

GLOBAL MINING GUIDELINES GROUP

**GMG**



Innovation through Collaboration

# Global Mining Guidelines Group By-laws

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Approved June 28, 2022

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By-laws relating generally to the conduct of the affairs of

## **Global Mining Guidelines Group**

(the Corporation)

**BE IT ENACTED** as the by-laws of the Corporation as follows:

### **Section 1: Definitions**

The following definitions pertain to these by-laws and all other by-laws of the Corporation, unless the context otherwise requires:

**Act**—Canada Not-For-Profit Corporations Act S.C. 2009, c. 23, including the Regulations made pursuant to the Act, and any statute or regulations that may be substituted, as amended from time to time

**Articles**—original or restated articles of incorporation or articles of amendment, amalgamation, continuance, reorganization, arrangement, or revival of the Corporation

**Board**—Board of Directors of the Corporation

**By-laws**—these by-laws and any other by-laws of the Corporation as amended and, from time to time, in force and effect

**Director**—a member of the board

**Annual General Meeting** - annual general meeting of all members entitled to vote

**Members**—companies who, by intent and/or practice, subscribe and participate to the objectives of GMG

**Officer(s)**—those responsible for the day-to-day activities of the entity

**Ordinary resolution**—resolution passed by a majority of not less than 50% plus one (1) of the votes cast on that resolution

**Participants**—person who participates in the Global Mining Guidelines Group community, through events, projects, working groups and other means

**Proposal**—proposal submitted by a member of the Corporation that meets the requirements of section 163 (Member Proposals) of the Act

**Proxy** – a person or document authorized to act for another

**Regulations**—Regulations made under the Act, as amended, restated or in effect from time to time

**Special General Meeting**— special general meeting of all members entitled to vote

**Special resolution**—resolution passed by a majority of not less than two-thirds (2/3) of the votes cast on that resolution

## Section 2: Interpretation

In the interpretation of these by-laws, words in the singular include the plural and vice-versa, words in one gender include all genders, and "person" includes an individual, body corporate, partnership, trust, and unincorporated organization.

Other than as specified above, words and expressions defined in the Act have the same meanings when used in these by-laws.

## Section 3: Execution of Documents

**Contracts**—The board may authorize any officer, employee, or agent to enter into any contract, or execute and deliver any instrument, in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances.

**Loans**—No loans shall be contracted on behalf of the Corporation, and no evidence of indebtedness shall be issued in its name, unless authorized by a resolution of the board. Such authority may be general or confined to specific instances.

**Cheques, Drafts**—All cheques, drafts, or other orders for the payment of money, notes or other evidence of indebtedness issued in the name of the Corporation, shall be signed by such officer, officers, agent, or agents of the Corporation and in such manner as shall from time to time be determined by board resolution.

**Deposits**—All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, trust companies, or other depositories as the board selects from time to time.

## Section 4: Financial Year End

The financial year end of the Corporation shall be December 31.

## Section 5: Banking Arrangements

The banking business of the Corporation shall be transacted at such bank, trust company, or other firm or corporation carrying on a banking business in Canada or elsewhere as the Board

of Directors may designate, appoint, or authorize from time to time by resolution. The banking business or any part of it shall be transacted by an officer or officers of the Corporation and/or other persons as the Board of Directors may by resolution from time to time designate, direct, or authorize.

## **Section 6: Borrowing Powers**

The directors of the Corporation may, without authorization of the members:

- Borrow money on the credit of the corporation
- Issue, reissue, sell, pledge, or hypothecate debt obligations of the corporation
- Give a guarantee on behalf of, or mortgage, hypothecate, pledge, or otherwise create a security interest in all or any property of the corporation, owned or subsequently acquired, to secure any debt obligation of the corporation

Any borrowing transaction that exceeds \$150,000 USD requires a members' vote.

## **Section 7: Annual Financial Statements**

The Corporation may, instead of sending copies of the annual financial statements and other documents referred to in subsection 172(1) (Annual Financial Statements) of the Act to the members, publish a notice to its members stating that the annual financial statements and documents provided in subsection 172(1) are available at the registered office of the Corporation, and any member may, on request, obtain an electronic copy free of charge.

## **Section 8: Membership**

GMG members are companies, associations, organizations, academic institutions, or in-kind related to the mining industry who share GMG's desire to collaborate in order to accelerate industry improvement. GMG members pay annual dues or equivalent and are entitled to one (1) vote.

## **Section 9: Transferring Membership**

A membership may only be transferred to its parent company when the member company is purchased by or merges with another company, and the member company ceases to exist.

