powerful public-interest data and supporting informed and constructive engagement between stakeholders. RMF does this by transparently assessing company policies and practices and engaging with a wide range of actors with a strong interest and influence in improving company behaviour, including, for example, governments, investors, stock exchanges, civil society, labour unions, mining-affected communities, academics, mining associations and companies themselves.

RMF adopts an impartial relationship towards all stakeholders, whilst engaging and listening to all.

Governance

The Responsible Mining Foundation is an independent research organisation based in Switzerland. It is recognised as a tax-exempt, not-for-profit organisation, operating for the public good.

Governance of RMF is independent; it does not accept funding from the extractives industry, and Board members are independent of any stakeholder groups. The work of the Foundation is also guided by an Advisory Council and an Expert Review Committee that advises on methodological issues.

2020 ACTIVITIES

The Responsible Mining Foundation (RMF) continued its activities in support of continuous improvement in responsible extractives value chains through a range of public engagement, shared research and the development of tools and publications.

Focus on EESG and large-scale mining

The RMI Report 2020 was published in February, just before the pandemic disrupted travel and in-person meetings and events.⁸ This is an evidence-based assessment of the economic, environmental, social and governance (EESG) policies and practices of 38 large-scale mining companies that together account for more than 780 mine sites and 28 percent of the world's mining activity by value of production. In addition, the Report assessed 180 individual mine sites in 45 countries against 10 basic indicators of responsible mining.

Over the course of the year, this was followed by a number of Research Insights and webinars sharing more detailed results on topics such as Tailings Management, Water Management, Gender, Heritage Sites, Human Rights Defenders, Climate Change, and the Energy Transition. RMF also participated in a wide range of international webinars organised by partners and others.

Focus on SDGs

With just ten years left to achieve the Sustainable Development Goals by the target date of 2030 and four years after the publication of the 2016 *Mapping Mining to the Sustainable Development Goals: An Atlas*, RMF collaborated with the Columbia Center on Sustainable Investment (CCSI) to publish *Mining and the SDGs: a 2020 status update*.⁹ This report provides a status update of what large-scale mining companies are currently doing to integrate the SDGs into their business strategies and to take proactive measures that will help deliver these Goals. The study based its findings on the data supporting the RMI Report 2020.

Focus on Latin America and the Caribbean

In collaboration with the Centro Vincular of the Pontifical Catholic University of Valparaiso in Chile, RMF published *Responsible Mining in Latin America and the Caribbean: assessing how mining companies address public interest issues*.¹⁰ This Regional Study examined how the results of the RMI Report 2020 reflect current EESG practices by 20 large-scale mining companies operating in the region and pointed to priority issues requiring urgent attention if some of the worst adverse impacts of mining are to be avoided.

Focus on value chains

During the course of the year RMF launched the development of a methodology and study on hard commodity trading as a critical element of extractives value chains. The results of this pilot study will be published early in 2021, and will consider the policies and practices of 25 geographically dispersed companies on issues such as ESG due diligence, transparency, human rights, financial flows and basic corporate governance.

⁸ <https://2020.responsibleminingindex.org/en>

⁹ <https://www.responsibleminingfoundation.org/mining-and-the-sdgs/>

¹⁰ https://www.responsibleminingfoundation.org/app/uploads/RMI-Report_Regional-Study-2020_LAC-EN.pdf

Focus on mine sites

Since the launch of the first RMI Report 2018, many community and worker representatives had requested RMF to develop a simpler version of the RMI Framework for direct use in mine-site engagement: easy to comprehend, easy to use, easy to apply, low on technology, easy to share and addressing issues of responsible mining most directly affecting communities and workers. Over the past two years we have been piloting various versions of a complementary but simpler version of the RMI Framework in countries as diverse as Kyrgyz Republic, South Africa, Mongolia, Democratic Republic of Congo, and Indonesia. After numerous iterations and learnings through the piloting of the tool, RMF published the Mine Site Assessment Tool (MSAT) in December 2020. This tool provides an entry point for anyone wanting to engage a mining operation and can be used for awareness-raising and capacity-building in a range of contexts. It is already being used in a number of developing countries to engage semi-industrial, small and medium-sized mining operations.

