

## **Santa Cruz County Advisory Panel on the South 32 Hermosa Project Charter TERMS OF REFERENCE**

### **Section 1- Purpose of the Panel**

South32 is committed to promoting the well-being of the Santa Cruz County, Arizona community and understanding community needs and concerns during the early stages of studying the potential for an underground mine development known as the Hermosa Project about six miles southeast of Patagonia. For this reason, South32 has contracted for a process by which a panel of community leaders with diverse perspectives and strong networks will:

- 1) Advise South32 on aspects of their project development that impact communities in Santa Cruz County, Arizona; and
- 2) Identify goals and priorities that could benefit both the larger community and South32

### **Section 2 - Roles of the Advisory Panel**

The key roles of panelists are to:

- 1) Facilitate communication between the community and South32
- 2) Discuss and explore community impacts related to the Hermosa operation
- 3) Enable issues or questions to be raised and addressed that are relevant to the local community as it relates to impacts of the operation
- 4) Share the findings and discussions from the panel with the community, including groups where panelists have strong connections and networks
- 5) Guide, change and improve the way that South 32 engages with the community (Santa Cruz County), including recommending ideas to ensure those impacted have the opportunity to benefit from the project
- 6) Provide advice and recommendations on aspects of the project that reflect values held by the community (Santa Cruz County)

### **Section 3 – Responsibilities of Panelists**

Key responsibilities are to:

- 1) Attend all scheduled meetings (or provide an excused absence prior to the meeting if unable to attend)
- 2) Be willing to contribute constructively in all aspects, from planning, meeting participation and evaluations

Panelists selected for this process agreed at their first meeting in April 2021 they would like to participate in ways where their work is:

- Focused, structured and time effective (purposeful, not a “marketing” exercise)
- Respectful of each other
- Engages all panelists in voicing concerns
- Mindful, kind and honest
- Open to diverse voices
- Productive, with conversations producing action with concrete outcomes

## **Section 4 – Structure of the Panel**

The Advisory Panel is to have a membership of up to 14 residents.

Panelists are expected to make a minimum one year commitment to the panel. The expected duration of the Advisory Panel is for at least three years, with the intent to extend through the life of the project operation and depending on community interest.

Along with the community members, at least one South32 staff representative will attend meetings, except when the panel excuses the representative. The staff representative is responsible for the community facets of the business. As appropriate, other company representatives and/or consultants will be invited as guests to address a specific topic or area or where they have expertise. One meeting/year will be held without South32 staff being present.

Meetings are facilitated by a third-party consultant external to South32. The consultant is paid for by South32, with panel approval. All members are invited to review the facilitator’s performance. The facilitator provides administrative support for the meetings including minute taking, distribution of minutes and issuing of meeting invitations to members/other invited speakers. Meeting minutes will be posted on the South32 website.

As an advisory panel established by South32, the company provides required materials required for each meeting, including background information on the topics as required and a meal and/or refreshments to panelists. For site visits, South32 will provide personal protective equipment along with transport if required.

## **Section 5 - Membership**

The Advisory Panel is a forum of interested residents selected by the third-party consultant to provide a broad and balanced membership.

Members of the Panel have no legal liability or operational responsibility.

### **a. Membership guidelines:**

1. Members of the panel are residents of Santa Cruz County and/or directly represent organizations with significant property or business holdings in the county.

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2. Panelists have given voluntarily of their time, along with representatives of South 32's Hermosa Project and its consultants.
3. Members are associated with a community based group/s to enable information to be disseminated with and views sought from other community groups within the area.
4. Members have an interest in community activities.
5. Members have good local networks to share and gather information.
6. Members will miss no more than three meetings each year. Members who inform the facilitator in the event of illness or an emergency are exempted from this requirement.

**b. New members**

In the event that new members are required, the process for new members shall be as follows:

- Invitations to be provided to all Santa Cruz County residents by South 32
- Applicants are to complete the SCC Advisory Panel on the S32 Hermosa Project Expression of Interest form
- Completed applications are to be returned to the facilitator
- Shortlisted applicants will be interviewed by the facilitator according to selection criteria indicated in the expression of interest form
- Final decision of successful applicants made
- Applicants to be advised in writing by the facilitator whether their application was/was not successful
- Successful applicants to be invited to join the Advisory Panel.

**c. Termination of membership**

If a member no longer wishes to be a part of the group, written notice shall be provided at least two weeks prior to the next scheduled meeting.

## **Section 6: Meeting, event and site visit arrangements and structure**

**a. Meeting date, times and location**

Meetings are generally two hours long are proposed for the third Wednesday of the month (dependent on member availability).

In addition, the panel may make site visits to the Hermosa Project or take field trips to learn about issues relevant to their work; additional meetings may be convened to discuss any matter warranting urgent consideration.

**b. Meeting agendas**

A draft agenda will be distributed to members at least one week prior to the scheduled meeting. Members are encouraged to add issues, questions or suggestions. The agenda will be finalized one day before the meeting.

Standard agenda items are:

1. Welcome and introductions
2. Excused Absences
3. Acceptance of previous minutes
4. Actions arising from previous minutes

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5. Action Items for panel
6. Community questions for the panel
7. Hermosa Project Update if requested
8. Meeting close

Any items raised during the meeting not included on the agenda may be deferred to the following meeting if information needs to be obtained or personnel present are unable to provide an informed response. No question will remain unanswered.

**c. Meeting minutes**

Minutes will be taken at each meeting. The minutes will be recorded by the consultant reviewed by all members.

The minutes of the meeting will be distributed to members within 7 days of the next meeting. The minutes will be in draft format until approved by members at the next meeting at which time the minutes will be finalized.

The final minutes become a public document available to all interested parties. Copies will be provided to all members and posted on South32's website.

**d. Meeting quorum**

Two thirds of the Advisory Panel (excluding South 32's representation) constitute a quorum for the transaction of the business of a meeting. Unless a quorum is present and if within half an hour after the time appointed for the meeting a quorum is not present, the meeting stands adjourned to a time appointed by the facilitator.

**e. Meeting voting and decisions**

Each community member present at a meeting of the Advisory Panel is entitled to one vote. South 32 is entitled to one vote only. Decisions requiring a vote -- that is where agreement or consensus cannot be reached -- requires two thirds of all panel members to carry the issue.

Each member is required to declare their pecuniary and non-pecuniary interests prior to any vote.

**f. Site visits**

Site visits may be held for members of the Advisory Panel and these will all be optional to attend. When members participate on in site visits, no video, photographic or audio recording is to be undertaken without prior approval from the site manager / tour leader. Prior to any site visit the facilitator, on behalf of the Group will ask in writing for approval to take photographs and will advise members of the decision before the visit.

Information learned at the site visit is like that provided at regular meetings and able to be shared with the broader community.

**g. Public Statements**

Should the Advisory Panel wish to issue a press release or make a statement to the media on behalf of the members, this would need to be unanimously agreed to by the members. Any statement or press release

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would be drafted by the facilitator and provided to all Panel members and South 32 for review and agreement.

Individual Panel members may make comments to the media or in public forums on behalf of themselves or the stakeholders they represent, but not on behalf of the Panel.