## **Section 10: Notice of Annual General Meeting/Special General Meeting**

Notice of the time and place of an Annual General Meeting/Special General Meeting shall be given to each member entitled to vote at the meeting by the following means: mail, courier, personal delivery, telephonic, electronic, or other communication facility to each member entitled to vote at the meeting during a period of twenty-one (21) days before the day on which

the meeting is to be held.

## Section 11: Members Calling a Special General Meeting

The Board of Directors shall call a Special General Meeting in accordance with Section 167 of the Act, on written requisition of members carrying not less than 5% of the voting rights. If the directors do not call a meeting within twenty-one (21) days of receiving the requisition, any member who signed the requisition may call the meeting.

**Waiver of Notice:** The transactions of any Special General Meeting, however called and noticed, and wherever held, are as valid as though undertaken at a meeting duly held after regular call and notice, if a quorum is present, and if, either before or after the meeting, each of the persons entitled to vote, not present in person, signs a written waiver of notice or a consent to the holding of the meeting or an approval of the minutes thereof. If the waiver does not include an approval of the minutes of the meeting, it must state the general nature of the business of the meeting. All such waivers, consent, and approvals will be filed with the corporate records or made a part of the minutes of the meeting.

## Section 12: Absentee Voting at Annual General Meeting/Special General Meeting

Pursuant to section 171(1) (Absentee Voting) of the Act, a member entitled to vote at an Annual General Meeting/Special General Meeting may vote by means of a telephonic, electronic, or other communication facility if the Corporation has a system that:

- Enables the votes to be gathered in a manner that permits their subsequent verification
- Permits the tallied votes to be presented to the Corporation without it being possible for the Corporation to identify how each member voted

## Section 13: Membership Dues

Members shall be notified in writing of the membership dues at any time, payable by them. Any failure to renew membership after six (6) months of the due date of renewal will result in the termination of the membership of GMG. In the event of non-payment, an extension of up to six (6) months can be approved at the discretion of the board.

## Section 14: Termination of Membership

A membership in the Corporation is terminated when:

- The member closes
- The member is expelled, or their membership is otherwise terminated in accordance with the articles or by-laws
- The member's term of membership expires
- The Corporation is liquidated and dissolved under the Act

## Section 15: Effect of Termination of Membership

Upon any termination of membership, the rights of the member, including any rights in the property of the Corporation, automatically cease to exist.

## Section 16: Discipline of Members

The board shall have the authority to suspend or expel any member from the Corporation after investigation into allegations for any one or more of the following grounds:

- Violating any provision of the articles, by-laws, or written policies of the Corporation
- Carrying out any conduct which may be detrimental to the Corporation as determined by the board in its sole discretion
- For any other reason that the board, in its sole and absolute discretion, considers to be reasonable, having regard to the purpose of the Corporation

A third party from the legal profession will be charged with doing the investigation. During the investigation the member will be suspended.

In the event the board determines that a member should be expelled or suspended from membership in the Corporation, the CEO, or such other officer as may be designated by the board, shall provide twenty (20) days' notice of suspension or expulsion to the member, and shall provide reasons for the proposed suspension or expulsion. The member may make written submissions to the CEO, or such other officer as may be designated by the board, in response to the notice received within such twenty (20) day period. In the event no written submissions are received, the CEO, or such other officer as may be designated by the board, may proceed to notify the member that the member is suspended or expelled from membership in the Corporation. If written submissions are received in accordance with this section, the board will consider such submissions in arriving at a final decision and shall notify the member concerning such final decision within a further twenty (20) days from the date of receipt of the submissions. The board's decision shall be final and binding on the member, without any further right of appeal.

## Section 17: Place of Annual General Meeting/Special General Meeting

Subject to compliance with section 159 (Place of Members' Meetings) of the Act, the Annual General Meeting/Special General Meeting may be held at such place that the Board of Directors shall designate. When possible, this meeting will be held in person, with those unable to attend in person being given access to the meeting virtually. The participation of members by video conferencing or by other audio-visual means shall also be counted for the purposes of quorum.



## **Section 18: Persons Entitled to be Present at Annual General Meeting/Special General Meeting**

Individuals from member companies and invited guests can attend the Annual General Meeting/Special General Meeting.

## **Section 19: Chair of the Annual General Meeting/Special General Meeting**

The Chair of the Board, or in his/her absence the Vice-Chair of the Board, will chair the Annual General Meeting/Special General Meeting. In the event the Chair of the Board and the Vice-Chair of the Board are absent, the members who are present and entitled to vote at the meeting shall choose one of their number to chair the meeting.