Responding to pandemic disruption

The unexpected disruption of travel, events and planned meetings also affected the plans of RMF, but we found other ways to benefit from the situation. Like many others we expanded our network over teleconferences and were able to include participants and panellists from a wider range of regions than in-person events would have allowed.

Responding to stakeholders

RMF has continued to make access to research publications and tools available in a range of languages, and during the course of the year responded to particular requests for unique translations into more languages, including Farsi, Kinyarwanda, Kiswahili, Japanese, Portuguese, and Kyrgyz among others.

We have also engaged with a very wide range of research organisations, multilateral institutions, mining companies, investors, bankers, trading companies, academics, governments, civil society organisations, worker organisations, and community organisations from around the world. We greatly appreciate the support and interest of these persons and organisations in their pursuit of responsible extractives value chains.

2021 PLANS

Working on the assumption that pandemic disruption will still apply for a significant part of 2021, RMF's plans assume adaptation through work-from-home and video conferencing modalities.

In addition to the publication of research and tools, RMF will focus on leveraging the stakeholder engagement capacity and reach, including the capacity to facilitate learning and engagement among stakeholders, and influence policy.

An overview of the proposed plans for 2021 include the following:

ESG Due Diligence and Transparency for Extractives Trading

The results of a study on ESG due diligence and transparency in extractives trading, which was initiated in 2020, will be published in early 2021. This comparative study of 25 geographically dispersed companies involved in hard commodity trading will consider issues such as human rights, corporate governance, financial flows and environment.

Severe Adverse Impacts

A new standalone study on Severe Adverse Impacts associated with mining will examine and highlight the major negative impacts that are caused or contributed to by mining companies' activities. These will be considered from the perspective of the impact on economic, environmental, societal and governance outcomes – i.e. based on their salience to societies, rather than their impacts on a company's reputation or business.

Research Insights

RMF will continue to optimise value from the data gathered in the course of its research for the RMI Reports and other studies, to produce topic-specific research perspectives. Research Insights are short and incisive evidence-based observations on EESG topics, that stimulate awareness and public discourse on topical issues and allow for deeper research perspectives and wider media coverage of the issues.

RMI Framework and Methodology

The RMI Framework and Methodology will be updated in 2021 in preparation for the data-gathering and analysis of around 40 large mining companies for the RMI Report 2022. The RMI Methodology document sets out the core content of the Responsible Mining Index (RMI) 2022 and articulates what society can reasonably expect from mining companies on EESG issues.

Mine Site Assessment Tool

The Mine Site Assessment Tool (MSAT) can be used to conduct basic mine-site assessments and engagement with mining companies. Useful as an entry point to constructive engagement, awareness-raising and capacity-building, the MSAT is already in use in a number of regions. RMF will continue to provide technical support and capacity-building to groups who wish to use this tool in the context of encouraging responsible mining.

2021 BUDGET

Budget 2021 by cost type

	Budget 2021 CHF
Income	
Grants	2'432'844
Total income	2'432'844
Expenses	
Salaries	1'025'330
Social Security & Pensions	250'826
Other Personnel expenses	2'500
Travel	54'000
Governance	64'500
Consultancy	226'000
Subcontracting	370'550
Communication	195'500
Office	41'000
Rent	80'000
Fin. Income/Exchange	0
Other/Contingency	115'510
Total expenses	2'425'716

Budget 2021 by activity

	Budget 2021 CHF
Income	
Grants	2'432'844
Total income	2'432'844
Expenses	
Research and Analysis	1'027'716
Stakeholder Engagement	756'544
Governance & Organisation	525'946
Other/Contingency	115'510
Total expenses	2'425'716

GOVERNANCE

The Responsible Mining Foundation is governed by the Foundation Board.

Board Members*

Samuel Kofi Woods II (2016)
Chair

Humberto Campodonico (2017)

Magnus Ericsson (2019)

May Hermanus (2015)

Afshin Mehrpouya (2019)

Ron Popper (2017)

Arent van Wassenaer (2016)

* Year in parentheses indicates year of joining the Board.

