

United Nations Trade and Development (UNCTAD)

GLOBAL COMMODITIES FORUM
9-10 December 2024, Geneva

Global Investor Commission on Mining 2030

Stephen Barrie, Deputy Chief Responsible Investment Officer, Church of England Pension Board, United Kingdom

The views expressed are those of the author and do not necessarily reflect the views of UNCTAD.

Mining
2030



Global Investor Commission on Mining 2030

UNCTAD Global Commodities Forum 2024 | 10 December 2024



Mining is relevant to investors



➤ There is no path to net zero without expansion of mining.

The mining industry is an important aspect in the delivery of our own net zero commitments which require society and all the other sectors we are invested in to decarbonise.

Vision and Mission

The overarching mission is to develop a consensus about the role finance has in realising a vision of a socially and environmentally responsible mining sector overall by 2030 that:

- > Has a clear social license to operate
- > Can meet the needs of society in a responsible manner without driving conflict or corruption
- > Operates in a way that respects planetary boundaries
- > Positively contributes to social development and the environment, today and tomorrow



Landscape Report



Overview of the current mining landscape.



Impacts of the mining industry.



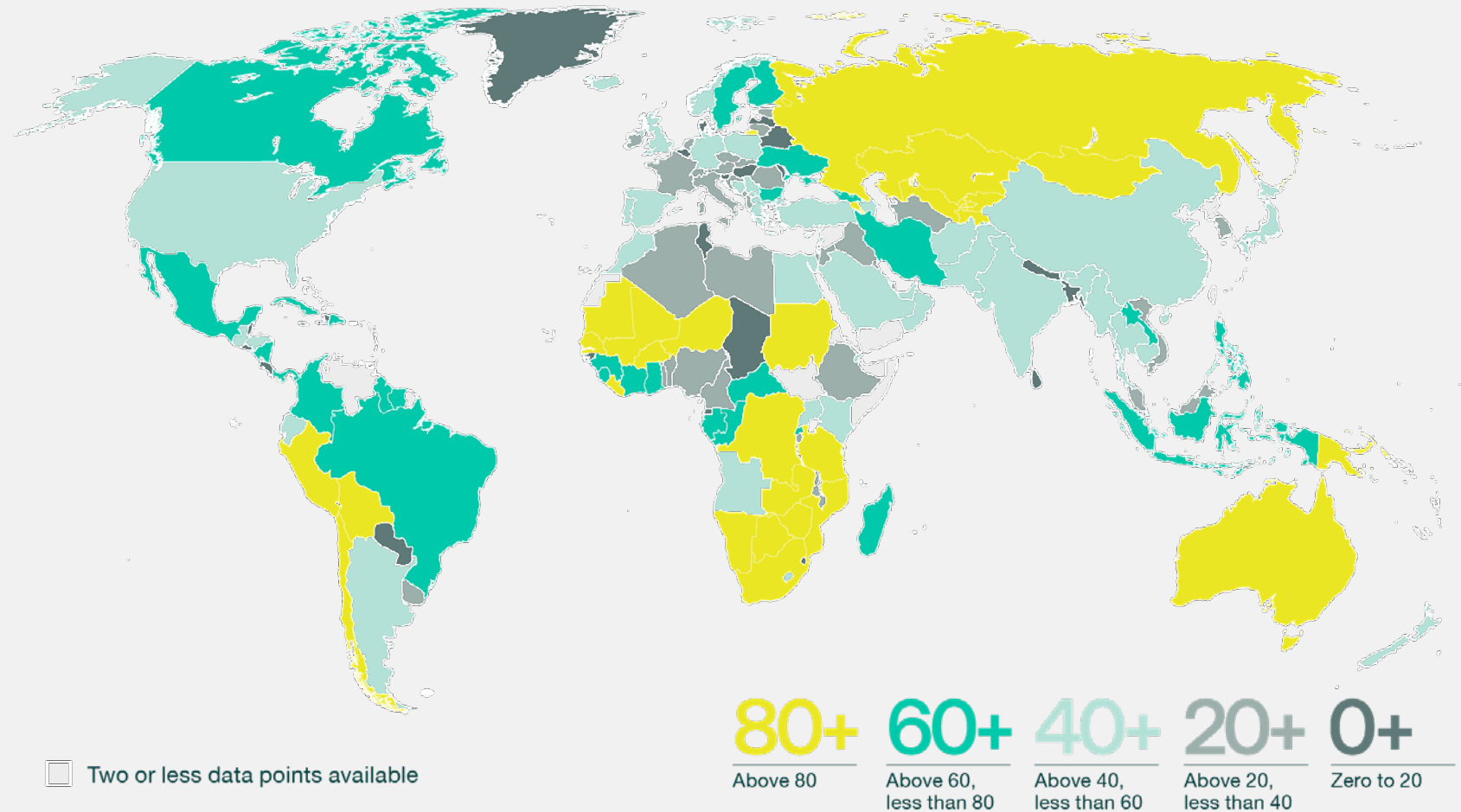
Investor role in shaping the mining sector.