## **Section 20: Quorum at Annual General Meeting/Special General Meeting**

A quorum at any Annual General Meeting/Special General Meeting (unless a greater number of members are required to be present by the Act) shall be ten percent (10%), of the members entitled to vote at the meeting, represented in person, or by teleconference. If a quorum is present at the opening of an Annual General Meeting/Special General Meeting, the members present may proceed with the business of the meeting. Without quorum at the Annual General Meeting/Special General Meeting, the announcing of the results of an electronic vote and the acceptance of any additional votes at the meeting cannot take place. Any changes as a result of the vote will not come into effect until an Annual General Meeting/Special General Meeting with quorum is held.

## **Section 21: Voting at Annual General Meeting/Special General Meeting**

At any Annual General Meeting/Special General Meeting, every question shall, unless otherwise provided by the articles, by-laws, or the Act, be determined by a majority of votes cast on the questions. In case of an equality of votes, either on a show of hands, a ballot, or the results of electronic voting, the chair of the meeting shall have a casting vote.

Any documentation on which a vote is required will be shared a minimum of three (3) weeks ahead of the vote.

A supermajority vote (approval by 2/3 of all members) is required in order to close the Corporation.

## Section 22: Electronic Voting

Any resolution passed must be voted on by greater than half of the eligible members to vote and passed by a majority of voters. An auditable and transparent mechanism will be in place for validation and record-keeping purposes. The following items can only be voted by electronic voting:

- Election of Directors
- Changes to the By-Laws
- Launch of a Working Group
- Publication of a Guideline

## Section 23: Participation by Electronic Means at Annual General Meeting/Special General Meeting

If the Corporation chooses to make available a telephonic, electronic, or other communication facility that permits all participants to communicate adequately with each other during an Annual General Meeting/Special General Meeting, any person entitled to attend such meeting may participate in the meeting by means of such telephonic, electronic, or other communication facility in the manner provided by the Act. A person participating in a meeting by such means is deemed to be present at the meeting. Notwithstanding any other provision of these by-laws, any person participating in an Annual General Meeting/Special General Meeting, pursuant to this section, who is entitled to vote at that meeting, may vote, in accordance with the Act, by means of any telephonic, electronic, or other communication facility that the Corporation has made available for that purpose.

## Section 24: Annual General Meeting/Special General Meeting Held Entirely by Electronic Means

If the directors or members of the Corporation call an Annual General Meeting/Special General Meeting pursuant to the Act, those directors or members, as the case may be, may determine that the meeting shall be held, in accordance with the Act and the Regulations, entirely by means of a telephonic, electronic, or other communication facility that permits all participants to communicate adequately with each other during the meeting.

## Section 25: Criteria, Nomination and Election of Directors

### Criteria

All elected directors must be employees of member companies. A minimum of three of the seven elected directors must be mining company representatives. In the case that a board member retires or changes their employment they will serve out the remainder of the term as a GMG board member. In-kind members must have been a GMG member for at least a year.

Nominees must:

- Be at least 18 years old
- Not have been declared incapable under the laws of any country
- Not be in violation of any security acts/laws in any country
- Be an individual (that is, a corporation cannot be a director)
- Not be in bankrupt status
- Be subject to a background check

### **Nomination of Directors**

Any employee of a GMG Member Company may nominate themselves for election as director, or as vice-chair, but not for both vice-chair and director in the same year. Nominees must demonstrate that their company supports their nomination or indicate that they are self-employed/independent. Nominations open two months before the AGM for directors at large or vice-chair, following a staggered system.

### **Election of Directors**

Directors are elected by majority of votes cast by member company representatives prior to or at the AGM for a term that cannot exceed two years, with the exception of the role of the Vice Chair, in which case it is a four-year commitment (two years in the Vice Chair role, followed by two years as Chair). Nominees must consent to being a director of the corporation.

Members vote for the election of Vice-Chair in addition to directors at large.

## **Section 26: Number of Directors**

The board shall consist of eight (8) seats made up of seven (7) elected directors and GMG's CEO, who will sit as ex-officio. The ex-officio has no voting rights.

## **Section 27: Terms and Vacancies of Office of Directors**

Directors will have staggered terms of office. The Chair's position will be assumed by the Vice Chair. All other positions of the board are appointed.

The board or membership can overturn the succession of the Vice-Chair at a Special Meeting of the Members.

Elections are held at the Annual General Meeting to be held the in early April. A director whose term has expired can be re-elected as a director.