BALANCE SHEET AS AT 31 DECEMBER 2020

	Note	31-Dec-2020		31-Dec-2019	
		CHF	CHF	CHF	CHF
Assets					
Material fixed assets	4				
Office equipment			-		5'291
Current assets					
Deposits	5		310		310
Receivables, prepayments and accrued income	6		88'467		102'665
Cash and cash equivalents	7		385'726		467'051
			474'504		575'317
Equity and liabilities					
General reserve	8		2'031		1'849
Equity					
Equity			50'000		50'000
Current liabilities					
Accounts payable	9	724		39'135	
Taxes, pensions and social security contributions	10	21'011		105'793	
Deferred grant income	11	272'319		370'540	
Other debts and accruals	12	128'420		8'000	
			422'473		523'468
			474'504		575'317

STATEMENT OF INCOME AND EXPENSES FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	Budget 2020 CHF	Results 2020 CHF	Results 2019 CHF
Income				
Grants & donations	14	1'776'250	1'733'235	2'045'593
Deferred income from previous year	14	370'540	370'540	519'880
Total income		2'146'790	2'103'775	2'565'472
Expenses				
Salary expenses	15	775'400	706'982	869'942
Social Security & Pension expenses	16	147'239	131'516	184'225
Other Personnel expenses	17	2'000	37'504	47'864
Travel expenses	18	275'625	50'192	290'816
Governance expenses	19	40'000	16'686	34'015
Consultancy expenses	20	199'000	419'202	328'301
Subcontracting expenses	21	102'500	102'059	107'093
Stakeholder communication expenses	22	332'000	228'221	211'649
Office expenses	23	44'500	31'017	34'475
Rent expenses	24	118'125	61'618	64'341
Depreciation of plant, property and equipment		8'000	5'291	7'930
Financial income/exchange		-	-	-
Other/Contingency expenses	25	102'219	28'402	-
Total expenses		2'146'608	1'818'691	2'180'651
Operational result		182	285'084	384'821
Financial income & expenses			(1'262)	(4'316)
Exchange differences	26	-	(11'320)	(9'707)
Total financial & exchange		-	(12'582)	(14'023)
Net result		182	272'502	370'799
Distribution of net result:				
Deferred grant income	11		272'319	370'540
Addition to general reserve			183	259
Net result		182	183	259

Elucidation

In 2020, total expenditure was CHF 327,917 (15.28%) less than budgeted. This was caused by less travel expenses and other planned expenses related to the Covid-19 pandemic, and no need to use the contingency budget of 5%.

* The presentation of last year's income figures has been modified

NOTES TO THE FINANCIAL STATEMENTS

1 General information

1.1 Activities

The Responsible Mining Foundation is registered in Switzerland as a not for profit foundation, no CHE-232.974.628. The registered office of the Foundation is: Rue Saint-Jean 4, 1260 Nyon, Switzerland.

Previously, the Board of Stichting Responsible Mining Foundation registered in The Netherlands as a not for profit foundation no 56483503, had decided in 2018 to establish the domicile of the foundation in Switzerland, as all the staff and activities were effectively located there. The dissolution of the Stichting Responsible Mining Foundation took place in February 2019.

The ultimate aim of the Responsible Mining Foundation is to help translate the full potential of minerals and metals mining to positively benefit the economies, improve the lives of peoples, and respect the environments of producing countries. To this end, the goal of the Responsible Mining Foundation is to encourage continuous improvement in extractives value chains by transparently assessing the policies and practices of companies on economic, environmental, social and governance issues and highlighting leading practice.

1.2 Financial reporting period

The current reporting period concerns the period from January 1, 2020 to December 31, 2020.

1.3 Estimates

The preparation of financial statements in conformity with the relevant rules requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Foundation's accounting policies.

1.4 Going concern

The Responsible Mining Foundation is currently funded by The Swiss Secretariat for Economic Affairs (SECO), the Netherlands Ministry of Foreign Affairs, and the Triodos Foundation. As of January 1, 2021, the Foundation has committed funding for the period 2021 for CHF 2'432'319. And for the period 2021-2024, CHF 4'413'319. The third Responsible Mining Index (RMI Report 2022) will be undertaken in 2021 and published in 2022; the Extractives Commodity Trading Report will be published in 2021.

2 Accounting policies for the balance sheet

2.1 General information

The financial statements have been prepared in accordance with Swiss law and in accordance with the Guidance for annual reporting of the Swiss Accounting Standards Board.

