



TRANSFORMING ARTISANAL AND SMALL -SCALE MINING

FAIRMINED

Premium report 2021



Photo: Fairever©

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A PATH WE WALK TOGETHER

More than 1,212 artisanal and small-scale miners certified with the Fairmined fair mining standard are committed to carrying out this activity in a responsible manner, addressing current global challenges.

Since 2014, mining organizations certified with the standard have received 6,297,449 million dollars to invest in technological improvements and the well-being of workers and their families. In 2021, they received 433,056 million.

This transformation is possible thanks to the commitment of the communities and the more than 400 companies in the industry that, through the supply of Fairmined gold, contribute to the sustainable development of the artisanal and small-scale mining sector (ASM). Thanks to their support, miners have the possibility of reinvesting in the social, economic, and environmental development of their communities and the territory they inhabit.

We thank each of these companies for joining this progressive shift towards sustainability. We are excited to work together to create and strengthen gold supply chains that are mindful of the impacts this has on people and the planet.

The challenges posed by climate change, the extreme temperatures we are experiencing, deforestation, and loss of biodiversity, to mention only some are central issues that require a joint commitment, to move action



to mitigate these global challenges.

Today, the brands that source themselves with Fairmined gold, are making a difference by integrating actions into their organizational objectives that contribute to the progressive transformation of ASM.

With this report, we invite you to join and continue supporting the FAIRMINED initiative and learn about the investments made by mining organizations certified with the Fairmined award during 2021.

GINA D'AMATO

Executive Director of the Alliance for Responsible Mining

WHAT IS THE FAIRMINED PREMIUM?

A PREMIUM THAT TRANSFORMS LIVES AND BUILDS THE FUTURE

The Fairmined premium is an economic incentive that Fairmined certified mining organizations receive to promote social, economic, and environmental development in the surrounding communities.

It generates a positive impact on the workers, and their families and transforms the reality of their community.

For every kilogram of gold sold, certified organizations receive \$4,000. **This premium is invested based on the needs of the mining organization and its community, contributes to the improvement of its practices, and advances on the path towards sustainability.** Each mining organization forms an award committee that represents all the social groups that are part of the Fairmined production system: miners, processing plant operators, shareholders, and representatives of groups in situations of vulnerability.

The premium committee decides how the money will be invested through the development of a Fairmined Premium Investment Plan. **These plans define the development objectives of the organization in the medium and long term and prioritize the actions and investments to achieve them.**



Cecomip - 2021

THE FAIRMINED PREMIUM AND THE SUSTAINABLE DEVELOPMENT GOALS



IMPACT ON MINING COMMUNITIES

A new development agenda was adopted in 2015 to end poverty, protect the planet and ensure peace and prosperity for all people. In line with these priorities, 17 Sustainable Development Goals were developed to guide the actions of humanity since then, taking into account all social, economic, and environmental dimensions related to development.

The Fairmined premium is an opportunity to contribute to the fulfillment of this Global Agenda as part of our **commitment to transform artisanal and small-scale mining (ASM) into a socially and environmentally responsible activity aimed at improving the quality of life of artisanal miners and their environment.**

Certified mining organizations can see the impact of Fairmined investments by implementing their sustainability plans, which include strengthening actions related to gender equality, environmental protection, and labor welfare through progressive improvement and ongoing support from ARM experts.

The Fairmined standard primarily contributes to the fulfillment of the following Goals:

SDG 1 - End poverty: By promoting fair and equitable access to natural resources, technology, and financing systems.



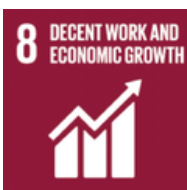
SDG 3 - Good health and well-being: By providing coverage to mining communities to ensure their well-being.



OSDG 5 - Gender equality: By implementing policies to ensure equal protection of human rights of men and women miners.



SDG 8 - Decent work and economic growth: By contributing to local development, efficient gold mining, creation of safe workplaces, and eradication of child labor.



SDG 10 - Reduced inequalities: By promoting social inclusion of ethnic groups, youth, and women.



SDG 12 - Sustainable consumption and production: By implementing enhanced environmentally friendly gold extraction and recovery techniques.



SDG 13 - Climate action: By promoting more environmentally responsible small-scale mining, thus contributing to climate change mitigation.