Recommendations for investors to realise an environmentally and socially responsible sector.

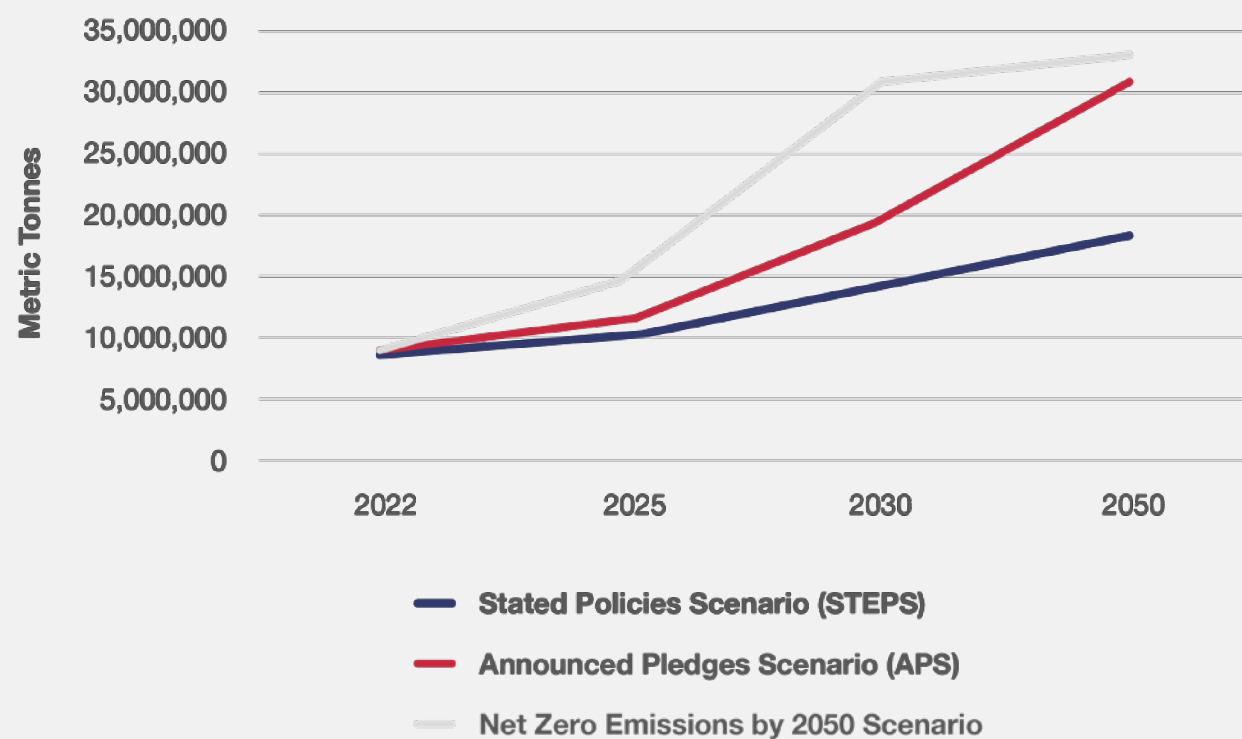
Mining's Contribution

Higher score indicates where mining is a more significant part of the country's economy.