In general assets and liabilities are stated at the amounts at which they were acquired or incurred. If not specifically stated otherwise, they are recognised at the amounts at which they were acquired or incurred. The balance sheet and statement of income and expenses include reference to the notes.

2.2 Foreign currencies

2.2.1 Functional currency

The financial statements are presented in CHF, which is the representation and functional currency of the Foundation.

2.2.2 Transactions, assets and liabilities

Foreign currency transactions in the reporting period are translated into the functional currency using the exchange rates prevailing on the transaction dates.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate prevailing on the balance sheet date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates are recognised in the income statement.

Translation differences on non-monetary assets held at cost are recognised using the exchange rates prevailing on the transaction dates.

2.3 Property, plant and equipment

Property, plant and equipment are stated at historical cost plus expenditure that is directly attributable to the acquisition of the items, less straight-line depreciation over their estimated future useful lives. Allowance is made for any impairment losses expected on the balance sheet date. The Foundation performs a yearly inventory of all equipment. Equipments contains office furniture and IT equipments.

2.4 Cash and cash equivalents

Cash and cash equivalents include cash in hand, bank balances and deposits held at call with maturities of less than 12 months. The Foundation has no bank overdrafts or borrowings. Cash and cash equivalents are stated at fair value.

2.5 Current liabilities and deferred income

The Foundation has no borrowings.

All donor payments received by the Responsible Mining Foundation but not spent, are presented as 'deferred grant income' under current liabilities.

3 Accounting policies for the income statement

3.1 General information

The result is determined as the difference between total income and total expenses. Income and expenses are recognised in the income statement in the period that they are realised.

3.2 Grants and donations

Grants and donations are recognised as income when there is reasonable assurance that they will be received and that the Foundation will comply with the conditions associated with these contributions. Grants and donations that compensate the Foundation for expenses incurred are recognised as income on a systematic basis in the same periods in which the expenses are recognised.

3.3 Other income

The Foundation has no other income.

3.4 Expenses

All expenses for research and analysis and for stakeholder engagement are recognised in the income statement, since no future benefits are expected.

3.5 Employee benefits

Salaries and social security contributions are taken to the income statement based on the terms of employment, where they are due to employees.

3.6 Depreciation

Equipment is depreciated over its estimated useful life as from the inception of its use. Future depreciation is adjusted if there is a change in estimated future useful life.

3.7 Financial income & expenses

Interest income is recognised on a time-weighted basis, taking account of the effective interest rate of the assets concerned. Interest paid is recognised on a time-weighted basis, taking account of the effective interest rate of the liabilities concerned.

3.8 Exchange differences

Exchange differences arising upon the settlement or conversion of monetary items are recognised in the income statement in the period that they arise.

3.9 Taxes

The Foundation is exempt from income taxes.

3.10 Subsequent events

The ongoing health crisis related to COVID-19 virus is a subsequent event which has not led to additional accruals in the present financial statements. The foundation board members and the director are closely following the situation but the estimated impact of COVID-19 to the foundation's activities is not predictable. However, at the moment, there is no indication that the foundation would not be able to continue the activities.

4 Material fixed assets

Movements in material fixed assets can be broken down as follows:

	Equipment CHF	Equipment CHF
Balance as at	01-01-2020	01-01-2019
Cost	43'885	43'885
Accumulated depreciation	(38'745)	(30'664)
Conversion difference CHF/EUR end of previous year	151	-
Book value	5'291	13'221
Movements in book value		
Additions (computers)	-	-
Divestments	-	-
Divestments cumulative depreciation	-	-
Depreciation	(5'291)	(7'930)
Balance	(5'291)	(7'930)

	Equipment CHF	Equipment CHF
Balance as at	31-12-2020	31-12-2019
Cost	43'885	43'885
Accumulated depreciation	(44'036)	(38'745)
Conversion difference CHF/EUR	151	151
Book value	-	5'291
Annual depreciation rate	33.3%	33.3%

5 Deposits

	31-12-2020 CHF	31-12-2019 CHF
Security deposit for rental payments	281	281
Deposit for keys and passes	28	28
Conversion difference CHF/EUR	1	1
	310	310

