

Mining and Sustainability – Working Together

United Nations Commission on Sustainable Development
New York, Friday April 9, 2010



ICMM member companies

Australia

BHP Billiton

Lihir Gold

MMG

South Africa

African Rainbow Minerals

AngloGold Ashanti

Gold Fields

Brazil

Vale

Switzerland

Xstrata

Canada

Barrick

Goldcorp

Teck

United Kingdom

Anglo American

Lonmin

Rio Tinto

Japan

Mitsubishi Materials

Nippon Mining & Metals

Sumitomo Metal Mining

United States

Freeport-McMoRan Copper & Gold

Newmont

ICMM member associations

Americas

Cámara Argentina de Empresarios Mineros
Cámara Asomineros Andi - Colombia
Cámara Minera de México
Cámara Minera de Venezuela
Consejo Minero de Chile A.G.
Instituto Brasileiro de Mineração - Brazil
Mining Association of Canada
National Mining Association - USA
Prospectors and Developers Association of Canada
Sociedad Nacional de Minería - Chile
Sociedad Nacional de Minería, Petróleo y Energía – Peru

Africa

Chamber of Mines of South Africa
Mining Industry Associations of Southern Africa

Europe

Eurometaux
Euromines

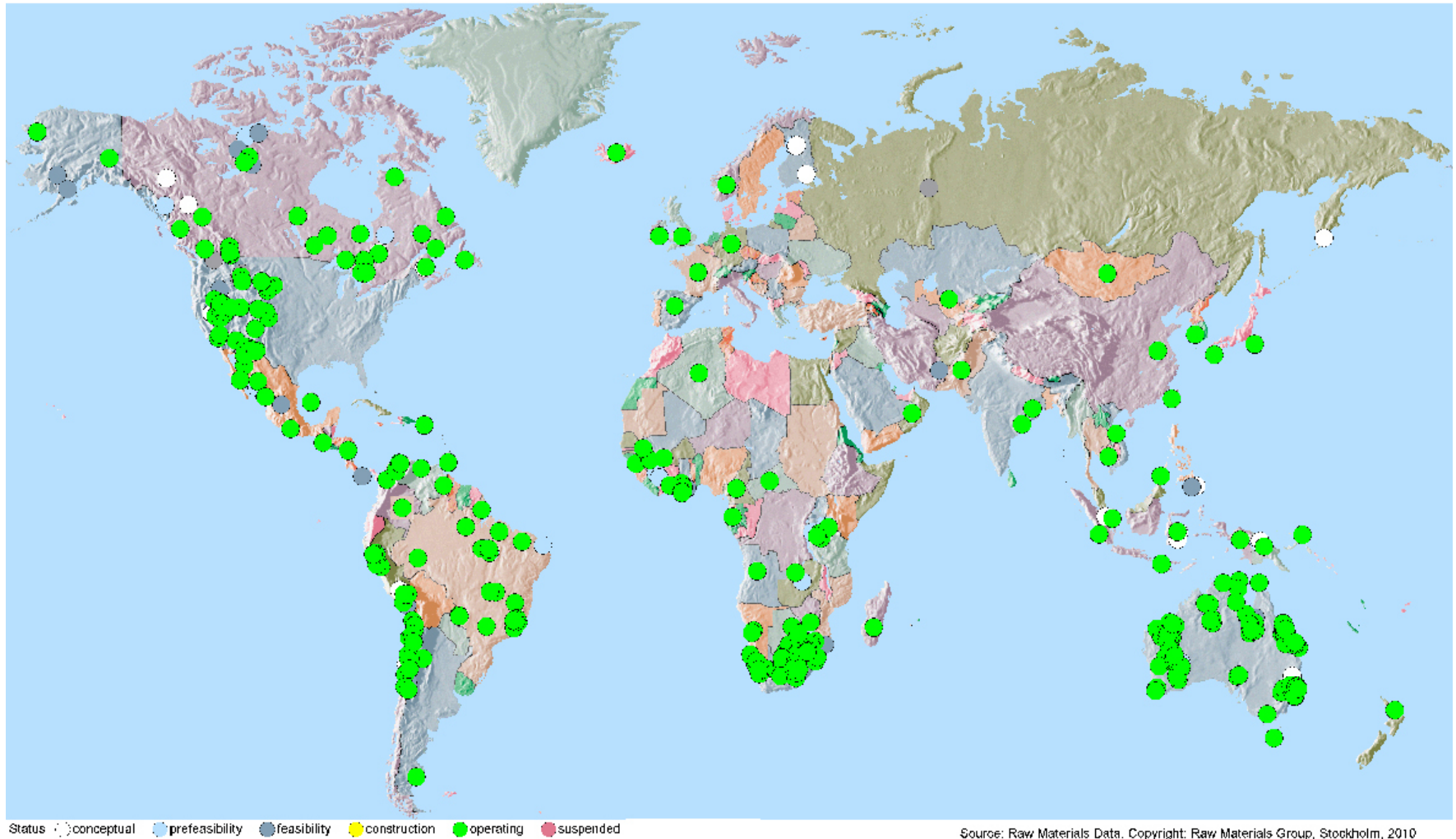
Asia-Pacific

China International Mining Group
Federation of Indian Mineral Industries
Indonesian Mining Association
Japan Mining Industry Association
Minerals Council of Australia