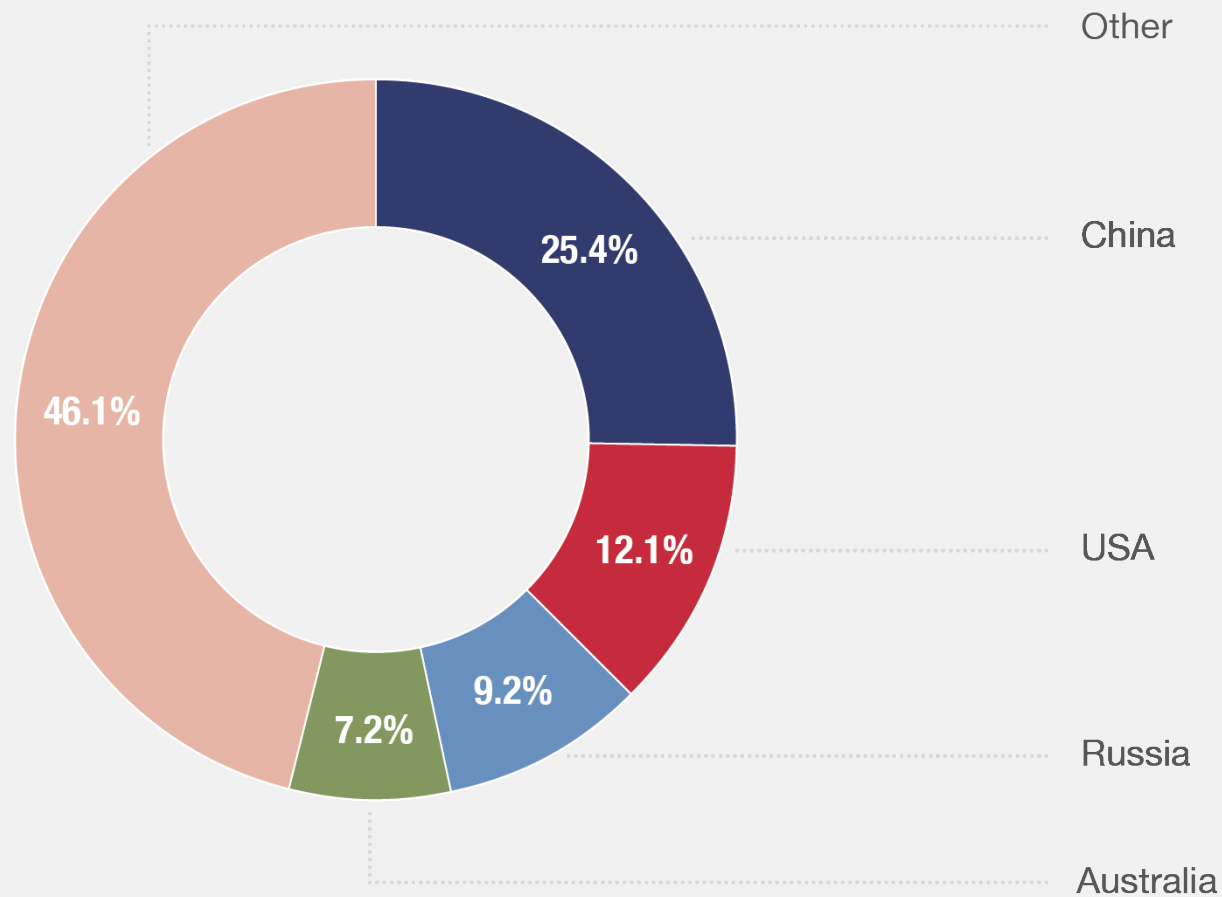
Scale of Mining

Total Projected Future Transition Mineral Demand from the Renewable Energy Sector Under the STEPS, APS and NZE Scenarios.



