

FRAMEWORK FOR THE ADMISSION OF NEW COMPANIES

THE VOLUNTARY PRINCIPLES INITIATIVE AND THE VOLUNTARY PRINCIPLES ASSOCIATION

FRAMEWORK FOR ADMISSION OF NEW COMPANIES

Governments, companies in the industries of extracting, harvesting, or developing natural resources or energy, and non-government organizations (“NGOs”), all with an interest in human rights and corporate social responsibility, have engaged in a dialogue on security and human rights. Participants in the Initiative of the Voluntary Principles on Security and Human Rights (the “Voluntary Principles Initiative” or “VPI”) recognize the importance of the promotion and protection of human rights throughout the world and the constructive role business and civil society – NGOs, labor/trade unions and local communities – can play in advancing these goals.

This document sets forth the process by which companies may apply to become Participants in the VPI. It also provides information as to the expectations for Applicant Companies and Participant Companies in the VPI.

1. Admissions Process

Initial Application¹

- 1.1 Any company in the industries of extracting, harvesting, or developing natural resources or energy (hereinafter referred to as “Applicant Company”) may formally request admission to the Voluntary Principles Initiative (“VPI”) and the Voluntary Principles Association (“VPA”).²
- 1.2 The request for application is to be made in writing to the Secretariat using the Application and Action Plan Form (Annex A).³

¹ Prior to submitting an application, or while an application is pending, any company is welcome to request an invitation to attend the Voluntary Principles Annual Plenary Meeting as an Invited Guest of the Steering Committee. Requests should be submitted to info@voluntaryprinciples.org.

² The VPA is an entity based in The Netherlands that addresses the administrative and financial needs of the VPI. The activities of the VPA are governed by its Articles of Association (available upon request). Formally, the General Meeting of the VPA decides on the admission to membership in the Association. The General Meeting is the same body as the Plenary of the VPI and Applicant Companies are informally admitted to the VPA once they are admitted to the VPI as Participant Companies in accordance with the procedures described in this document. Formal admission takes place at the next Annual General Meeting of the VPA, held at the same time as the Annual Plenary Meeting of the VPI.

³ Materials may be electronically submitted to info@voluntaryprinciples.org. Hard copies are not required, but may be submitted to: Secretariat, Voluntary Principles on Security and Human Rights, ATTN: Mora Johnson, 1 Nicholas Street, suite 1510, Ottawa, ON, Canada – K1N 7B7.

- 1.3 Upon receipt of an application, the Secretariat will transmit the application to the Steering Committee of the VPI for its review, in consultation with the Plenary.

Consideration of Application

- 1.4 The Steering Committee, in consultation with the Plenary, will make every effort to review applications in an expeditious manner. Applicant Companies should be aware that the review process typically takes several months to complete. At any point during the review period, the Applicant Company may contact the Secretariat to check on the status of an application.
- 1.5 The Steering Committee's review of an application will include: a review of the company's action plan; consideration of publicly available information regarding the company's activities; and an assessment of the company's capacity to operate in a manner consistent with responsibilities described in the Entry Criteria set forth below.
- 1.6 During its review of an application, the Steering Committee may direct the Secretariat to convey specific additional questions to an Applicant Company and/or to set up a call or meeting to discuss particular aspects of the application. These questions and/or discussions will be limited to and focused on an evaluation of the considerations identified in the Entry Criteria. Members of the Steering Committee agree to complete the application review in as efficient a manner as practicable

Approval or Rejection of Application

- 1.7 The approval or rejection of the application is communicated to the Secretariat by the Steering Committee, and the Secretariat will advise the Applicant Company of the decision.

Potential Reconsideration

- 1.8 If an application has been rejected, the Applicant Company may request reconsideration. This request should be submitted in writing to the Secretariat which will transmit the request to the Steering Committee for its review, in consultation with the Plenary.
- 1.9 During its review of a request for reconsideration, the Steering Committee may choose to enter into dialogue with an Applicant Company, taking into consideration arguments brought forward by the Applicant. The Secretariat will contact the Applicant Company to initiate such discussions at the Steering Committee's request.