SDG 15 - Life on land: By investing in clean technologies for gold processing and implementing best environmental practices for ecosystem protection and restoration



SDG 17 - Partnership for the Goals: By positively impacting mining communities thanks to the partnership of gold mining companies, partner organizations, and donors who make ASM continuous improvement possible.



More than ever, humanity faces the biggest challenges of climate change and biodiversity loss, for which we all need to take action. Thanks to the commitment of our partners, we are getting closer to building a more sustainable and resilient ASM through Fairmined investments.

Thanks to the commitment of our allies, through the investments of the Fairmined premium we are building a sustainable and resilient ASM.

WHAT ARE THE LEVELS OF INVESTMENT OF THE FAIRMINED PREMIUM?

The premium is invested in a way that encourages and promotes the development of the following levels of responsibility

1

STRENGTHENING THE MINING ORGANIZATION

It includes investments that improve the productivity of the mining operation and comply with the Fairmined standard.

2

WELLBEING OF WORKERS AND THEIR FAMILIES

Investments that improve the quality of life of mine workers and their families.

3

BENEFITS FOR THE COMMUNITY

Investments and projects that benefit the surrounding communities of the mining operation



DURING 2021

5 CERTIFIED SMALL-SCALE MINING ORGANIZATIONS

RECEIVED A PREMIUM OF

USD \$433.056

**104.6 KILOGRAMS
OF FAIRMINED GOLD
WERE SOLD TO THE
INTERNATIONAL MARKETS
BY 5 CERTIFIED MINES**

**USD \$6.297.449,65
IS THE TOTAL OF THE
FAIRMINED PREMIUM
PAID TO CERTIFIED MINING
ORGANIZATIONS SINCE 2014**



FAIRMINED
ORGANIZACIÓN
MINEERA CERTIFICADA

MINA CHEDIS
FUTURO BAJO TIERRA,
FELICIDAD EN SUPERFICIE

COLOMBIA

CHEDE

The Chede mine is located near the municipality of El Tambo, department of Cauca, Colombia. The mine began construction and assembly work in 2007, and in 2011, the organization received the environmental license to start gold extraction.

This territory is familiar with the gold mining activity as nearly half of the population is engaged in mining; the remaining half is engaged in agriculture, especially in the production of coffee, cabuya (fique), panela (sugarcane), and pine.

50 miners and their family's livelihoods depend on the Chede mine. **This organization promotes the education of workers, who receive training to improve their quality of life.**

Chede is one of the smallest Fairmined certified mining organizations as it produces at most **2 kg of gold per month.**

LOCATION:
Cauca, Colombia

CERTIFIED SINCE:
October 2018

NUMBER OF WORKERS:
43 men, 7 women

TYPE OF EXTRACTION:
Underground mining

**FAIRMINED PREMIUM AMOUNT
INVESTED DURING 2021:**
57.085 USD

Exporting under these conditions poses a great challenge.

By becoming Fairmined-certified, Chede seeks to contribute to miners' **sustainability** and their work hand in hand with local communities and authorities to promote mutual benefits and development.



In January 2022, Mina Chede received its Fairmined Standard recertification for the third time. **This great achievement makes it a reference in the small-scale mining sector**, complying with best mining practices while creating the first formal conflict-free supply chain in the department.

These achievements have been made possible thanks to meetings with the community and ASMO workers, who are also part of the community. In addition, the social action committee, village leaders, and school staff are part of these strategic alliances contributing to the compliance with criterion 1.3.7 of the Fairmined standard:

The ASMO plays an active role in planning and promoting local sustainable development of its mining area. The ASMO takes a third-party responsible for the surrounding community, including areas, entities, and people that are not part of its mining area.