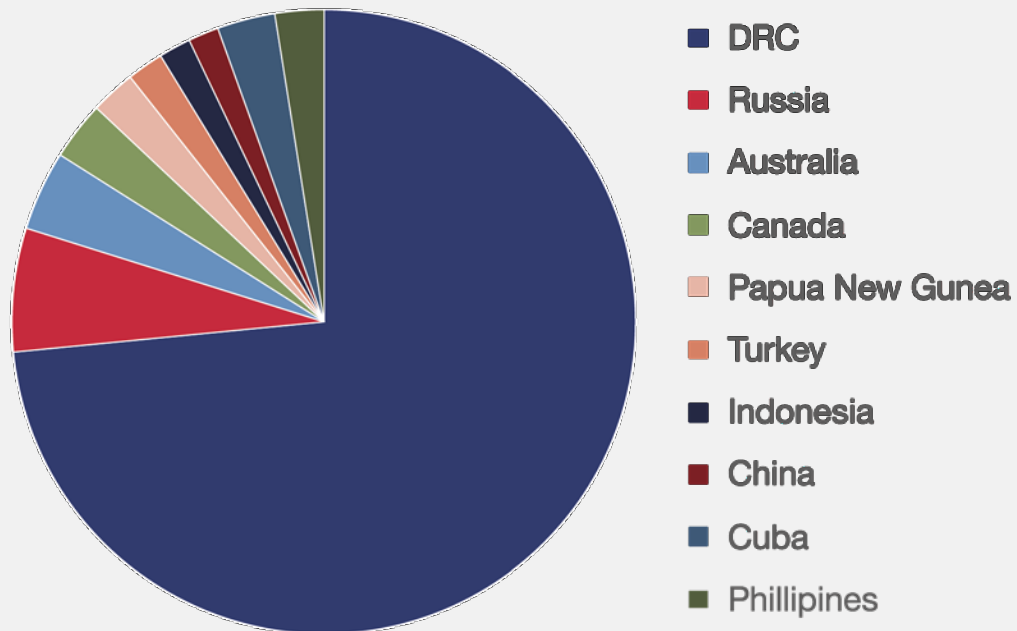
Changing Landscape of Mining

Total Production by Country, 2021

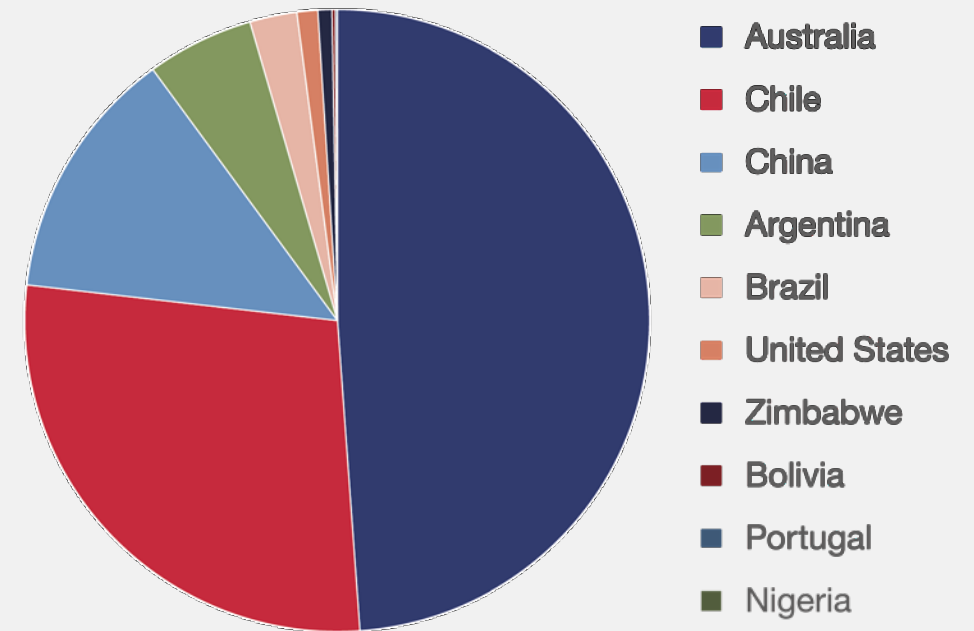


Changing Landscape of Mining

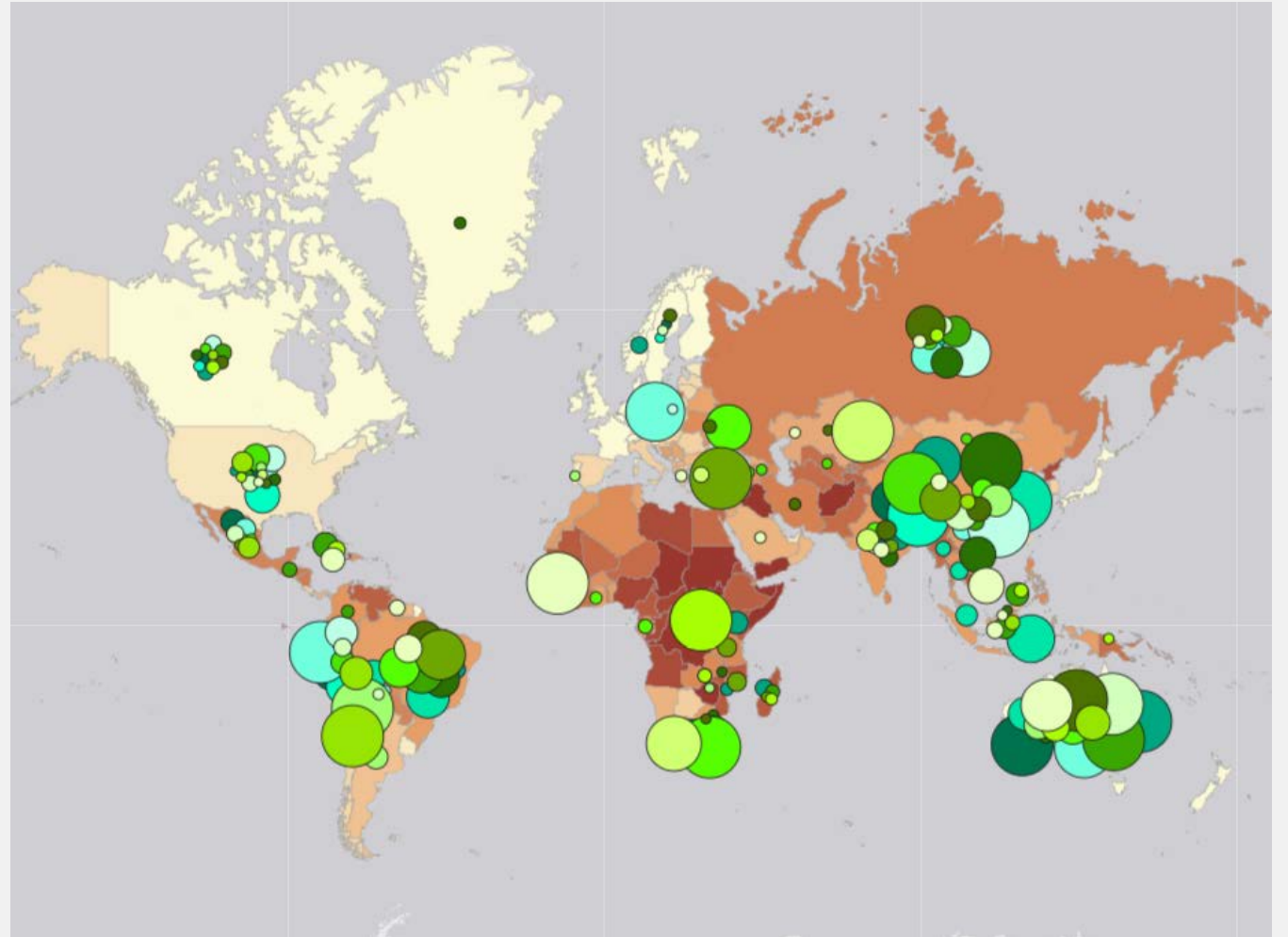
Top ten cobalt producers, 2021



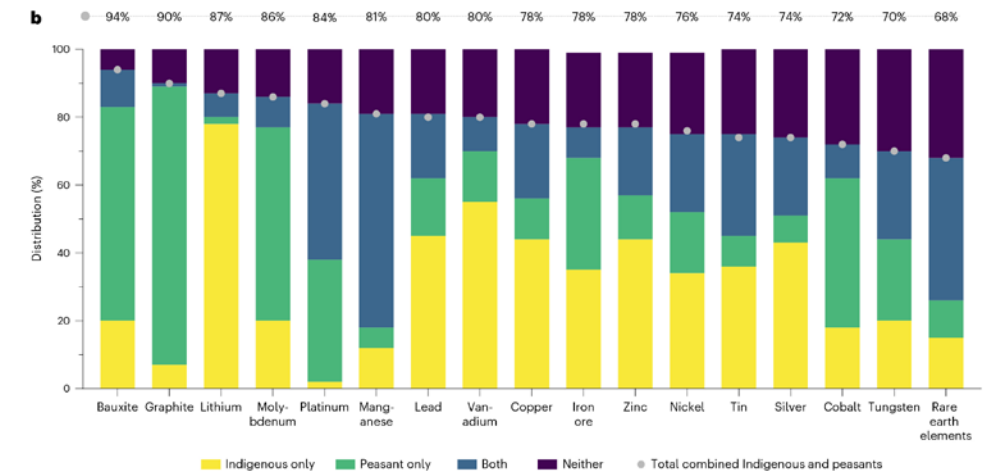
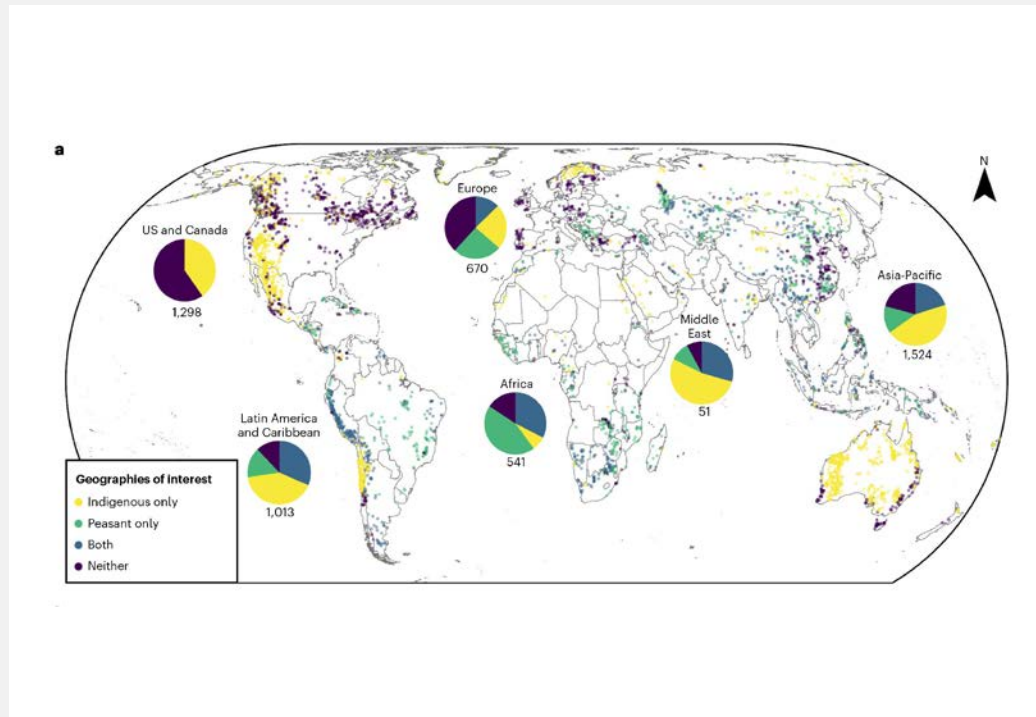
Top ten lithium producers, 2021



Global Reserves of Minerals
Required for Renewable Energy
Technologies Overlaid with
Fragility and Corruption Measures



Distribution of Energy and Transition Minerals and Metals Projects by Indigenous Peoples' and Peasant Land



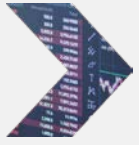
Major Environmental & Social Impacts



Climate change



Infrastructure



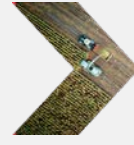
Economic contribution



Labour rights



Employment and wages



Land use and ecosystems



Indigenous, land and resource rights



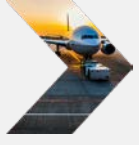
Pollution



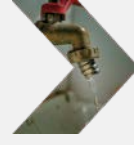
Conflict over resources



Waste management and tailings



In-migration



Water use

Mining lifecycle

There are different financing models for each stage of the mine lifecycle



What is the Investor Role?