Commodity Associations

Cobalt Development Institute
International Aluminium Institute
International Copper Association
International Lead Association
International Molybdenum Association
International Wrought Copper Council
International Zinc Association
Nickel Institute
World Coal Institute
World Gold Council

Location of member operations



Over 500 sites in 59 countries

Key Trends

1. People
2. Environment
3. Mining and Metals
4. Collaboration

Key Trends - People

- ❑ pressing need to address poverty, nutrition and health, particularly in emerging nations
- ❑ enhanced involvement of local interests in decision-making
- ❑ growing concern about respecting indigenous peoples' values and concerns
- ❑ increased demand for transparency
- ❑ increased focus on respecting human rights
- ❑ ongoing conflict in weak governance zones

Key Trends - Environment

- growing concerns about maintaining ecosystem integrity
- growing emphasis on water, energy, biodiversity
- continuing concerns about climate change

Key Trends – Metals and Mining

- ❑ worldwide consumption of key mined commodities UP;
- ❑ demand in emerging economies UP;
- ❑ increased dependence on metals to support a shift to a “green” economy;
- ❑ increased role of developing regions in mineral production;
- ❑ growing role of mining in the developing countries’ economies;
- ❑ growing pressure to ensure consistency in the application of standards within countries, between countries, across the industry from small to large players;
- ❑ increased efforts to deal with artisanal and small scale mining – on its own and in relationship to large scale mining