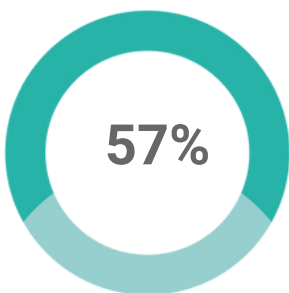




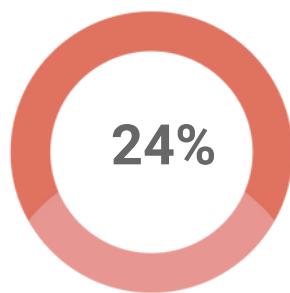
USE OF THE FAIRMINED PREMIUM IN 2021

In 2021, Chede received a Fairmined premium of 66,918 USD for its sales

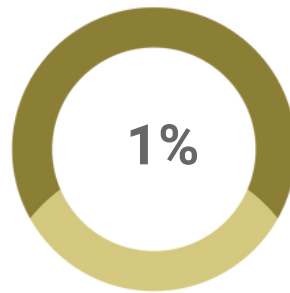
FAIRMINED PREMIUM DISTRIBUTION:



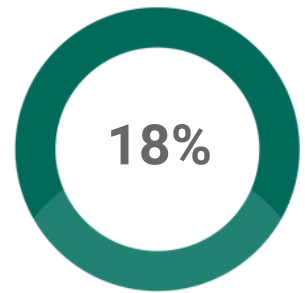
Strengthening of the mining organization



Well-being of the workers and their families



Community Impact



2020-2021 Savings

1

STRENGTHENING OF THE MINING ORGANIZATION



Updating resources and reservations: A study to identify mining reserves available was funded, which guarantees the future economic stability of the mine and its workers.

Improvement of electrical network systems: All the electrical networks of the mine were renovated. This achievement enables the mine to comply with the regulations that ensure the safety of power grids, protecting its workers.

Safety structures: Fences and handrails were installed in the common areas for everybody's safety.



1

STRENGTHENING OF THE MINING ORGANIZATION

Waste management: Waste classification booths were provided for the differentiated disposal of waste.

Workers received training on proper waste separation to promote the culture of recycling in the organization.



Environmentally safe and environmentally responsible processing spaces: the casting area was conditioned to perform this activity safely. A fume hood was purchased to control acid gases, contributing to reducing the exposure of miners to harmful gases.





Landscape enhancement: Gardens with local species were planted in the common areas of the mining project.



2

WELL-BEING OF WORKERS AND THEIR FAMILIES



Health Day: Workers received specialized dental care and personal care kits.

Housing improvement: A total of 22 employees accessed this subsidy of COP 800,000 (Colombian Pesos) to improve their homes' floors and bathrooms.



3

COMMUNITY IMPACT

Chede's team was trained in legislation against child labor and safety at mining:

These training sessions are of vital importance because El Tambo is an area with illegal mining.

The women's football team of El Tambo received uniforms, along with the purchase of sports equipment (uniforms, balls, and others), and the funding of their participation in the interdepartmental tournament.

Children have two new parks: one in the township of El Tambo, Cauca, and the other in the main school of El Tambo.



Children received gifts on special dates such as Halloween, Christmas, and the closure party to celebrate and recognize the end of the school year.



ENVIRONMENTAL IMPACT

Liquid Dumping Analysis: PH, temperature, and water flow measurement.

Phytoremediation: A management project for “suspended solids” was carried out.

This project was carried out with the support of environmental engineering students. Plants, a tank for water, tools, and other implements were purchased.



ÍQUIRA

Iquira is the mine that has had the Fairmined certification for the longest. Its gold has been used to make awards such as the Nobel Peace Prize medal and the Cannes Palm.

Thanks to the certification, this mine stopped using mercury and has adopted improved environmental practices.

The Members of the Cooperativa have been trained to implement socially and environmentally responsible practices through Fairmined certification.

LOCATION:
Huila, Colombia

CERTIFIED SINCE:
October 2018

NUMBER OF WORKERS:
134 men, 13 women

TYPE OF EXTRACTION:
Underground mining

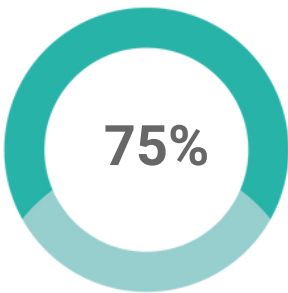
**FAIRMINED PREMIUM AMOUNT
INVESTED DURING 2021:**
106.690 USD

The Cooperativa Iquira, characterized by a strong sense of unity, has raised awareness in the local community about the impacts that mining can have on nature.