Institutional investors have several levers they can use to drive change in the mining value chain:



Capital allocation



Active stewardship with mining companies



Active stewardship with downstream players in the mining value chain



Collaborating with other finance institutions



Policy engagement

Collective Investor Action

Interventions focus on:

- Underlying causes
- Major issues
- Investors have significant influence/role to play



Signal consolidated investor expectations



Facilitate long-term, patient capital across the mining lifecycle



Reflect investor expectations across the entire value chain



Encourage financial intuitions and intermediaries to set high ESG standards



Recognise high standards of performance and positive contributions within ESG frameworks and ratings



Explore development of an investment vehicle to incentives good practice



Engage in policy development

Investors call for action after Brazilian mining disaster

1 FEBRUARY 2019 | BY GAIL MOSS

Business

We must work together to prevent a new dam disaster

Follow ADAM MATTHEWS

10 FEBRUARY 2019 • 6:18PM

Newsmakers February 1, 2019

\$1.3 Trillion Church-led Pension Coalition to Pressure Mines on Dam Safety

After the Brazil dam collapse, a call for mining company investors to insist on better standards.

THE WALL STREET JOURNAL.

WORLD | LATIN AMERICA

Deadly Brazil Mine Accident Puts Waste Dams in Spotlight

The deadly collapse raises questions on whether mining companies are spending enough to build and maintain waste-and-water dams

By Scott Patterson
Jan. 30, 2019 1:53 p.m. ET

fastFT Americas companies + Add to myFT

BHP embraces idea of independent tailings dam monitor after deadly breach

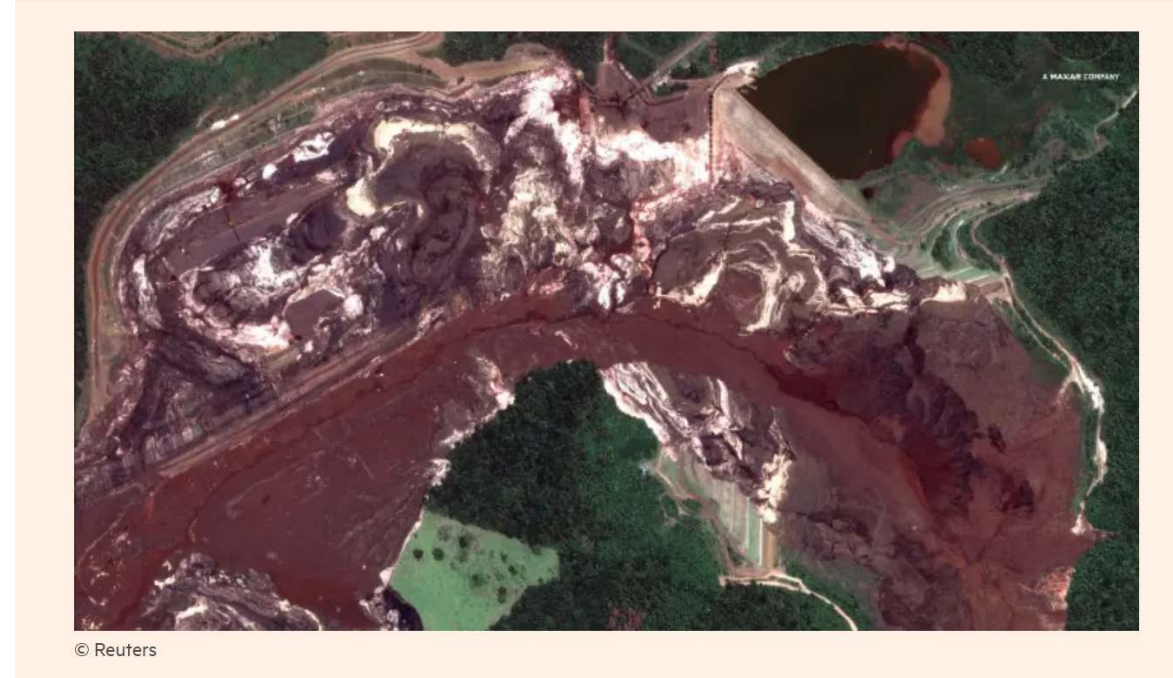
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22 Topic Tracker

