

THE CASE OF RARE EARTH ELEMENTS



Rare Earth Seal of Sustainability

Statement of Guiding Values

Guiding Value 1: Environmental Sustainability

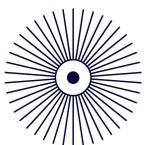
Environmentally sound practices are critical to the future of the rare earth elements industry and efforts to manage global climate change.

- Producers, Manufacturers, and Consumers agree that goods made with rare earth elements should not contribute to the long-term degradation of the natural environment. Producers will seek to limit pollution at sites of production and commit to promptly remediating pollution that is found beyond those sites.
- While the rare earth elements have an important role to play in the production of green energy, rare earth production also contributes to global carbon pollution as well as local air and water pollution. Producers and Manufacturers agree to produce and use rare earth products only in ways that are net carbon-neutral (capturing or offsetting the same amount of carbon that is produced).
- Manufacturers will source raw materials from recycled sources whenever possible and will support programs that help consumers to recycle at the end of their products' lifetimes. Producers will explore ways to develop refining and recycling programs to recover rare earths that have already been mined

Guiding Value 2: Social Sustainability

Sustainable production and trade require protecting not only the natural environment but also the communities that participate in and are affected by production.

- Producers, Manufacturers, and Consumers agree that all people involved in the production and use of rare earths should share in their benefits and that no groups shall be exploited in the mining, processing, or distribution process.
- Producers and Manufacturers will commit to engaging with the communities of people who live near and are affected by production sites; they will solicit community input and proactively address public concerns with good-faith efforts to solve problems collaboratively.
- Producers will commit to paying wages that are adequate to support a high quality of life in the location of employment.



Guiding Value 3: Health and Well-Being

Sustainable practices depend on a commitment to the health of individuals and their ability to thrive.

- Producers will commit to making rare earth materials and products in ways that will not lead to adverse health effects on workers, consumers, and residents of areas around sites of production.
- Manufacturers and Consumers agree to pay a reasonable premium for sustainably sourced material guided by investment in worker and community safety.
- Producers and Manufacturers agree to set aside money to support the management of waste and by-products over the long term (50 years).

Guiding Value 4: Transparency and Openness

The ability to verify and trust the positive actions being taken is essential to improving rare earth production.

- Producers and Manufacturers pledge to be open to watchdog groups, whether they are organized by consumers, local communities, or governments.
- Manufacturers and Consumers will commit to making their products trackable throughout the supply chain—from ore extraction, to delivery, to marketplace.
- Producers will fund and make available the reports of independent monitors of local air, water, and soil pollution, as well as of health officials who monitor the well-being of people around sites of production.