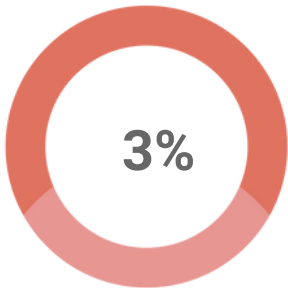


USE OF THE FAIRMINED PREMIUM IN 2021

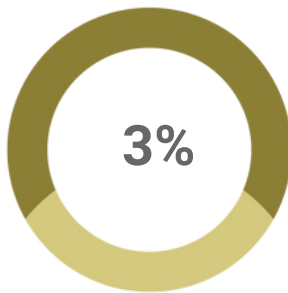
IN 2021, THE ÍQUIRA COOPERATIVE RECEIVED A FAIRMINED PREMIUM OF 131,318,988 USD FOR FAIRMINED SALES. THEY INVESTED THE 81%



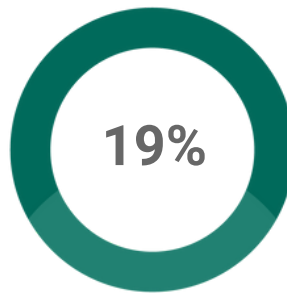
Strengthening of the mining organization



Well-being of the workers and their families



Community Impact



2020-2021 Savings

1

STRENGTHENING OF THE MINING ORGANIZATION

Improvement of the production system and profit plants: Conduct Geoform studies (studies of landforms), orthophotos (aerial photograph), and payment of the study by the ICA - Instituto Colombiano Agropecuario (Colombian Agricultural Institute).



Environmental studies and water quality measurements: were performed with the purpose of identifying land conditions and knowing the quality of the water.

Adjusting of hazardous waste storage area: earthmoving of a lot that was prepared to build this area. A Professional Technician advised on the Occupational Health and Safety Management System and Environment aspects.



Training for mining rescuers: With the purpose of sensitizing, preparing, and training the collaborators in vital issues of the mining sector, such as rescue, training activities were carried out to keep the team up to date.

Training on occupational safety and health for brigades: Their knowledge on aspects such as first aid and the use of fire was strengthened.



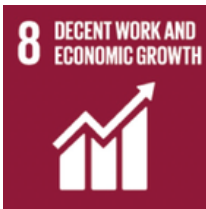
Team Cooperativa Agrominera de Iquira
after the training



Administrative Office Improvements: The front of the office of Cooperativa Multiactiva Iquira was painted.



Annual Audit Payment to External Entity: The mining organization is evaluated impartially to ensure its compliance with the Fairmined Standard requirements.



2

WELL-BEING OF WORKERS AND THEIR FAMILIES

Dignifying the trade and strengthening the organizational relationships with the recognition of men and women miners on Miner's Day.

Strengthening of an organizational culture focused on the development of sports activities. The miners received uniforms and footballs for their team.

Training for mine employees on key issues such as mining practices, environmental legislation, regulations, safety, and health at work.



3

COMMUNITY IMPACT

Support the improvement of the quality of life at San Antonio de Padua de Pacarni Nursing Home: with an investment in the remodeling of the kitchen, providing well-being to 25 people: Senior adults who live there and nursing home staff.

Promoting education in children in the community: 130 school kits were donated to the children of the community.



Promotion of sports: Financial support was provided to the Pacarní cycling team with the purchase of uniforms to promote sports activities and strengthen ties with the community.

Promotion of health: The infrastructure of the health post of San Luis Township was improved, a facility that serves 300 people.

Improvement of the aqueduct system of Tote Township: It was repaired after being affected by rains and floods in November 2021, this benefits 25 people.



ENVIRONMENTAL IMPACT

Cleaning up water sources adjacent to the mining area. Workshops were held for workers to recognize the water resources of their communities and how to care for them.

This activity contributes to raising awareness about the impact of mining on water resources. In addition, debris was collected in the surrounding area and roads toward the river, which were brought to adequate disposal.





PERÚ

CECOMIP

Peru is a mining country and the department of Puno, in particular, is known for its mineral wealth, where a goldsmith culture has developed.

CECOMIP LTDA (Central Metallurgical Mining Cooperatives of Puno) is located in the district of Ananea, approximately 4,700 meters above sea level. **Ananea has 33,000 inhabitants, most of whom depend on mining.**

LOCATION:

Puno, Perú

CERTIFIED SINCE:

August 2016

NUMBER OF WORKERS:

141 men, 58 women

TYPE OF EXTRACTION:

Alluvial

FAIRMINED PREMIUM AMOUNT INVESTED DURING 2021:

156.826 USD

Much of the mining activity in the area is done informally.