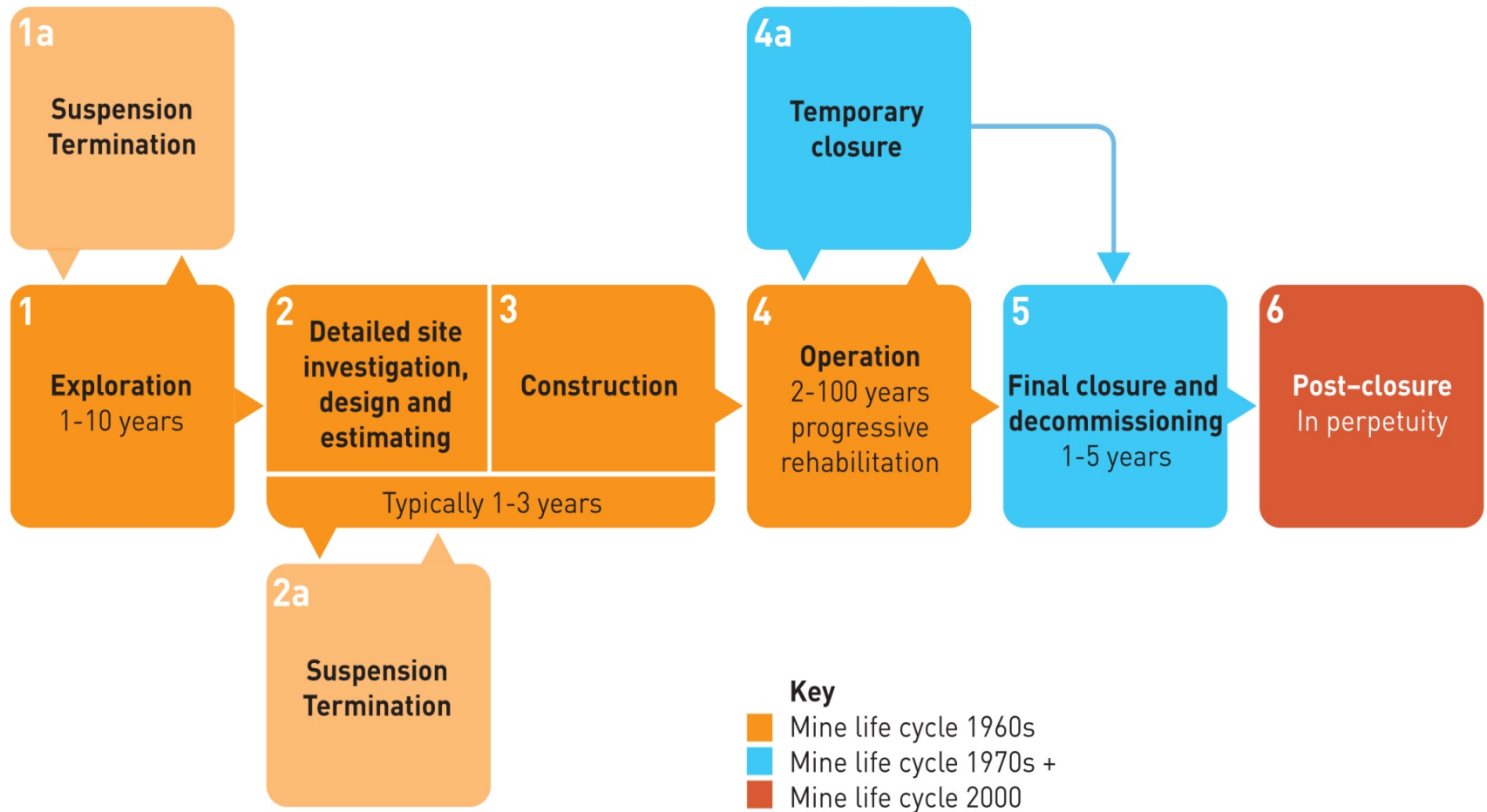
Key Trends - Collaboration

- ❑ growing formal recognition that no one party can do it alone;
- ❑ delineating a fair distribution of benefits, costs, risks and responsibilities;
- ❑ gaining the capacity and skills needed to do so (all).