- 1.10 An Applicant Company that is not admitted under the terms set forth in Sections 1.8-1.9 may at any time submit a renewed request for admission.

2. Entry Criteria

- 2.1 To be considered for entry, Applicant Company is expected to submit an Action Plan (Annex A).
- 2.2 Applicant Company commits to proactively implement and/or assist in the implementation of the Voluntary Principles and to operating consistently with the documents and requirements listed in Annex B.
- 2.3 Applicant Company recognizes a responsibility to maintain the safety and security of its operations within an operating framework that ensures respect for human rights and fundamental freedoms and to act in a manner consistent with the laws of the countries within which they are present, to be mindful of the highest applicable international standards (e.g. the U.N. Guiding Principles on Business and Human Rights), and to promote the observance of applicable international law enforcement principles (e.g. the U.N. Code of Conduct for Law Enforcement Officials and the U.N Basic Principles on the Use of Force and Firearms by Law Enforcement Officials), particularly with regard to the use of force, and as it relates to security and companies engaged in the industries of extracting, harvesting, or developing natural resources or energy.

3. Corporate Pillar Participants

- 3.1 Participant Companies are inter alia:
 - a) Eligible to participate fully in all aspects of the Voluntary Principles Initiative and the Voluntary Principles Association, including governance and other decision-making forums; and
 - b) Expected to fulfil the roles and responsibilities described in the Participation Criteria and the *Roles and Responsibilities of Companies* document.
 - c) Encouraged to implement the *Corporate Pillar Verification Framework* and expected to note whether the Participant Company will opt-in at the time of admission.

ANNEX A: COMPANY APPLICATION AND ACTION PLAN

General information

1. Name of company
2. Name, department and job title of primary contact person
3. Address of headquarters

Participation in a Multi-Stakeholder Initiative

4. Discuss the company's decision to apply to the join the VPI. What is the company's motivation for applying to join the Initiative? Why is now the right time for the company to join? What factors lead to the decision to apply? What does the company hope to gain from participation in the Initiative?

Existing Implementation of Security and Human Rights Commitments

Please provide examples of how the company already implements, or supports implementation of the Voluntary Principles.

5. Describe company policies, codes of conduct, grievance mechanisms, and other processes and procedures that you have in place, or plan to put in place, with regard to security and human rights. If available, provide concrete examples of how your company currently implements security and human rights principles and/or practices in your operations.
6. Describe how the company currently assesses its performance with regard to security and human rights, including the use of internal and independent assurance processes (if any).
7. Describe the company's public reporting processes (e.g. sustainability reporting) currently in place.
8. Provide information on how the company already cooperates with existing Voluntary Principles Participants on security and human rights issues. Specify which countries and which companies, governments, or NGOs the company cooperates with.
9. Discuss the company's response to previous security and human rights challenges, if any. What lessons did the company learn and apply?

Action Plan for Implementation of the Voluntary Principles

10. List the countries in which implementation of the Voluntary Principles is of particular interest or relevance to the company. Explain what type of presence (e.g. operating company, joint venture, minority investor, etc.) the company has in the countries identified.
11. Explain how the company would contribute to implementation / support of implementation and advancement of the Voluntary Principles if it became a Participant. Please indicate whether your response relates to company, country, and/or global levels, and also include an indicative timeframe.
12. Explain how the Voluntary Principles will enhance or assist the current efforts of the company and/or future plans.

Additional Information

13. Discuss how the company's commitment to accountability and transparency with regard to its security and human rights commitments (*e.g.*, public reporting, grievance mechanisms, dialogues with key stakeholders).
14. Please attach any additional information that might help in the consideration of the company's application (*e.g.*, relevant extracts from your Annual Reports or CSR reports).

ANNEX B: KEY DOCUMENT LIST

- **The Initiative of the Voluntary Principles on Security and Human Rights Governance Rules**
- **The Roles and Responsibilities of Companies**
- **Corporate Pillar Verification Framework⁴**

⁴ Upon admission, Participant Companies should state whether they intend to “opt in” to the Verification Framework.