Neil Hume FEBRUARY 19, 2019

Church of England and fund managers in dam safety call

Investors with assets of over £1tn call for greater oversight following Brazil disaster



Henry Sanderson in London JANUARY 31, 2019

Initial Industry Response

fastFT **Anglo American PLC**

+ Add to myFT

Anglo American open to more engagement on dam safety, CEO says



BHP urges miners to create global body to oversee tailings dams

[Cecilia Jamasmie](#) | 2 days ago |

fastFT **Rio Tinto PLC**

+ Add to myFT

Rio Tinto ready to back industry-wide response to Brazil dam collapse

Anglo Australian miner says it will 'take part' in any review of disaster

- 45 out of the top 50 largest mining companies in the world responded.
- 86% of the industry by market capitalisation responded.
- 66% of the industry by market capitalisation fully and publicly disclosed.

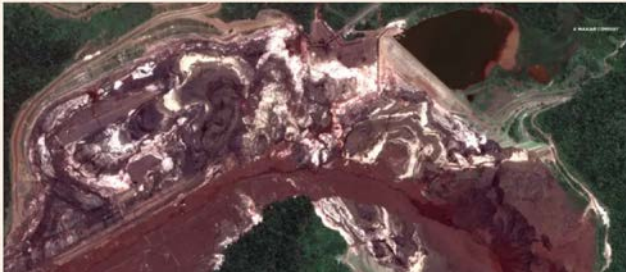


tailing.grida.no



Church of England and fund managers in dam safety call

Investors with assets of over £1tn call for greater oversight following Brazil disaster



chief investment officer
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\$1.3 Trillion Church-led Pension Coalition to Pressure Mines on Dam Safety

After the Brazil dam collapse, a call for mining company investors to insist on better

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Investors call for action after Brazilian mining disaster

1 FEBRUARY 2019 | BY GAIL MOSS

GlobalTailings
Review.org

Global Industry Standard on Tailings Management



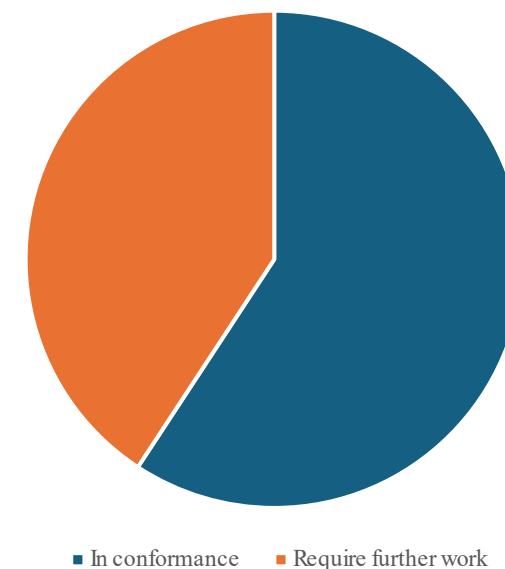
Summary of First Disclosures

ICMM Member Company	Included in Disclosures		Total # of TSFs	Level of Conformance		Independent Verification of Conformance
	Extreme TSFs	Very High TSFs		# TSFs that have been declared as in conformance by companies*	# TSFs that some companies have identified as requiring further work**	
Alcoa	1	11	12	10	2	Yes
African Rainbow Minerals	5	1	6		6	Yes
Anglo American	7	5	12	5	7	No
Anglo Gold Ashanti	9	7	16		16	No
Antofagasta	1	0	1	1		No
Barrick	5	9	14	14		No
BHP	2	20	22	22		No
Boliden	1	1	2		2	No
Codelco	11	0	11	11		No
Glencore	8	7	15		15	Yes
Goldfields	1	3	4		4	No
Hydro	0	3	3	3		No
Freeport	3	0	3	3		Yes
Minera San Cristóbal	No Very High or Extreme TSFs					
MMG	2	1	3		3	Yes
Newcrest	1	8	9		9	No
Newmont	7	4	11	1	10	No
Minsur	No Very High or Extreme TSFs					
Rio Tinto	6	8	14		14	Yes for 6
Orano	1	1	2		2	No
Sibanye-Stillwater	14	8	22	22		No
South 32	0	4	4	4		Yes
Sumitomo Metal Mining	1	1	2		2	No
Tech	3	6	9	4	5	No
Vale	24	17	41	41		Yes
	113	125	238	141	97	

* Some requirements may require further work, but declared as conforming if plans in place to meet requirement ("Meets with a Plan")

** Although some requirements noted as "Partially Meets", most will have plans in place to close identified gaps.

Conformance of Extreme or Very High consequence facilities (238 total)



Disclaimers

- Summary Table may not truly reflect the individual company status of the TSF data provided, given the different impenetrations companies have placed on aspects of their Disclosures and Levels of Conformance
- Readers should conduct their own review and interpretation of the disclosure data provided by the companies, and if necessary, contact the companies directly for any clarifications