A vacancy on the board is to be filled by the directors, as long as there is a quorum on the board to participate in filling the vacancy. In the case of a vacancy of the Chair, the Vice-Chair will assume that role. In the case of a vacancy of the Vice-Chair, the Board will appoint an interim Vice-Chair with an election to be held within 120 days following the vacancy.

## Section 28: Removal of Directors

Any director may be removed at any time from the board by a vote of five (5) directors of the board for actions or conduct deemed harmful to the organization following a review of the circumstances by the Board of Directors. All directors are expected to adhere to GMG's code of conduct.

## Section 29: Calling and Notice of Meetings of Board of Directors

Directors must meet at least once a year following the AGM.

Additional meetings of the board may be called by the chair of the board or any two (2) directors at any time.

Notice of the time and place for the holding of a meeting of the board shall be given with a 10-day notice by email if the meeting is being called by the Chair of the Board and a 10-day notice with a provided agenda if the meeting is being called by two or more directors.

## Section 30: Meetings In Lieu

Business can occur through signed resolutions instead of meetings, but the resolution must be signed by all directors. The 10-day notice can be waived provided that the majority of directors sign off to hold the meeting in lieu of notice. The purpose of the meeting must be disclosed when the request for a meeting in lieu is called.

## Section 31: Voting at Meetings of the Board of Directors

Greater than 50% of elected directors makes up the quorum. At all meetings of the board, every decision shall be made by a majority of the votes cast on the decision. In case of an equality of votes, the chair of the meeting, in addition to an original vote, shall have a second or casting vote. Voting is open, and the Chair will vote last. Voting results will be made available to the members, with a summary/context provided. Voting by proxy is allowed by another director on the board.

## Section 32: Committees of the Board of Directors

Special Committees may be designated by the Board of Directors as it may consider necessary or desirable. Such Committees shall be dissolved on completion of their special duties. All members of the Special Committees will adhere to the GMG Code of Conduct and Principles but may formulate its own rules of procedure, subject to such regulations or directions the board may make from time to time. Any committee member may be removed by resolution of the Board of Directors.

## Section 33: Board of Directors' Responsibilities

The business and affairs of the Corporation shall be managed and controlled by a Board of Directors. The Board of Directors:

- Sets and steers the execution of GMG's strategic direction
- Is responsible for the governance of GMG
- Approves and oversees GMG's budget
- Approves the publishing of guidelines, ensuring the process has been followed
- Oversees the launching and discharging of Working Groups
- Institutes special committees
- Is responsible for upholding and adhering to GMG's principles

## Section 34: Board of Directors' Roles

The Chair and Vice-Chair are two-year terms respectively, while all other positions are one-year terms to be reappointed at the first director's meeting following the AGM.

**Chair of the Board**—The Chair shall, along with the Board of Directors, oversee and supervise the governance of GMG. When present, the Chair shall preside at all meetings of the Board of Directors. The Chair shall oversee the work of the board and sign all documents requiring his or her signature, such as the Charter and special resolutions. The Chair shall represent GMG publicly. The Chair is responsible for the annual performance evaluation of the CEO and has such other duties and powers as the Board of Directors may specify. In the case of a vacancy, the Vice-Chair will assume this role.

**Vice-Chair of the Board**—The Vice-Chair shall, in the absence of the Chair, preside over meetings of the Board of Directors and otherwise exercise all the powers and duties of the Chair. The Vice-Chair is an elected position. The Vice-Chair shall have such other duties as the Board may assign. In the case of a vacancy, the Board will appoint an interim Vice-Chair with an election to be held within 120 days following the vacancy.

**Secretary**—The Secretary shall be responsible for:

- Giving of all notices required to be given to Members and other persons
- Keeping, or causing to be kept, a correct record of the proceedings and transactions of all meetings of the Members, the Board of Directors, and its Committees
- Ensuring the safe keeping of all records belonging to GMG
- Chairing the GMG Governance Committee
- Such other duties as may from time to time be assigned by resolution of the Board of Directors

Another Director, as determined by the Board, shall carry out the duties of the Secretary if a Secretary is not otherwise appointed.

**Treasurer**—The Treasurer shall be responsible for the maintenance of proper accounting records in compliance with the good accounting practices as laid out in the International Financial Reporting Standards (IFRS) as well as the deposit of money, the safekeeping of securities and the disbursement of funds of GMG; whenever required, the Treasurer shall render to the Board of Directors an account of all transactions and the financial position of GMG.

