



## Global Investor Commission on Mining 2030

26<sup>th</sup> April 2023

Dear Colleague,

I would like to invite your fund to become a formal supporter of the Global Investor Commission on Mining 2030 with the option to be consulted on the outcomes of the Commission. There is also an opportunity for a limited number of funds to become members of the Global Steering Committee of the Commission.

The Global Investor Commission was launched earlier this year at the London Stock Exchange with the support of the United Nations, the Principles for Responsible Investment (PRI), the Australian Council for Superannuation Investors (ACSI), supporting statements from the Chief Executives of BHP, Rio Tinto and Anglo American as well as the Archbishops of Canterbury and Cape Town and Brumadinho community activist Angelica Andrade.

The Commission is a critical intervention in a vital sector that needs investor engagement if mining is to play the role needed of it by society and the global energy transition. Responsible mining can be a positive contributor to development in many countries. However, mining when it goes wrong can also be a force for conflict impacting people, communities and the environment. A key question is if the significant growth in demand for transition minerals will leave a positive legacy in the countries from where it is extracted. For investors the mining sector has a disproportionately important role to achieving our own goals and many of the other sectors we are invested in. Governments are also increasingly realising the strategic importance of mining most recently underlined by statements from the G7.

Below I have detailed:

- **What the context is for the Commission**
- **Why Investors should support the Commission**
- **How Investors can support the Commission**
- **Next Steps for the Commission**

If after considering this invitation you have any questions or would like to become a Supporter of the Commission or more substantially involved in the Steering Committee please do not hesitate to contact the Commission Secretariat at [info@mining2030.org](mailto:info@mining2030.org).

Thank you for your consideration of this invitation.

A handwritten signature in cursive script, appearing to read "Adam Matthews".

**Adam C.T. Matthews**  
Chair  
Global Investor Commission on Mining 2030



## Global Investor Commission on Mining 2030

### What is the context for the Commission

- **The mining sector is critical to society and the low carbon transition**  
Projected growth in demand for transition and other related minerals for the low carbon transition will require both expansion of existing mines as well as development of new mine sites. Even with significantly increased recycling, substitution of key minerals for other minerals and greater efficiency of mineral usage there is no path to net zero without very considerable expansion of mining.
- **Mismatch between demand and investment required to match required expansion**  
There is increasing evidence of a lack of medium to long term mineral supply chain security for key dependent sectors such as auto manufacturers and other renewable sectors.
- **Concentration Risk**  
With increasing scramble for transition minerals for supply chains with governments and companies seeking to secure mineral rights and processing capacity, there is concern at concentration risk posed by limited mineral processing outside of a limited number of countries.
- **Outsized impacts on communities and the environment**  
The implications of increased production brings many environmental and social challenges to the fore. Good practice and leadership exists in mining but responsible mining practice needs to be sector wide and not limited to individual companies. Recent controversies such as the Brumadinho tailings dam disaster and the destruction of Juukan Gorge a 46,000 year old heritage site reflect some of the recent challenges faced by the industry.
- **Mining can drive conflict**  
Mining occurs in many conflict prone areas of the world and can be a driver or cause of existing or future conflict.

Taken together these challenges call for a considered and comprehensive response from investors informed by key stakeholders.

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## Global Investor Commission on Mining 2030

### Why Investors Should Support the Commission

- **Mining is systemically important to our portfolios**
  - **Multiple important sectors are dependent on what is mined:** Whilst often representing a relatively small percentage of a diversified portfolio mining has disproportionate importance. Key sectors are dependent on mining including: agriculture, autos, aviation, big tech, cement, construction, manufacturing, steel and shipping to name but a few.
  - **Mining can be a force for sustainable development:** Mining can be vital to driving infrastructure and development in key economies especially developing and emerging economies (e.g. ports, railways, shipping, communications and other related infrastructure).
  - **Investor net zero targets are dependent on mining:** Key sectors decarbonisation is dependent on transition minerals and in turn our own portfolio transition targets and risk mitigation is dependent on the success of mining being able to supply the necessary transition minerals.
- **Social License of Mining extends to those that own / finance mining companies**
  - **Outsized Social Impacts:** When mining goes wrong it not only impacts the community and environment of the incident, it calls into question the social license of the company, sector and those that are the **ultimate owners - investors**. We all share responsibility.
  - **Legal action as a result of disasters impacts social licence:** Increasing legal action exposes significant risk (e.g. \$46B BHP class action as a result of Mariana) and such actions are likely to increase in frequency.
  - **Mining does and will increasingly operate in conflict prone areas:** Without effective stewardship of companies there is enormous potential for increased conflict. A significant percentage of the transition producing mines are located next to or on land belonging to indigenous or First Nations peoples.
  - **Investors will be judged on the role they play in supporting a Just Transition:** The Just Transition calls investors to engage with the impacts on communities producing commodities that will not be part of the transition.

