



**United Nations Global Compact  
Communication of Engagement (COE)  
Bettercoal**

Period covered by this Communication on Engagement  
From: 13 August 2021 To: 1 August 2023

**Part I. Statement of Continued Support by the Executive Director**

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1 August 2023

I am pleased to confirm that Bettercoal reaffirms its unwavering support for the United Nations Global Compact and its Ten Principles concerning Human Rights, Labour, Environment, and Anti-Corruption. Our organisation was founded in 2012 by a group of European utilities determined to ensure responsible coal mining practices and to enhance Environmental, Social and Governance (ESG) performance across the coal supply chain. Today, we are an internationally recognised mining standard for measuring the ESG performance of coal sites, having assessed more than 70 individual mine sites worldwide.

Bettercoal's purpose is to promote continuous improvement in the mining and sourcing of coal, benefiting all stakeholders impacted by the industry, including workers and coal mining communities. As an organisation measuring the ESG performance of coal sites worldwide, having assessed over 70 individual mine sites, we firmly believe in the necessity of responsible mining practices regardless of the end use of coal.

Our journey with the United Nations Global Compact began in August 2017 when we became a participant, pledging not only to promote the incorporation of the Ten Principles in our operations but also to encourage our stakeholders to participate. Over the years, we have actively engaged with the Bettercoal Secretariat in various events and meetings organised by the UN Global Compact. These engagements have further strengthened our commitment to sustainable practices and continuous improvement.

As we present our third Communication on Engagement (COE), we take pride in highlighting the actions we have undertaken in support of the UN Global Compact and its relevant Principles, tailored to our organisation's context. We believe in transparency and accountability, which is why we are committed to disseminating this information to our stakeholders through our primary communication channels and actively seek feedback to enhance our approach.

Yours sincerely

A handwritten signature in black ink, appearing to read "Katie Warrick".

Katie Warrick  
Bettercoal Executive Director



## Part 2. Description of Actions in Support of the Global Compact

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### Introduction

While coal continues to serve as an energy resource and fundamental component in various industries, it is crucial to establish internationally recognised best practice to manage supply chain risks effectively. With this steadfast commitment in mind, we align our actions with the UN Global Compact's principles and strive to foster a responsible coal supply chain.

### Bettercoal's Commitment to the UN Global Compact

Since pledging our commitment in August 2017, Bettercoal has actively translated our support for the UN Global Compact into tangible actions across our organisation. Our commitment encompasses the following activities:

#### 1. Actively Engage on Key ESG Issues Aligned with the UNGC's Ten Principles

As a Member-led organisation, Bettercoal proactively engages with its Members to cover key ESG topics that are core to the UNGC's Ten Principles. We emphasise the value of aligning with international best practice and understand the value of joining the UN Global Compact to promote sustainable practices within the coal mining industry.

By endorsing and actively supporting the UN Global Compact's Ten Principles in the areas of Human Rights, Labour, Environment, and Anti-Corruption, we strive to advance our collective efforts in achieving sustainable development goals. The Ten Principles resonate strongly with our vision, as we prioritise human rights, fair labour practices, environmental protection, and anti-corruption measures throughout our activities. Through these efforts, we strive to expand the network of responsible stakeholders committed to driving positive change.

#### 2. Engage Members in Collective Action and Partnership Efforts

Bettercoal recognises that addressing the complex challenges faced by the coal mining industry requires collaborative action and partnership with diverse stakeholders. To this end, we actively encourage our Members to participate in collective action efforts aligned with key UN goals and issues.

Through our Technical and Advisory Committee (TAC) and Country Working Groups, we facilitate multi-stakeholder engagement and dialogue, bringing together civil society, producers, experts, government bodies, and other relevant actors. Together, we identify priority issues, develop strategies, and drive change across the coal supply chain through our assessment activities. Our collective action efforts have led to progress in areas such as worker safety and community engagement.

### 3. Organise Learning and Dialogue Events, Workshops, and Training

Bettercoal believes in the power of knowledge-sharing and learning to drive meaningful transformation within the coal mining industry. We organise learning and dialogue events, workshops, and training sessions for our Members on various relevant topics.