Call for Action and Disclosure

- Following Brumadinho disaster Board makes public call for new approach
- \$24 trillion AUM collaborative engagement formed
- Investor public disclosure request issued requiring publication on company websites within 45 days signed by Board Chairs and CEOs
- Board partners with UN to create public global data portal of company disclosures



Create Global Standard & new Norm

- Multi-stakeholder process established by industry, UN and Investors (represented by the Pensions Board)
- Best practice defined through new Standard
- Voluntary commitment by major companies to adopt
- Investors, banks and insurers begin to reinforce commitment by industry



Build Independent Institute

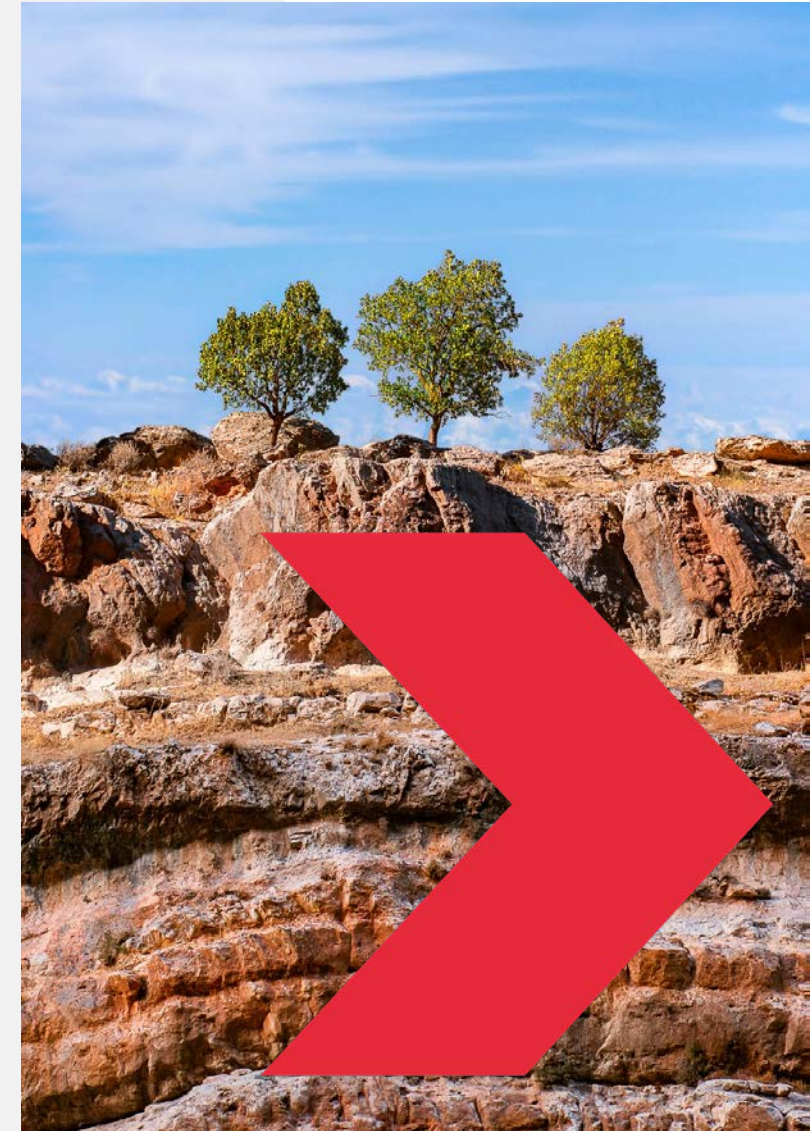
- \$1.5m independent Global Tailings Management Institute to be established in South Africa to oversee audit, compliance and disclosure with Standard
- Multi-stakeholder Institute Governance model agreed
- Technical knowledge sharing and future Standard evolution
- Investors, banks and insurers begin to seek compliance with Standard as risk mitigation to demonstrate full conformance



Integrate into Regulation

- Governments begin to reinforce Global Standard and compliance through regulation (e.g. South Africa and Brazil)
- UN Environment Assembly recognises Standard and need to provide technical support to governments
- Adherence to the Standard to be considered as requirement of future lending, insurance and investment

Strategic Objectives





Thank you

References

Slide 8

ICMM Mining Contribution Index (MCI) 6th edition

Slide 10

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Slide 11

Church C, Crawford A. (2020). Minerals and the Metals for the Energy Transition: Exploring the Conflict Implications for Mineral-Rich, Fragile States. In: Hafner M, Tagliapietra S (eds) The Geopolitics of the Global Energy Transition, Cham: Springer International Publishing, pp 279–304

Owen JR, Kemp D, Lechner AM, Harris J, Zhang R, Lèbre É. (2023). Energy transition minerals and their intersection with land-connected peoples. Nat Sustain, 6, 203–11.