The CECOMIP cooperative was founded in 2005 by miners who worked in artisanal mines with rudimentary resources and instruments. **Today CECOMIP unites nine cooperatives and almost 200 members. Their formalization process was complex, and their work to meet the Fairmined standard has paid off.**

Today CECOMIP is proud to have all the permits required by national legislation and the requirements of the Fairmined standard.

Once formalized as a mining organization, CECOMIP **has managed to improve its mining practices, strengthened its safety protocols, its facilities to reduce environmental impact and ensure the well-being of the miners.**

It has also promoted **projects that involve the economic and social development of the community.**



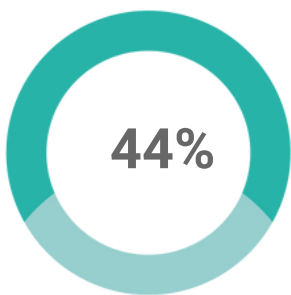
¡CECOMIP SAID GOODBYE TO MERCURY!

Cooperative members are committed to responsible mining practices. Since 2016, the year in which they obtained Fairmined certification for the first time, they have remained certified year after year.

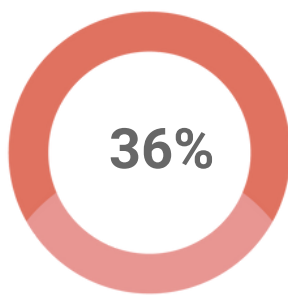
Furthermore, **in August 2021 the mine managed to completely eradicate its use of mercury** and met the requirements of the ecological Fairmined Gold certification.

This achievement makes it the second certified ecological mine in Latin America. **Cecomip is a great example of current mining based on the use of clean technologies, which also generates great opportunities for its community.**

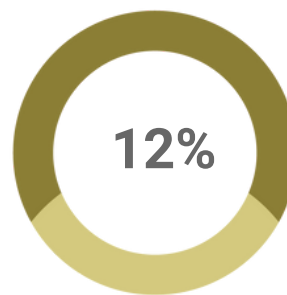
IN 2021, THE MINING ORGANIZATION INVESTED THE FAIRMINED PREMIUM:



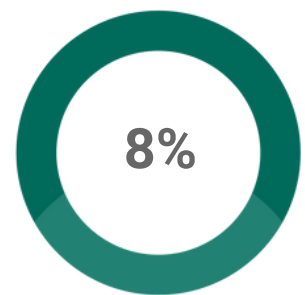
Strengthening of the mining organization



Well-being of the workers and their families



Community Impact



2020-2021 Savings

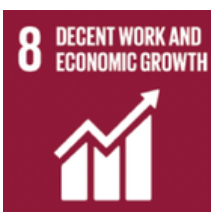
1

STRENGTHENING OF THE MINING ORGANIZATION

Purchase of an electric pump: Equipment that allows pumping the water for washing the material during gold extraction process.

Provision of computer equipment and furniture for the administrative office: These investments make it possible to facilitate the administrative, accounting, financial, documentary, and commercial management of CECOMIP. They also create a more comfortable, safe, and organized workplace for the administrative area.

Co-funding to purchase a bus for the transport of miners to replace the old bus the plant used to transport its collaborators from their camps to the workplace.



2

WELL-BEING OF WORKERS AND THEIR FAMILIES

Training on safety, occupational health, and environment: Mining safety and regulatory compliance were reinforced. A training on cooperativism was also organized.

Improvement of the camps: Lockers and closets were installed so that each worker can store and organize their clothes and belongings, and have a cozy environment during break times. New cold blankets were delivered to ensure better rest conditions.

The endowment of the resting area: mattresses, furniture, and floor coverings for protection against cold were purchased, considering the average temperatures of -6 °C.

Improvement of cooking areas: An investment in better implements in the kitchen area (cabinets, shelves, bins, metal kettles) was made.



2

WELL-BEING OF WORKERS AND THEIR FAMILIES

Creating a gym for workers: A leisure space to promote sports, health, and wellbeing of workers.

Creation of a recreational area with games: space for socialization and recreation for workers in their spare time.