#### Investors are uniquely placed to convene and have the levers to drive impact

- **Evidence of tangible impact from Investor Action.** Following the Brumadinho disaster investors working with industry and wider stakeholders have shown they can drive tangible change through stewardship – setting Global Standards, creating accountability through disclosures, building global Institutions and catalysing alignment across the finance sector.

In short investor convening power used well can be catalytic to systemic real world change, to the benefit of our beneficiaries' interests and wider society.

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## Global Investor Commission on Mining 2030

### How Investors can support the Commission

There are three ways that investors can be involved in the work of the Commission. These are:

- **Commission Investor Supporter**

Your fund would be listed as a *Supporter of the Global Investor Commission*.

A named representative of your fund would be provided with the opportunity to be consulted at key points on emerging thinking. You would not need to respond to the consultation but would be made aware of emerging insights. It is anticipated that there will be three themed interim reports before a final report of the Commission.

To become a Supporter is intentionally light touch and requires the following:

- Confirmation of your fund name, AUM and logo (for listing on the supporters page on the Mining 2030 website).
- The option to provide a short statement of your support for the Commission.
- A named contact for consultation on Commission outputs (you will not be expected to respond to consultations unless you wish to).

- **Global Investor Steering Committee Member**

The Steering Committee is overseeing the work of the Commission and will be the recipient of the Commission outcomes. The Steering Committee comprises both Asset Owners (confirmed Asset Owners include: Church of England Pensions Board, Swedish AP Funds, USS, Brunel Pension Partnership) and Investment Managers.

Members of the Steering Committee will have the option to be Commission Members. The time commitment of a Steering Committee Member will be monthly meetings before moving to bi-monthly meetings as the Commission becomes fully operational. There are a limited number of places open to investors to join the Steering Committee and particular emphasis is placed upon diversity of geography and fund type in appointments.

To become a Steering Committee Member requires the following:

- Senior representative (can be different people for each role) to attend the Investor Steering Committee and if desired to be a member of the Commission.
- Confirmation of fund AUM, logo to appear on the Steering Committee website and a short statement of support.
- A one time financial contribution to support the work of the Commission. Asset Owners contribution is £20k and Investment Managers £30k.

- **Global Investor Commission Member**

In addition to Steering Committee Members in attendance at the Commission, a limited number of Commissioners will be appointed from the investment community. Please see the separate guidance on the website for how to apply to be a Commission Member.

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# Global Investor Commission on Mining 2030

## Next Steps for the Commission



The Commission work plan will be conducted over a 15-18 month period beginning in June and has the following Phases:

**Phase 1:**

- **Landscape:** Review of the future landscape for mining identifying the supply and demand, growth of the industry and key geographic locations.  
**Aim: To establish a baseline understanding / picture of the growth expected across the industry.**
- **Critical Issues:** Using the results from the landscape review, critical issues and challenges for the sector will be identified.  
**Aim: To establish an understanding of relevant issues that intersect with mining operations including operating in conflict prone areas.**
- **Standards & Infrastructure:** Once the key issues have been identified, an assessment of the relevant standards and good practice, initiatives underway to consolidate standards, to determine where investors should consolidate support, align or where there are gaps.  
**Aim: To clearly map Standards to the critical issues and identify gaps in standards and implementation infrastructure.**

**Phase 2:**

- **Investing in Mining:** Review and dialogue on the way investors interact with the Mining Sector.  
**Aim: To consider if how we invest, finance and steward the mining sector are incentivising long term sustainable best practices.**

**Phase 3:**

- **Implementation:** A plan for investors on how to use the outcomes of the process and engage with the sector will be developed.  
**Aim: To achieve an alignment of commitment from Investors, Banks and Insurers.**

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