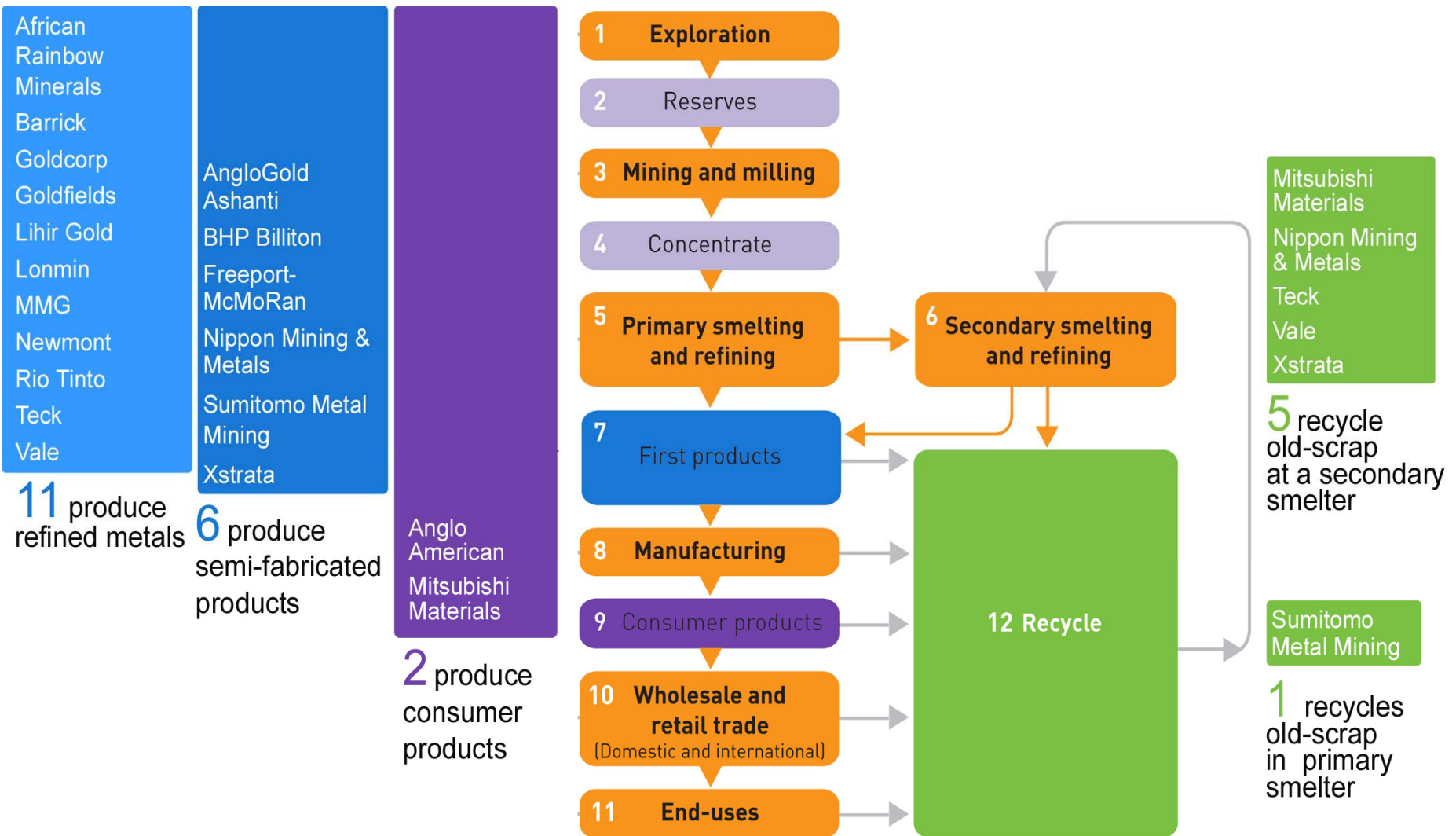
Understanding the System

1. Mine Project Life Cycle
2. Metals and Minerals Life Cycle
3. Ripple Affect
4. Communities of Interest

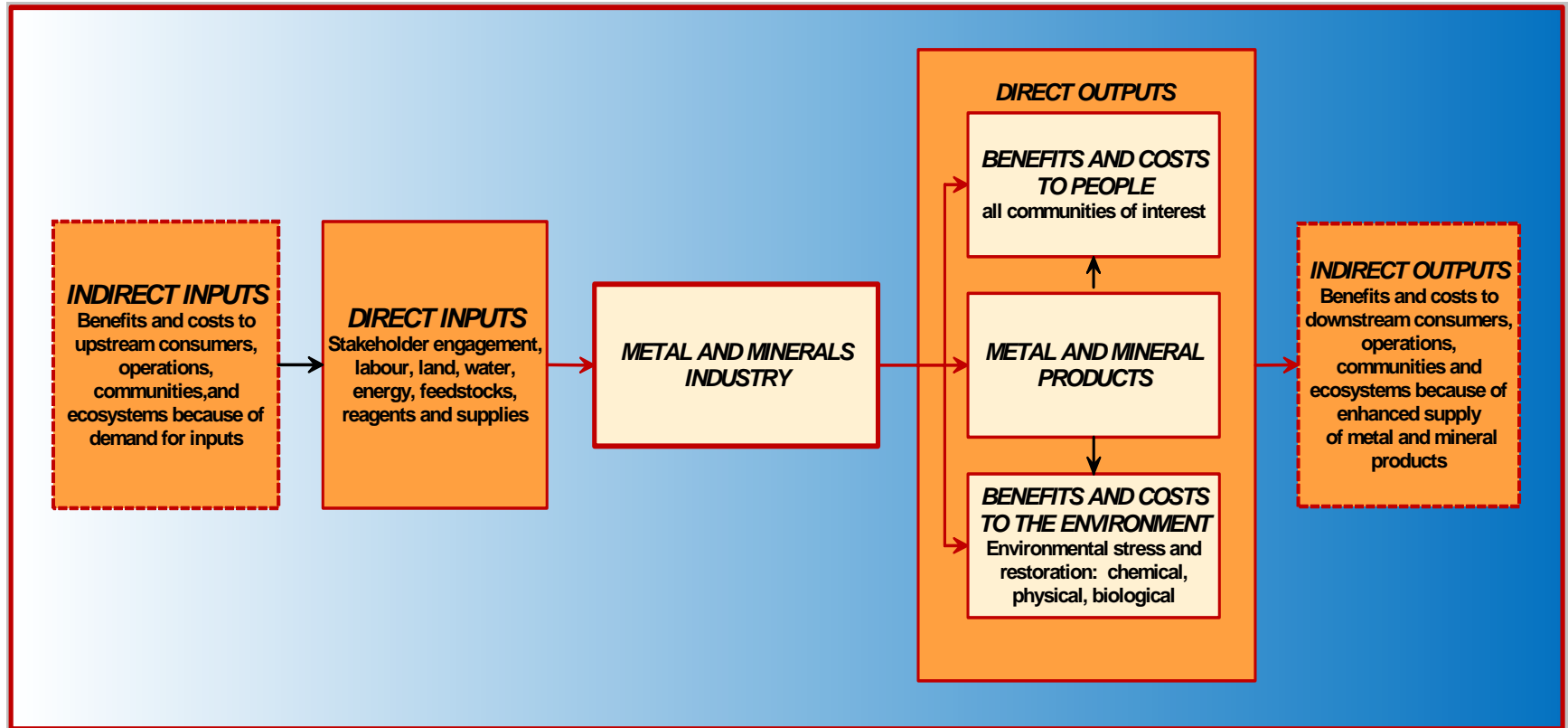
Mine project life cycle



Metals and minerals life cycle



Ripple Affect



Interests important to mining

INDUSTRY: MINING COMPANIES (JUNIOR TO MAJOR), INVESTORS, LABOUR, SERVICE PROVIDERS, ASSOCIATIONS

GOVERNMENT: LOCAL, REGIONAL, NATIONAL, INTERNATIONAL

INDIGENOUS PEOPLES AND THEIR ORGANIZATIONS, MINING AFFECTED COMMUNITIES

END USERS, ORIGINAL EQUIPMENT MANUFACTURERS, CONSUMERS

CIVIL SOCIETY ORGANIZATIONS

ACADEMIC, LEARNING, AND R & D SUPPORT

What is SD leadership?