Provision of personal protection equipment: for members and workers to protect themselves from cold and rain. Temperatures on the premises range between -10 and 8 degrees year round.

Mining labor recognition: Celebration of the Miner's Day with a sports event. Also, the best workers in the organization were given recognition.



Sport Promotion: Celebration of the Worker's Day with a sports championship on the football field, built with a previous Fairmined premium.



Recognition to the most committed workers, those with the best achievements and performance in promoting responsible mining.



Delivery of food baskets to all workers to share with their families on Christmas



3

COMMUNITY IMPACT

Jewelry Training: Women from the Association Divinas en Brillos de Oro were trained in technical jewelry skills to further develop their jewelry workshop.



Donation to livestock farming communities: Fences for the alpaca breeding herds were provided for three communities that live from this activity in the district of Ananea.



ORO PUNO

Ananea's economy is mainly based on gold extraction activities performed by small-scale mining organizations. Due to climate and soil poverty, agriculture is developed to a lesser extent.

There are some grazing activities of Andean camelids such as alpacas and llamas. Mining in Puno generates jobs throughout the region and the rest of the country, which has determined that there are different cultures in the surrounding communities, such as the Quechuas and Aymaras, who preserve their customs and their own languages.

LOCATION:

Puno, Perú

CERTIFIED SINCE:

January 2018

NUMBER OF WORKERS:

29 men, 1 woman

TYPE OF EXTRACTION:

Alluvial

FAIRMINED PREMIUM AMOUNT INVESTED DURING 2021:

43.009 USD



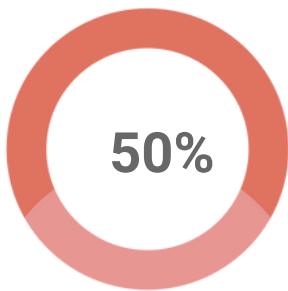
In 2010, the Mining Company “Oro Puno” was created within the farming community of Ananea. Since then, miners of Gold Puno have been dedicated to the exploitation of the deposit of glacier moraines, which are the product of the thaws.

In 2016, the organization bet on environmental care and conservation by acquiring its first gravimetric table to start its recovery process without using mercury, a chemical used constantly by mining companies in the area.

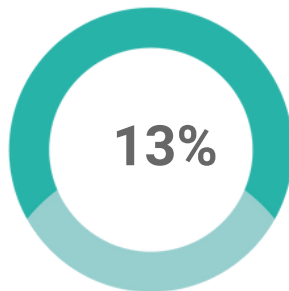
In 2018, Oro Puno became the first Peruvian mining organization in the sector to obtain the Fairmined Ecological Gold Certification, thus guaranteeing that its extraction and production process is mercury and cyanide free. The organization also aims to remedy its environmental footprint.



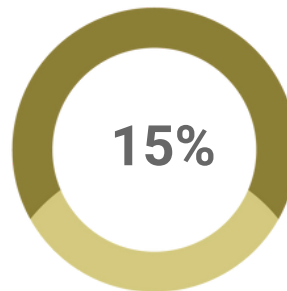
IN 2021, THE USE OF THE PREMIUM WAS DISTRIBUTED AS FOLLOWS:



Strengthening of the mining organization



Well-being of the workers and their families



Community Impact



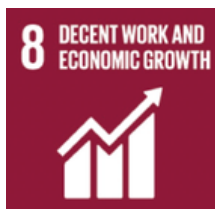
2020-2021 Savings

1

STRENGTHENING OF THE MINING ORGANIZATION

Strengthening Responsible Production Processes:

General maintenance was performed on gravimetric plants to improve gold recovery potential and safety conditions for the workers.



1

STRENGTHENING OF THE MINING ORGANIZATION

Investment in replanting at the closure of the mine in the Chaquiminas area: A closure of 17,000 square meters was performed.

An irrigation system consisting of motor pumps and hoses was implemented to ensure the growth of native plants.



Motor pump replacement, and funnel and gutters maintenance. Planks and rubber were also changed. Safety harnesses, lifelines, and anchor connectors were implemented for the team.



2

WELLBEING OF WORKERS AND THEIR FAMILIES



Improvement of the mining camp: construction of a dining room, kitchen and a warehouse to preserve the food.