6 Receivables, prepayments and accrued income

	31-12-2020 CHF	31-12-2019 CHF
Prepayments in travel	-	25'520
Prepayments in cost, pension and insurances	83'467	22'357
Interest to be received	-	-
Benefit accident insurance	-	-
Rent, office supply and IT	5'000	54'788
	88'467	102'665

7 Cash and cash equivalents

	31-12-2020 CHF	31-12-2019 CHF
Cash and cash equivalents	363'935	446'837
Rental deposit	25'232	25'232
Credit cards to be paid	(3'441)	(5'018)
	385'726	467'051

Cash and cash equivalents are at the Foundation's free disposal, except for the rental deposit for the Swiss research office of CHF 25,232 at UBS bank in Switzerland ; the deposits held on three credit cards, CHF 20'000 at UBS ; and 2020 spending expenses paid by these credit cards not yet reimbursed on 31 December 2020, for CHF 3'441.

8 General reserve

Movements in the Foundation's reserves can be broken down as follows:

	General Reserve 2020 CHF	General Reserve 2019 CHF
Opening balance per 1 January	1'848	1'589
Movements:		
Result for the year	183	259
Conversion difference CHF/EUR	-	1
Balance as at 31 December 2019	2'031	1'849

9 Current liabilities

All current liabilities fall due in less than one year. The fair value of the current liabilities approximates the book value due to their short term character.

10 Taxes, pensions and social security contributions

	31-12-2020 CHF	31-12-2019 CHF
Social securities and insurance Switzerland	21'011	105'793
	21'011	105'793

11 Deferred grant income

	31-12-2020	31-12-2019
	CHF	CHF
Swiss State Secretariat for Economic Affairs	2'844	-
Netherlands Ministry of Foreign Affairs	-	373'416
Triodos Foundation	269'475	-
Conversion difference CHF/EUR	-	(2'876)
	272'319	370'540

During 2020 the Foundation paid smaller staff expenses than anticipated, some expenses were deferred to 2021, and cost effective measures together with the not fully used 5% contingency accounts for the deferred income of CHF 272'319

12 Other debts and accruals

	31-12-2020	31-12-2019
	CHF	CHF
Accrued auditor's fees	7'858	8'000
Accrued expenses	89'081	-
Vacation allowance	-	-
Unused holiday accrual	31'481	-
	128'420	8'000

13 Contingencies and commitments

Financial obligations:

The Foundation has a rental contract for office space to host the research office in Nyon from 1 April 2018 until 31 March 2023. For this obligation a deposit is held in a designated bank account, reflected as cash in these accounts. The total obligation for this rent for 2021-2023 is CHF 135'000 (CHF 194'800 at 2019 year end)

14 Grants and donations

	Results 2020	Results 2019
	CHF	CHF
Triodos Foundation	269'475	1'269'880
Swiss Secretariat for Economic Affairs	1'000'000	655'255
The Netherlands Ministry of Foreign Affairs	834'300	640'338
	2'103'775	2'565'472

15 Salary expenses

	Results 2020	Results 2019
	CHF	CHF
Salaries	682'883	888'415
Benefit accident insurance	(7'382)	(39'953)
Holiday allowance and vacation days	31'481	21'480
	706'982	869'942

16 Social Security & Pension expenses

	Results 2020 CHF	Results 2019 CHF
Social security charges and pension costs	131'516	184'225
	131'516	184'225

17 Other personnel expenses

	Results 2020 CHF	Results 2019 CHF
Recruitment cost	4'698	1'096
Insurances staff	22'184	30'919
Other personnel expenses	10'622	15'849
	37'504	47'864

18 Travel expenses

	Results 2020 CHF	Results 2019 CHF
Travel Staff	25'732	153'017
Travel Board	19'960	91'744
Travel Others (Consultants, ERC, regional workshop participants)	4'500	46'055
	50'192	290'816

19 Governance expenses

	Results 2020 CHF	Results 2019 CHF
Board expenses	2'638	4'533
Board expenses, conversion difference CHF/ EUR	-	47
Legal expenses & Liability	6'048	13'583
Audit expenses	8'000	15'852
	16'686	34'015

20 Consulting expenses

	Results 2020 CHF	Results 2019 CHF
Research and methodology	392'631	328'301
Accounting PPC	26'571	-
	419'202	328'301

