

- Mining sector vital to low carbon transition but faces systemic ESG challenges.
- Investors concerned that, unless issues addressed, the low-carbon transition and the sector's social licence will be undermined
- Good practice exists within companies but whole sector undermined when events such as Brumadinho and Juukan Gorge occur.
- Need to review growing ESG data proliferation and to consolidate around global Standards and independent site level verification.
- Church of England Pensions Board to lead major investor initiative Mining 2030 to develop investor agenda to drive change & accountability.

A year long global initiative is being launched to define an investor agenda to be achieved by 2030 for the mining sector. The Mining 2030

Investor Agenda will focus on eight systemic issues that could impact the mining sector's social license to operate and disrupt the role mining must play in the low-carbon transition.

Many low-carbon solutions are extremely mineral-intensive and require an increase in output from the mining sector if the world is to achieve net-zero goals. Major disasters like Brumadinho in Brazil that killed 270 people and Juukan Gorge in Australia that destroyed a 46,000 year old heritage site have called into question the ability of the sector as a whole to address systemic challenges. Both events have been catalysts for investors to intervene. Eight issues have been identified that individually or collectively threaten to derail global climate efforts.

An initial series of investor-led roundtables will address eight systemic issues: resources for the transition; deep sea mining; biodiversity and land use; mine waste (tailings) and site closure; climate change; automation and future workforce; Indigenous rights; and artisanal mining and child labour.

Adam Matthews, Chair of Mining 2030 and Chief Responsible Investor of the Church of England Pensions Board, said:

"The role of the mining sector in supporting the low-carbon transition is poorly understood. There is an unavoidable dependency on key minerals that requires significant growth in the mining sector. This is both an opportunity for the sector and also a major risk as eight systemic issues, if not addressed sector-wide, could seriously undermine the global transition.

"Working practically, transparently and in partnership with industry and other stakeholders, as we have on the issue of tailings dams following the Brumadinho disaster, we will develop an investor agenda for fundamental change across the sector to be achieved by 2030. This sector is too important to society and the low carbon transition, and best practice and global standards need to be supported. It will be important to take a hard look at the proliferation of ESG data, and to consolidate around global best practice standards, supported by transparency and independent verification of whether standards are being applied at mine sites, wherever they operate. This will be key to Mining 2030."

John Howchin, Global Ambassador for the Mining & Tailings Safety Initiative and former Secretary General of the Council on Ethics of the Swedish AP Funds, said;

"Investors have shown what can be achieved through determined interventions working with industry and the UN following the Brumadinho disaster. Whilst there remains work still to be completed on this major risk to the mining sector, a global standard on tailings waste exists where one previously did not, a global portal lists disclosures that previously didn't exist and we continue to work with the UN to establish an independent Global Tailings Management Institute that will drive implementation of the Standard, ensuring individual mine site verification of its application. There is an impactful model here that can be replicated on other issues and I look forward to supporting the work of Mining 2030."

Mining 2030 will work with industry, across the wider finance community, the UN and other stakeholders, using a collaborative engagement model to identify the interventions that are needed to address each of the eight issues. Through a series of investor roundtables to be held throughout the year, investors will identify existing global standards and best practice, investigate the potential for alignment across the investment, insurance and banking sectors, and determine which interventions investors should support in a Mining 2030 Investor Agenda. A

key focus of Mining 2030 will be to review existing ESG data, the potential for consolidation, and new insights aimed at a timely and resilient transition.

Mining 2030 builds on the lessons learnt by investors through engagement with the sector following the 2019 Brumadinho disaster in Brazil. The establishment of the Investor Mine Tailings and Safety Initiative, convened by the Church of England Pensions Board and the Council on Ethics of the Swedish National AP Funds, led to a series of interventions focused on driving transparency and creating a Global Tailings Standard. The initiative is now working with the UN to establish an Independent Global Tailings Institute to promote sector-wide adoption of the standard.

The first Mining 2030 Investor Roundtable on 'Critical Mineral Supply Chains' will be held on Monday 28th March. Investors will hear from experts at the World Bank, the International Energy Agency, and Benchmark Mineral Intelligence to examine the demand and supply of the minerals needed by society and for the low-carbon transition.

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