Renovation of solar panels and batteries that power the camp: to provide light and a source of energy for the workers' electronic equipment (cell phones, radios, and batteries). This energy source also plays a key role in ensuring stable communication for all personnel inside and outside the company.



Provision of uniforms: shoes, pants, jackets, and shirts were delivered on Miner's Day.



3

BENEFITS FOR THE COMMUNITY



Community benefits: On Miner's Day (December 5), Christmas baskets were delivered to members of the Ananea community. Three bicycles were also raffled.





CRUZ PATA

Cruz Pata Chaquiminas is at 4,610 meters above sea level, in Chaquiminas, where alluvial deposits with gold content are found. These have been exploited by the local communities to thrive.

The informal exploitation of this resource and illegal mining had led to violent invasions of peasant lands.

Since 2006, the government has promoted the formalization of the sector.

LOCATION:

Puno, Perú

CERTIFIED SINCE:

March 2020

NUMBER OF WORKERS:

25 men, 2 women

TYPE OF EXTRACTION:

Alluvial

FAIRMINED PREMIUM AMOUNT INVESTED DURING 2021:

7.360 USD

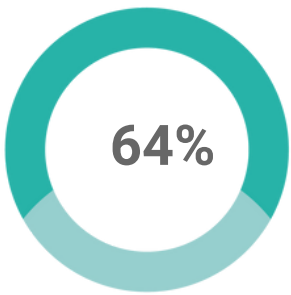
Following this call from the government, Cruz Pata Chaquiminas began its path toward formalization. A process culminated in the formation of the mining organization that today is the livelihood of 25 families in the area.

In March 2020, the organization succeeded in completing its Fairmined certification process after a year of effort. The Covid-19 pandemic caused Cruz Pata's gold marketing process not to be immediate. They managed to make their first export a year later, in March 2021.

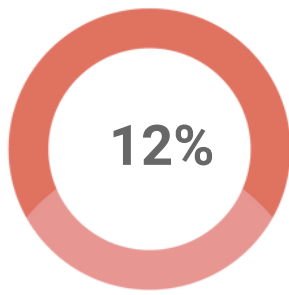
For the Cruz Pata team, this certification is synonymous with responsible mining, caring for the environment, working safely, and promoting a better quality of life for its employees and the community of which they are a part.



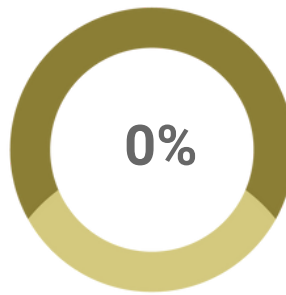
DUE TO THE PANDEMIC, THE ORGANIZATION MADE ITS FIRST CERTIFIED GOLD SALE IN MARCH 2021. THEY RECEIVED \$50,702:



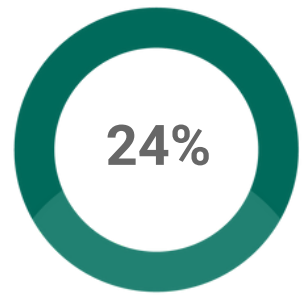
Strengthening of the mining organization



Well-being of the workers and their families



Community Impact



2020-2021 Savings



1

STRENGTHENING THE MINING ORGANIZATION

Optimization of the gold recovery plant:

There was an investment in the purchase of metal chutes or funnels, allowing a more efficient gold extraction.



Purchase of gold measuring equipment:

Cruz Pata purchased an X-ray analyzer to obtain accurate information on the gold they produce. They also purchased a digital scale. With this equipment, Cruz Pata can analyze the gold it produces and its composition within the mining organization.



Before



After



2

WELL-BEING OF WORKERS AND THEIR FAMILIES

Prefabricated rooms were installed for each miner in the camp. They were equipped with beds, mattresses and blankets.

Covid-19 Tests: there was an investment in these tests to ensure the health and wellbeing of workers.

Recognition of miners: At the end of the year, they were given duffelbags and panettones inside, as “Christmas baskets” to share with their families.



**THANK YOU FOR TAKING THIS
PATH WITH US!
EXPERTISE, COMMITMENT, AND
TRANSPARENCY
ARE OUR PROMISE TO TRANSFORM
ARTISANAL AND SMALL-SCALE
MINING**





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