Our learning events cover a wide range of subjects, including ESG best practices and mine rehabilitation and closure. By fostering a culture of continuous learning, we empower our Members and the producers that are part of the Bettercoal network with the necessary tools and insights to improve their ESG performance and align their operations with the UN Global Compact's principles.

## **Part 3. Measurement of Outcomes of the Actions in Support of the Global Compact**

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### **Engaging Members in Collective Action Efforts**

To evaluate the effectiveness of Bettercoal's collective action initiatives, we employ the following qualitative indicators:

#### 1. Participation Levels in TAC and Country Working Groups:

We track the active engagement of participants in our multi-stakeholder groups, ensuring diverse perspectives and expert input in our TAC to ensure we can effectively define relevant issues and strategies. We gauge the level of interest and engagement in our country group activities and report on the work programme on an annual basis. In December 2022 Bettercoal launched a South Africa Working Group as a reflection of the need of our Members to ensure there is due diligence monitoring in their changing coal supply chains.

#### 2. Impact on Continuous Improvement Plans (CIPs):

We monitor the progress of Bettercoal Producers' Continuous Improvement Plans (CIPs), which outline specific actions and targets to enhance ESG performance at mining sites. These CIPs are developed following site assessment, which involves stakeholder interviews, including interviews with local communities and employees. By tracking the improvements made by producers to meet the standards of our Code, we gauge the effectiveness of our collective efforts.

#### 3. Feedback and Contributions to Bettercoal Code 2.0:

As part of our commitment to continuous improvement, every 5 years we conduct a review and update of the Bettercoal Code, an international coal mining standard which provides 12 principles and 144 supporting provisions on ESG performance in coal operations, and may do



small updates in the interim, if needed. During these comprehensive reviews, we complete formal and transparent stakeholder consultation processes and public comment periods aligned with ISEAL good practice guidance, with consensus overseen by the Bettercoal Technical and Advisory Committee... The incorporation of relevant topics from the UN Global Compact and other sustainability frameworks is a measure of our commitment to aligning industry practices with globally recognised principles.

### Organising Learning and Dialogue Events

To assess the effectiveness of our learning and dialogue events, we utilise the following qualitative indicators:

#### 1. Attendance and Participation:

We gauge attendance and active participation in workshops, webinars, and events, indicating the level of interest and engagement from Bettercoal Members and other stakeholders. By tracking participation rates and soliciting feedback from attendees, we evaluate the relevance and impact of these events in enhancing knowledge and understanding of corporate sustainability and the UN Global Compact.

#### 2. Feedback and Relevance:

To ensure the effectiveness of our learning initiatives, we collect feedback from attendees about the quality and applicability of the content presented. Additionally, we measure the extent to which the information shared during these events is relevant to our conversations with stakeholders such as communities, local government in areas where our country working groups operate, and discussions with Members.

#### 3. Industry Recognition and Media Reach:

We measure the visibility and recognition of Bettercoal's publications and speaker engagements in targeted media and industry events. A higher industry recognition and wider media reach indicate the effectiveness of our communication strategies in promoting responsible coal supply chain practices.

These qualitative indicators offer insights into the outcomes of Bettercoal's activities that support the UN Global Compact's 10 Principles and foster responsible practices in the coal mining industry. We are committed to continuous improvement and welcome feedback to further enhance our endeavours.



## Conclusion

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Bettercoal reaffirms its commitment to the UN Global Compact and its Ten Principles, encompassing human rights, labour, environment, and anti-corruption. As an organisation measuring the ESG performance of coal sites worldwide, we promote the continuous improvement in the mining and sourcing of coal for the benefit of all people impacted by the industry, workers and coal mining communities. Through our collective efforts and engagement with stakeholders, we strive to drive positive impacts, transparency, and responsible practices in the coal supply chain. By organising learning events and covering the key ESG issues that are core to the UNGC's Ten Principles, we align with the work of the UNGC. We remain committed to advancing our mission, aligning with the UN Global Compact's Principles, and together, we work towards a responsible coal supply chain.