21 Subcontracting expenses

	Results 2020	Results 2019
	CHF	CHF
Administrative support	3'552	32'197
Research Partner	1'303	-
Information & Communications Technology	65'867	58'520
Salary and Social Security administration	-	-
Other	31'336	16'377
	102'059	107'093

22 Stakeholder communication expenses

	Results 2020	Results 2019
	CHF	CHF
Graphic design	39'073	42'034
Web design	68'410	88'046
Translation	67'592	52'390
PR & communication	22'654	1'956
Printing	20'116	23'882
Other	10'376	3'341
	228'221	211'649

23 Office expenses

	Results 2020	Results 2019
	CHF	CHF
Telecommunication expenses	11'222	16'993
ICT maintenance, support and software expenses	387	3'010
Office supplies	7'012	7'236
Postage	12'319	4'061
Other office expenses	78	3'175
	31'017	34'475

24 Rent expenses

	Results 2020	Results 2019
	CHF	CHF
Office rent	60'345	61'277
Meeting accomodation	740	2'121
Energy	533	944
	61'618	64'341

25 Other/Contingency expenses

	Results 2020	Results 2019
	CHF	CHF
VAT on foreign services	28'402	-
	28'402	-

26 Exchange & payment differences

	Results 2020 CHF	Results 2019 CHF
Currency difference annually	11'320	10'799
Other currency variances	-	(1'092)
	11'320	9'707

Despite active management, accounting system records EUR/CHF loss in 2020.

Due to the research and publication cycle, and related stakeholder engagement activities, Travel, Consulting, Subcontracting and Stakeholder Communication expenses can vary significantly per year.

27 Average number of employees

During the financial year, the average number of employees, based on full time equivalents, was 6.0 (8.05 in 2019)

28 Board remuneration and expenses

The Foundation is governed by a Board of Trustees. Board members may claim a nominal attendance fee of CHF 214 per meeting for their work in their capacity as board members. The Chair receives a nominal attendance fee of CHF 401. For significant operational tasks, board members of the Board may charge a management fee on a pre-agreed basis. During the reporting period CHF 3'719 was paid in total in attendance fees. CHF 2'007 was paid to S. K. Woods - Chair
CHF 428 was paid to H. Campodonico
CHF 856 was paid to R. Popper
CHF 428 was paid to M. Ericsson

The remuneration of the CEO (H. de Villiers-Piaget: France) was CHF 160'000 + CHF 18'792 pension in 2020 for FTE 1.0

Nyon, March 30, 2021.
Responsible Mining Foundation

The Board of Trustees

Original signed by:

Samuel Kofi Woods II
Chair in 2020

Arent van Wassenauer
Treasurer



Moore Stephens Refidar SA

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Report of the statutory auditor
on the limited statutory examination
to the Foundation Board of
RESPONSIBLE MINING FOUNDATION
Nyon

As statutory auditor, we have examined the accompanying financial statements of RESPONSIBLE MINING FOUNDATION, which comprise the balance sheet, the statement of income and expenses and the notes for the year ended 31 December 2020.

These financial statements are the responsibility of the Foundation Board. Our responsibility is to perform a limited statutory examination on these financial statements. We confirm that we meet the licensing and independence requirements as stipulated by Swiss law.

We conducted our examination in accordance with the Swiss Standard on the Limited Statutory Examination. This standard requires that we plan and perform a limited statutory examination to identify material misstatements in the financial statements. A limited statutory examination consists primarily of inquiries of company personnel and analytical procedures as well as detailed tests of company documents as considered necessary in the circumstances. However, the testing of operational processes and the internal control system, as well as inquiries and further testing procedures to detect fraud or other legal violations, are not within the scope of this examination.

Based on our limited statutory examination, nothing has come to our attention that causes us to believe that the financial statements do not comply with Swiss law and the foundation's articles of incorporation.

Nyon, 30 March 2021

MOORE STEPHENS REFIDAR SA

Original signed by:

Déborah Dépraz
Licensed Audit Expert
Auditor in charge

Jacques Grossen
Licensed Audit Expert



**Responsible
Mining** Foundation

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Registre du Commerce de Canton de Vaud
Registration nr: CHE-2232.974.628
Public Benefit Organisation

Design: Omdat Ontwerp, The Netherlands