Leadership: walking the talk – a public statement of sustainability commitments supported by actions that deliver on the public promise of the CEO



Leadership: addressing both what (the substance) and how (the process) it is done

ICMM member commitments

10 Principles for Sustainable Development + 7 Position Statements

1. Implement ethical business practices and apply good corporate governance
2. Integrate SD in corporate decision-making
3. Uphold fundamental human rights
4. Manage risks based on sound science
- 5/6. Improve environment, health and safety performance continuously
7. Conserve biodiversity & conduct integrated land use planning
8. Apply materials and product stewardship
9. Contribute to community development
10. Publicly report, independently assure and engage openly and transparently

Mining and Protected Areas

Mining: Partnerships for Development

Climate Change

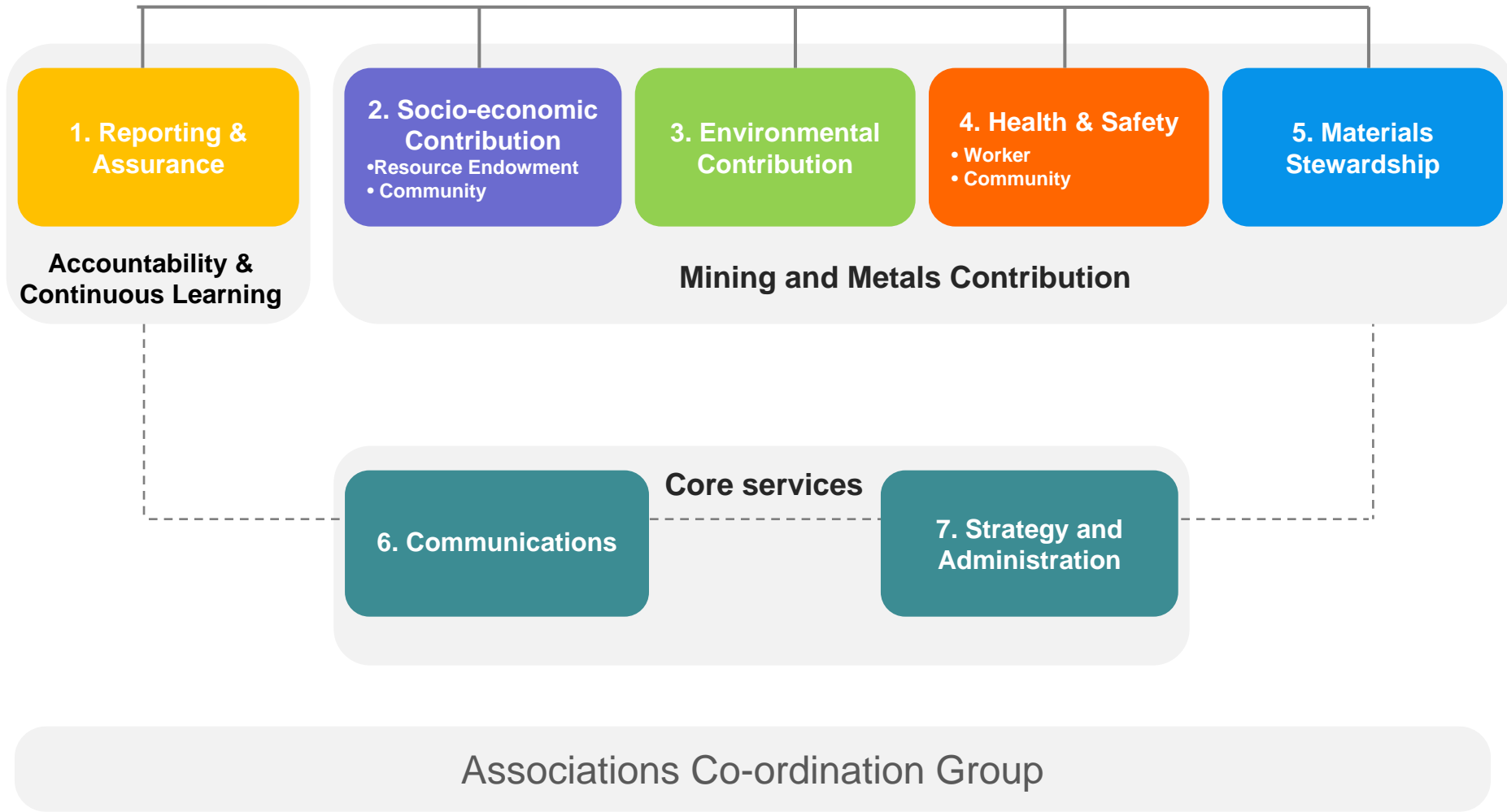
Mining and Indigenous Peoples

Mercury Risk Management

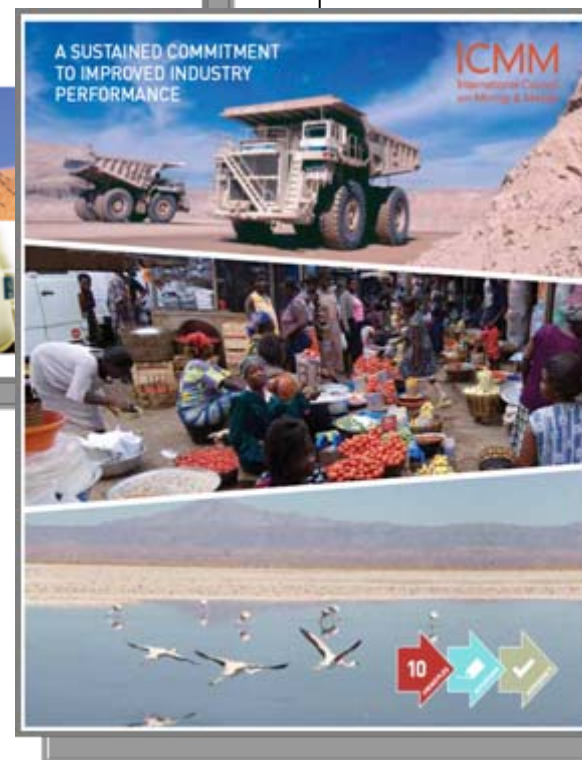
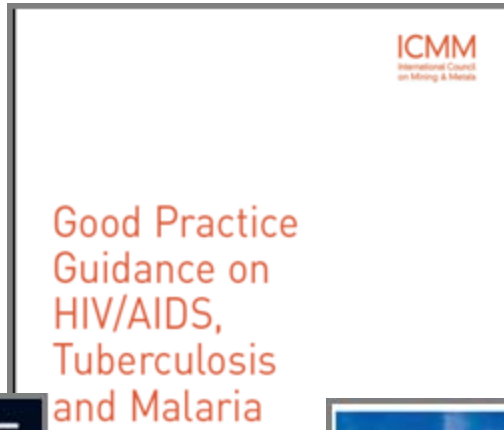
Transparency of Mineral Revenues