## Section 35: Appointment of Officers

The board may designate the offices of the Corporation, appoint officers, specify their duties and, subject to the Act, delegate to such officers the power to manage the affairs of the Corporation. A director may be appointed to any office of the Corporation. An officer may, but need not be, a director. Two or more offices may be held by the same person.

## Section 36: Officers of the Corporation

Officers are responsible for the day-to-day activities of the entity. They include the CEO and any other officer(s) as the Board of Directors appoints.

- **Chief Executive Officer**

The Board of Directors may appoint a CEO to manage the affairs of GMG if they deem such a position necessary. The Board of Directors is responsible for the performance evaluation of the CEO. The CEO will hold office until that person resigns or are terminated by the Board of Directors. They shall be accountable to the Board of Directors for the proper and legal conduct of the business of GMG according to the policies from time to time established by the Board of Directors.

They shall be responsible for the organization of the work of GMG and for the engagement, supervision, direction, and discharge of all employed personnel in accordance with the personnel policies from time to time established by the Board of Directors, and other agents consistent with policies established by resolution of the Board of Directors.

## Section 37: Method of Giving Notice

When notice is given under the by-Laws by the following means, that notice is deemed to have been given at the following time:

- If given by telephone, notice is deemed given at the time of the telephone call
- If given by mail to the last address shown on the Corporation's records, notice is deemed given on the third day after mailing
- If given in writing by courier or personal delivery, notice is deemed given when delivered
- If given by e-mail, notice is deemed given when sent
- If posted on a notice board, including on the corporation's website, notice is deemed

given on the date of posting

- If published, notice is deemed given on the date of publication
- If provided by other electronic means, notice is deemed given when transmitted

## Section 38: Indemnification, Interested Parties, and Insurance

**Indemnification**—The Corporation shall indemnify to the fullest extent permitted by law any director, officer, employee, agent, member or any other person who has been made, or is threatened to be made, a party to an action, suit, or proceeding, whether civil, criminal, administrative, investigative, or otherwise (including an action, suit, or proceeding by or in the right of the Corporation) by reason of the fact that the person is or was a director, officer, employee, or agent of the Corporation, or a fiduciary within the meaning of any federal, state, or local law or regulation. The Corporation may decide not to indemnify an individual if it is felt that the person did not act honestly and in good faith with a view to the best interests of the corporation. In the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, and the individual had reasonable grounds for believing that his/her conduct was legal, the corporation can indemnify the individual.

**Interested Parties**—A director of the Corporation shall not be disqualified by the director's office from contracting with the Corporation as vendor, purchaser, or otherwise; nor shall any contract or arrangement entered into by or on behalf of the Corporation in which any director is in any way interested be avoided on that account, provided that such contract or arrangement shall have been approved or ratified by a majority of the board without counting in such majority the interested director, although such director may be counted toward a quorum, or shall have been approved or ratified by the affirmative action of the holders of a majority of the outstanding shares of the Corporation, and the interest shall have been disclosed or known to the approving or ratifying directors or shareholders.

**Insurance**—The Corporation may, upon a determination by the board, purchase and maintain insurance on behalf of any agent of the Corporation, including its directors, officers, and employees, against any liability which might be asserted against or incurred by the agent in such capacity, or which might arise out of the agent's status as such, whether or not the Corporation would have the power to indemnify the agent under 0.

## Section 39: Invalidity of Provisions of these By-laws

The invalidity or unenforceability of any provision of these by-laws shall not affect the validity or enforceability of the remaining provisions.

## Section 40: Omissions and Errors

The accidental omission to give any notice to any member, director, officer, member of a committee of the board or public accountant, or the non-receipt of any notice by any such person, where the Corporation has provided notice in accordance with the by-laws or any error

in any notice not affecting its substance, shall not invalidate any action taken at any meeting to which the notice pertained or that was otherwise founded on such notice.

## **Section 41: By-laws and Effective Date**

Subject to the articles, the Board of Directors may, by resolution, make, amend, or repeal any by-laws that regulate the activities or affairs of the Corporation. Any such by-law, amendment or repeal shall be effective from the date of the resolution of directors until the next Annual General Meeting/Special General Meeting, where it may be confirmed, rejected, or amended by the members by ordinary resolution. Proposed amendments shall be published by the Corporation at least two months prior to the Annual General Meeting/Special General Meeting. If the by-law, amendment, or repeal is confirmed or confirmed as amended by the members, it remains effective in the form in which it was confirmed. The by-law, amendment, or repeal ceases to have effect if it is not submitted to the members at the next Annual General Meeting/Special General Meeting or if it is rejected by the members at the meeting.

This section does not apply to a by-law that requires a special resolution of the members.