Mineral Resources and Economic Development

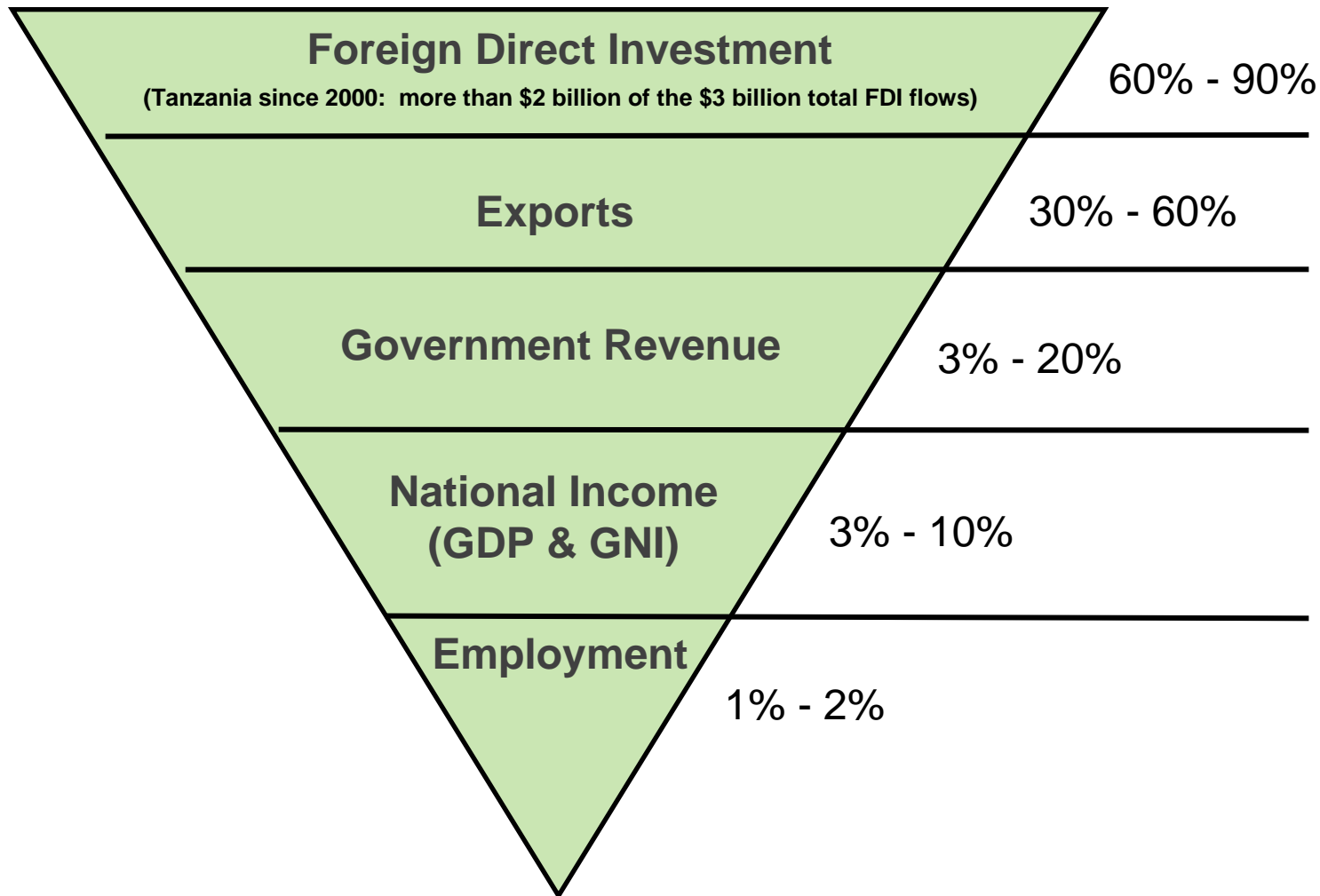
ICMM Programs



ICMM Publications



Mining's macroeconomic contribution

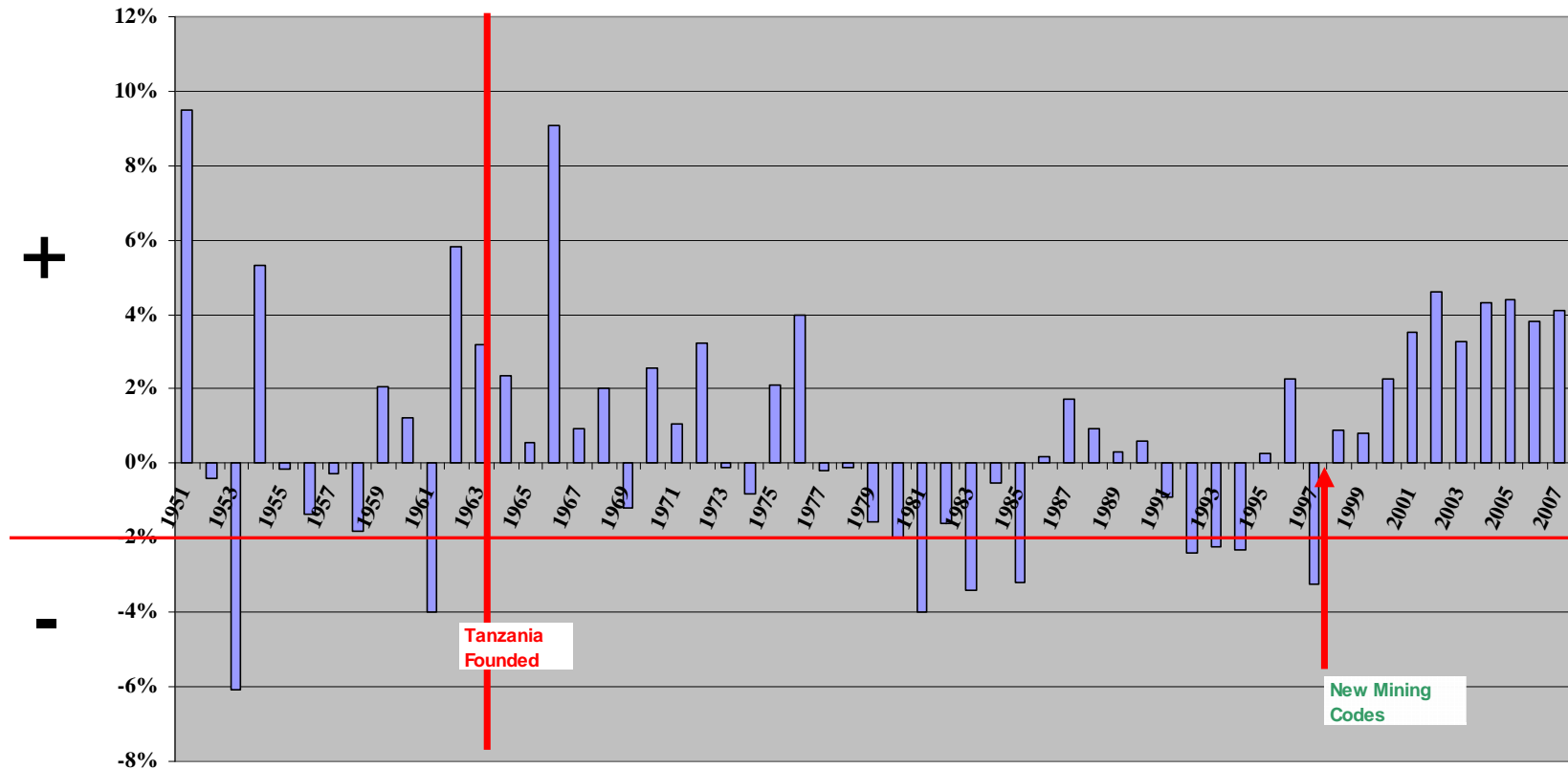


Tanzania – The Sharing of Mining Revenues

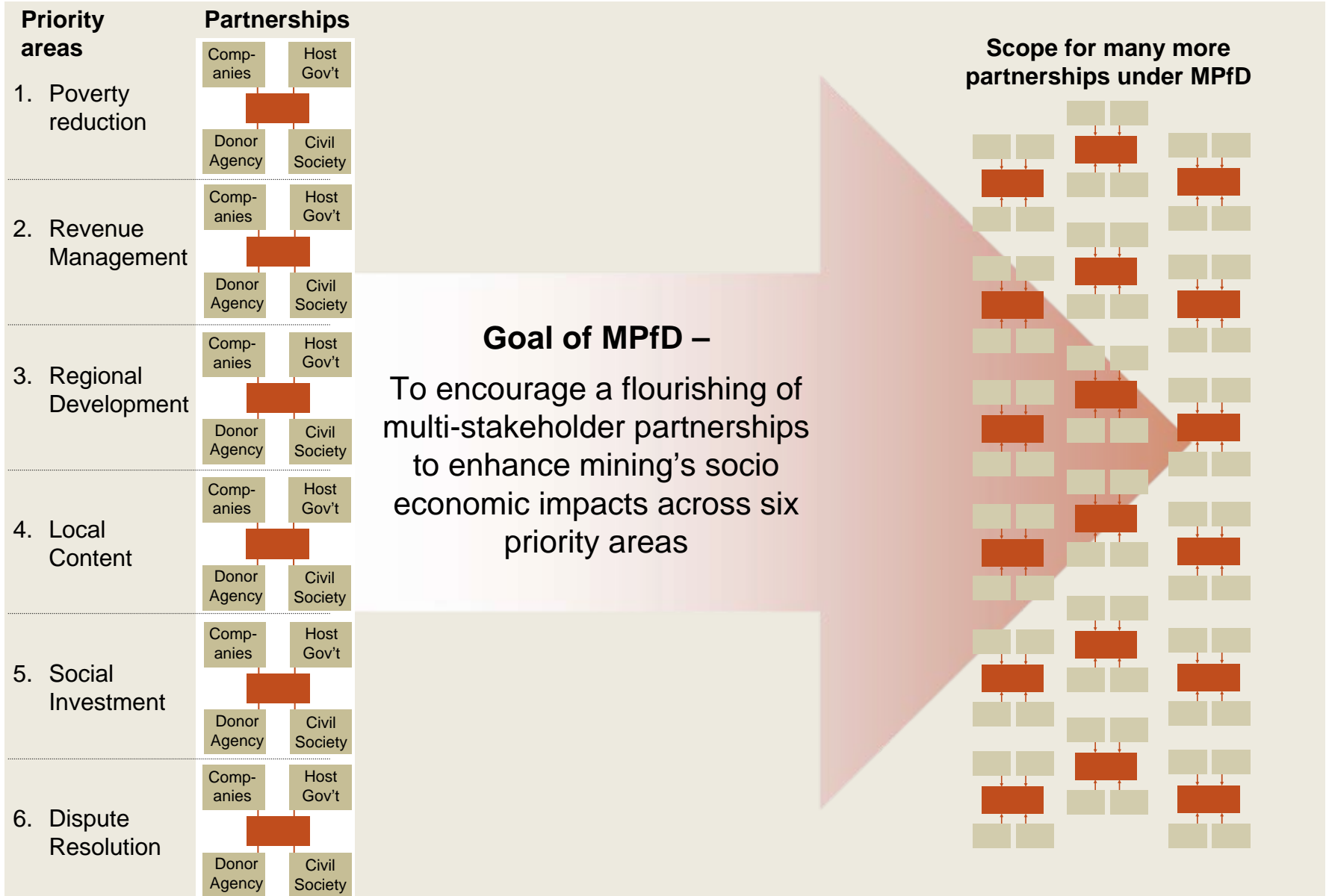
Estimated to total \$25 billion - 1999-2034 from existing 6 mines.

| | |
|--------------------------------|-----|
| Production costs | 57% |
| Government taxes and royalties | 15% |
| Shareholders | 11% |
| Loans and interests | 10% |
| Capital investment | 7% |

TANZANIA GDP: per capita growth (1950-2007)



Overall goal of 'Mining: Partnerships for Development'



Progress, Lessons and Future Directions

Overarching

1. Systems perspective: mine life cycle, mineral life cycle, ripple affect, interests
2. Overall contribution to human and ecosystem wellbeing

Process

3. Engagement; collaboration
4. Transparency and accountability
5. Human rights

Progress, Lessons and Future Directions

Substance

6. Fair distribution of benefits, costs, risks and responsibilities
7. Indigenous people
8. Worker Health and Safety
9. Community health and well-being
10. Artisanal and small scale mining

Progress, Lessons and Future Directions

Substance

11. Climate change
12. Biodiversity
13. Integrated materials management
14. Post-closure implications
15. Consistency in standards and performance: within countries, between countries, across the industry from juniors to majors

For further information
please contact:

R. Anthony Hodge
anthony.hodge@icmm.com
www.icmm.com